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**QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B  
FOR THE QUARTER ENDING 30 JUNE 2014**

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International Goldfields Limited (ASX: IGS) (“IGS” or “the Company”) is pleased to provide the following commentary and Appendix 5B for the quarter ending 30 June 2014.

**HIGHLIGHTS**

- **Significant Exploration Success in Brazil**
  - **Over 25% increase to strike length of União Prospect with extension drilling assay results demonstrating potential for increase to resource estimation, including significant increase in oxide resource potential**
  - **Higher grade gold assays than current resource model returned from in-fill drilling for planned metallurgical testwork at the Ana Prospect**
- **Brazil JV Advances Mining Permit Applications**
- **Sale of 100% of tenements in Fraser Range to Segue**
- **Significant milestone for IGS investment in Santa Fe Gold Corporation through Canarc Resources strategic partnership**

**GOLD EXPLORATION ACTIVITY****BRAZIL**

The Ouro Paz Gold Project is located in the state of Mato Grosso, Brazil, held in Joint Venture (Ouro Paz JV) with Brazil-based operator Biogold Investment Fund. The Ouro Paz Gold Project is host to a maiden Mineral Resource Estimation (MRE) of 3.4M tonne Measured & Indicated Resource averaging 2.55g/t gold, and a 5.1M tonne Inferred resource averaging 2.48g/t gold for a total of 690,000oz Au of contained metal as announced on 19 December 2013.

**Summary of Exploration Activity and results during the reporting period:**

- The União Prospect Diamond drilling program completed 1,770m in 18 holes of the proposed 6,000m program with several initial drill tests of new targets completed along with early drilling to offset and increase confidence of current mineral resource estimation.

As announced on 23 June 2014, the offset drilling completed extends surface extent of mineralisation at the União Prospect by 25% and returns higher grade gold intercepted within the Ana PF resource estimate. Better Intercepts Include;

**BOARD**

Michael Edwards  
Non-Executive Chairman

Travis Schwertfeger  
Managing Director

David Tasker  
Non-Executive Director

**COMPANY SECRETARY**

Jane Flegg

**REGISTERED OFFICE**

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**AUSTRALIAN BUSINESS NUMBER**

