

Appendix 5B

Mining Exploration Entity Quarterly Report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

TRAFFORD RESOURCES LIMITED

ABN

93 112 257 299

Quarter ended ("current quarter")

31 December 2013

Statement of Cash Flows

		Current quarter	Year to date (6 months)
		\$A'000	\$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(570)	(1,788)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(342)	(648)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	6
1.5	Interest and other costs of finance paid	(2)	(3)
1.6	Income taxes paid	-	-
1.7	Other – gain on disposal of in specie distribution and R&D rebate	-	-
	Net Operating Cash Flows	(913)	(2,433)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	(31)
	(c) other fixed assets	(7)	(13)
1.9	Proceeds from sale of: (a) prospects	250	250
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	36	45
1.12	Other (provide details if material)	-	-
	Net investing cash flows	279	251
1.13	Total operating and investing cash flows (carried forward)	(634)	(2,182)

1.13	Total operating and investing cash flows (brought forward)	(634)	(2,182)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	701	701
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	-	(36)
	Net financing cash flows	701	665
	Net increase (decrease) in cash held	67	(1,517)
1.20	Cash at beginning of quarter/year to date	158	1,742
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter (refer note below)*	225	225

* Cash at the end of quarter excludes liquid investments.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	200
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payment of directors' fees, salaries and superannuation to the directors for the quarter ended 31 December 2013.

Non-cash Financing and Investing Activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing Facilities Available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

Estimated Cash Outflows for next Quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	-
4.3 Production	-
4.4 Administration	300
Total	500

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	18	10
5.2 Deposits at call	207	148
5.3 Bank overdraft	-	-
5.4 Other – Term Deposits	-	-
Total: cash at end of quarter (item 1.22)	225	158

Changes in Interests in Mining Tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased	E59/1910	Exploration licence	0%	100%

Issued and Quoted Securities at end of Current Quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	-	-		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	119,522,975	119,522,975		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	5,840,870 2	5,840,870 2	12.00 cents 30.00 cents	12.00 cents 30.00 cents
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	450,000 2,919,633 22,450,961 4,511,000 500,000	- 2,919,633 22,450,961 - -	Exercise Price 11.03 cents 30.00 cents 20.00 cents - 25.00 cents	Expiry date 10 March 2014 13 October 2014 20 May 2015 31 October 2015* 31 October 2015
7.8 Issued during quarter	4,511,000 500,000 2,920,461	- - -	- 25.00 cents 20.00 cents	31 October 2015* 31 October 2015 20 May 2015
7.9 Exercised during quarter	2	2	30.00 cents	13 October 2014
7.10 Cancelled during quarter	2,000,000	-	56.00 cents	28 November 2013
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

* Performance share rights issued pursuant to Trafford Incentive Scheme.

Compliance Statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 31 January 2014
(Director / Company Secretary)

Print name: Neil McKay

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Australian Mining Tenements As at 31 December 2013

Interests in mining tenements relinquished, reduced or lapsed during the quarter

None.

Interests in mining tenements acquired or increased during the quarter

EL59/1910 - Twin Peaks located in Western Australia was granted during the quarter.

Interests in mining tenements at the end of the quarter

South Australia Tenement Schedule			
Exploration License No	Tenement Name	Registered Holder	Beneficial Interest %
4286	Valley Dam	Trafford Resources Limited	100%
5299	Wilcherry Hill	Trafford Resources Limited	100%
5164	Eurilla Dam	Trafford Resources Limited	100%
4421	Peterlumbo	Trafford Resources Limited	100%
4748	Mt Miccollo	Trafford Resources Limited	100%
4443	Mt Double North	Trafford Resources Limited	100%
4870	Pinkawillinie	Trafford Resources Limited	100%
4945	Reid Lookout	Trafford Resources Limited	100%
4946	Siam	Trafford Resources Limited	100%
4942	Irra Outstation (Jumbuck)	Trafford Resources Limited	100%
4943	Garford Outstation West	Trafford Resources Limited	100%
4944	Garford Outstation East	Trafford Resources Limited	100%
5098	Wildingi Claypen	Trafford Resources Limited	100%
5018	Tallaringa	Trafford Resources Limited	100%
5168	Indooroopilly	Trafford Resources Limited	100%
5282	Hilga Crutching Shed	Trafford Resources Limited	100%
5283	Mt Christie	Trafford Resources Limited	100%
5284	Commonwealth Hill	Trafford Resources Limited	100%
5285	Ingomar	Trafford Resources Limited	100%
4465	Isthmus	Trafford Resources Limited	100%
5183	Campfire Bore	Challenger Gold Operations Pty Ltd, Coombedown Resources Pty Ltd	51% rights to the gold
5298	Mulgathing	Challenger Gold Operations Pty Ltd	51% rights to the gold
4577	Sandstone JV	Challenger Gold Operations Pty Ltd, Coombedown Resources Pty Ltd	51% rights to the gold
4468	Jumbuck	Challenger Gold Operations Pty Ltd	51% rights to the gold
4532	Mobella	Challenger Gold Operations Pty Ltd	51% rights to the gold
4644	Sandstone	Challenger Gold Operations Pty Ltd	51% rights to the gold
4951	Blowout	Challenger Gold Operations Pty Ltd	51% rights to the gold

South Australia Tenement Schedule			
Mining Lease No	Tenement Name	Registered Holder	Beneficial Interest %
6390	Wilcherry Hill	IronClad Mining Limited	20% of iron ore

Western Australia Tenement Schedule			
Exploration License No	Tenement Name	Registered Holder	Beneficial Interest %
E45/2375	Lynas Find	Trafford Resources Limited	80% rights to the gold
P45/2628	Lynas Find	Trafford Resources Limited	100%
P45/2629	Lynas Find	Trafford Resources Limited	100%
P45/2764	Lynas Find	Trafford Resources Limited	100%
P45/2765	Lynas Find	Trafford Resources Limited	100%
P45/2766	Lynas Find	Trafford Resources Limited	100%
P45/2767	Lynas Find	Trafford Resources Limited	100%
P45/2768	Lynas Find	Trafford Resources Limited	100%
P45/2769	Lynas Find	Trafford Resources Limited	100%
P45/2770	Lynas Find	Trafford Resources Limited	100%
P45/2771	Lynas Find	Trafford Resources Limited	100%
P45/2772	Lynas Find	Trafford Resources Limited	100%
P45/2773	Lynas Find	Trafford Resources Limited	100%
E59/1910	Twin Peaks	Trafford Resources Limited	100%
E51/1451	Moorarie Rocks	Independence Group NL	Earning 51% rights to iron ore
E52/2657	Moorarie Rocks	Independence Group NL	Earning 51% rights to iron ore
E52/2684	Moorarie Rocks	Independence Group NL	Earning 51% rights to iron ore
E52/2685	Moorarie Rocks	Independence Group NL	Earning 51% rights to iron ore
E59/1182	Twin Peaks	Jabiru Metals	Earning 51% rights to iron ore
E59/1183	Twin Peaks	Jabiru Metals	Earning 51% rights to iron ore

* P Prospecting Licence
E Exploration Licence