69 099 544 680

**SHARE REGISTRY**

Advanced Share  
Registry Services Pty Ltd  
110 Stirling Hwy  
Nedlands WA 6009

**MEDIA CONTACT**

Tony Dawe  
PPR

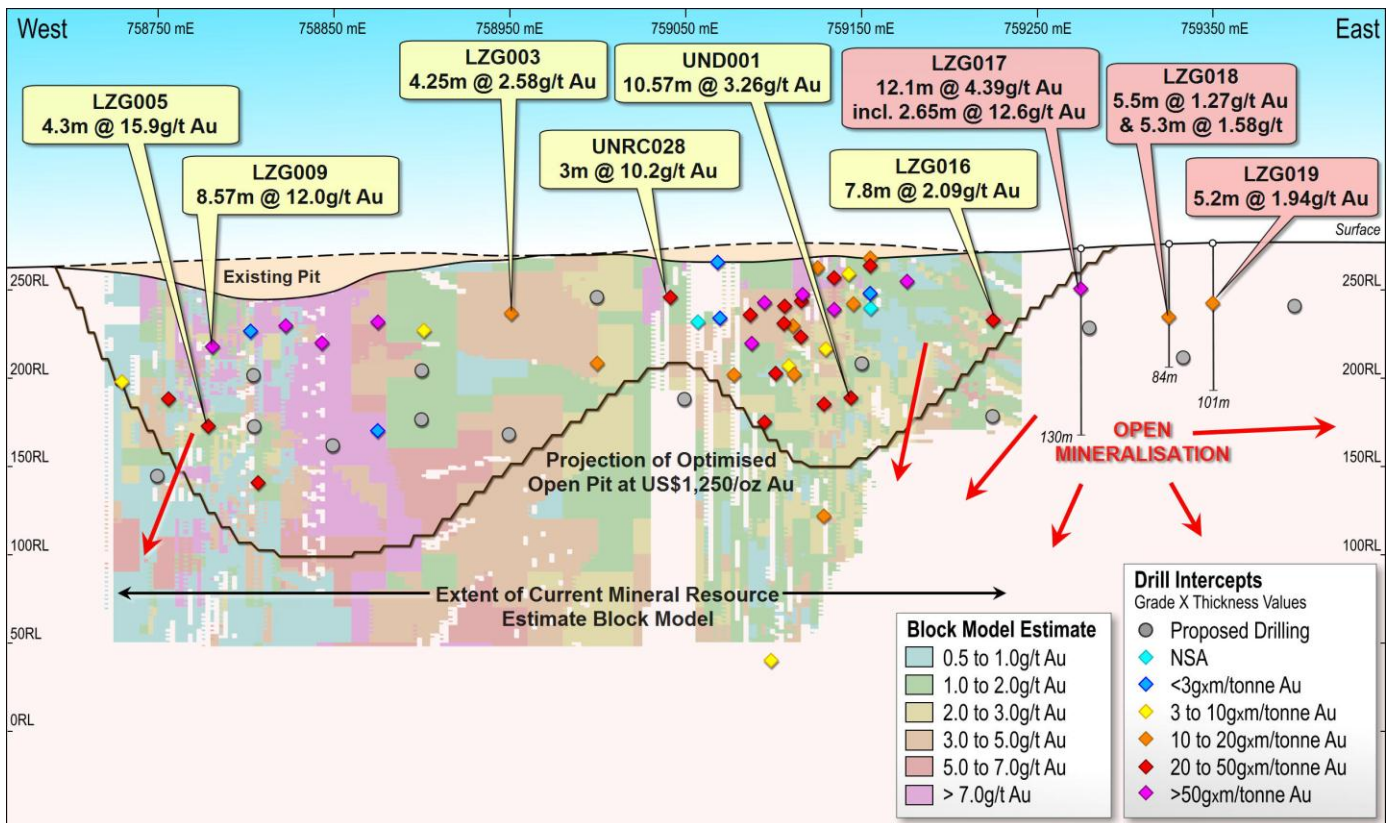
T: 08 9388 0944  
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**ASX CODE**

IGS

- **12.1m @ 4.39g/t Au** from 24.9m, including **2.65m @ 12.59g/t Au**  
– Hole LZG017
- **5.5m @ 1.27g/t Au** from 22m, and **5.3m @ 1.58g/t Au** from 49.25m  
– Hole LZG018
- **13.6m @ 10.5g/t Au** from 50m, including **4.63m @ 26.5g/t Au**, and **8m @ 5.2g/t Au** from 67m  
– Hole ANA026

Refer ASX Announcement of 23 June 2014 for Full Results



**Figure 1: União Prospect - longitudinal east-west oriented vertical cross section, projection of mineralised intercepts with grade multiplied by drilled thickness values at a 0.5g/t Au cut-off projected on current mineral resource estimation block model.**

- Ground Geophysics completed at the Ana and Porteira M prospect areas.

The Ouro Paz JV completed a portion of an ongoing ground geophysical campaign using spectral induced polarisation / resistivity geophysical method (IP).

As announced on 22 May 2014, two lines of IP have been completed proximal to the Ana Prospect area totalling 2.9 line-km of survey (Refer to Figure 2 for locations). The two survey lines, LT08 and LT09 have identified broad low level chargeable anomalies associated with favourable lithology that suggests potential for disseminated style mineralisation. Further compilation and interpretation work is in progress and an exploration plan will be developed to drill test the IP Geophysical anomalies as part of this year's diamond drill program.

An additional 6 line-km of IP survey work was also completed at the Porteira M Prospect within a two kilometre long corridor of surface gold anomalism identified for initial drill testing in soil and rock chip sampling campaigns, where sampling of mineralised quartz veining and altered wall rock material has returned 3.99g/t Au from a shallow test pit (MT-01). Additional quartz veining and quartz breccia material located over 500m west of MT-01 has returned 7.60g/t Au and 2.94g/t Au respectively. An additional historical test pit located 200m east of MT-01 is host to silicified quartz breccia returning a value of 13.28g/t Au. (Refer to announcement of 22 May 2014)

The results of the IP survey has identified several geophysical anomalies and has been utilised to refine drill targeting when integrated with geological mapping and surface geochemistry datasets and multiple targets for initial drill testing have been identified.

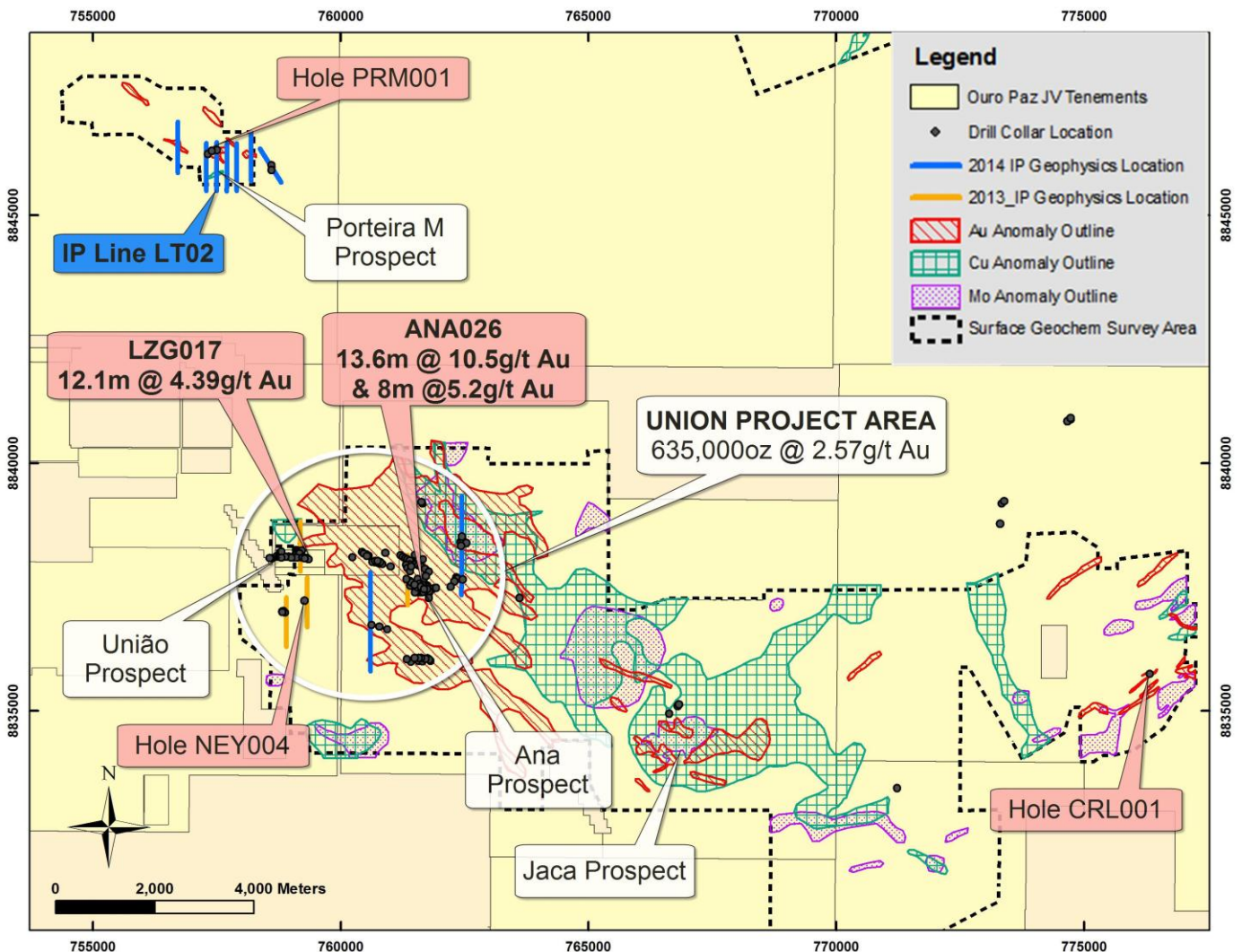
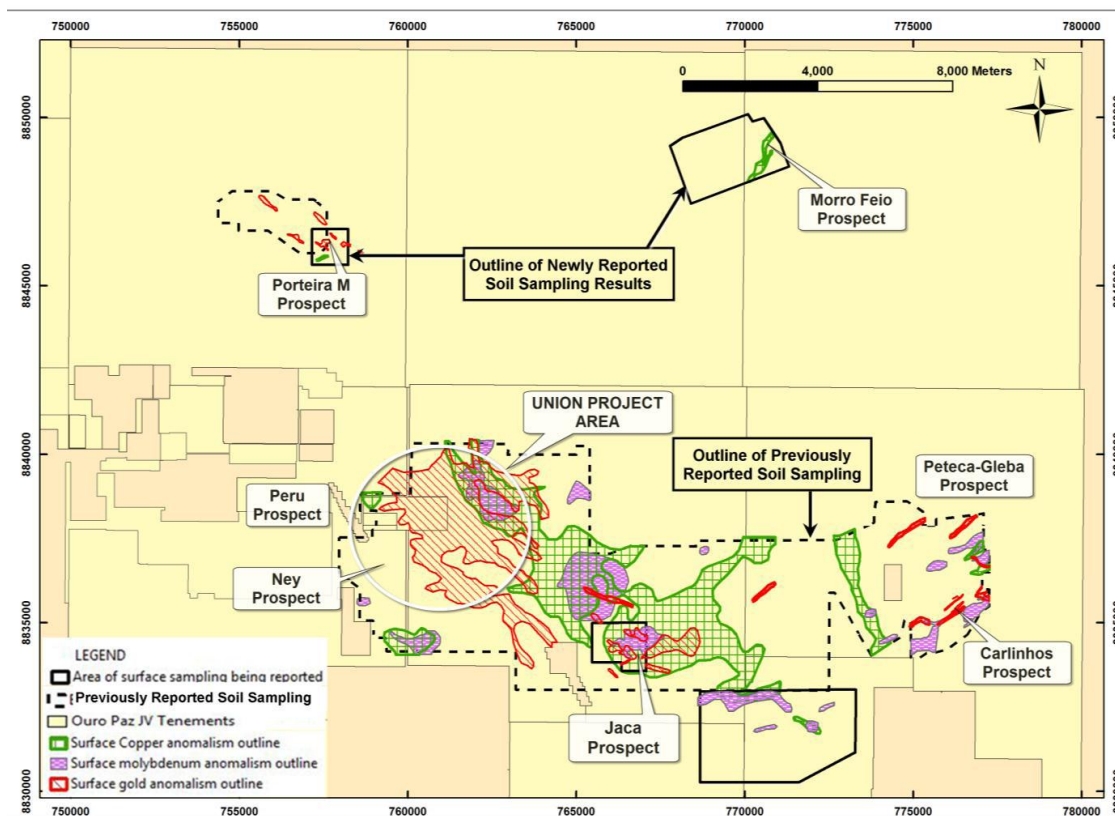


Figure 2: IP Ground Geophysical Survey location map on surface geochemistry outlines with drill collar locations.

- Surface soil surveys completed on the Porteira M and Morro Feio Prospects and both in-fill and extension soil survey work completed on significant gold-copper anomalism at the Jaca Prospect area.

As announced on 22 May 2014:-

- 1) Porteira M soil survey totalled 117 samples and is located approximately 8km north of the União Resource, and is host to several rock chip samples exceeding 1g/t Au, including up to 13.28g/t Au hosted in shallow historical Garimpo (Artisanal workings) test pits and multiple zones of gold anomalism in soil geochemistry, which combined with surface rock chip geochemistry, extends surface anomalism for over 2km along a sub-parallel trend to the west-northwest trending structural corridor that hosts mineral resource estimations 8km to the south.
- 2) The Morro Feio soil survey totalling 497 soil samples identified a narrow northeast trending Copper anomaly that correlates with historic drilling and matches the orientation of the structural fabric in the area. The narrow copper anomaly is defined with strong continuity of anomalous results across seven lines of soil sampling.
- 3) Jaca Prospect; soil survey totalled 555 samples collected in two campaigns of in-fill and extension surface sampling on the existing Au-Cu-Mo surface anomaly identified at Jaca in previously reported soil sampling campaigns. The surface anomalism highlights a conceptual Au-Cu target in the Jaca Prospect region, however in-fill soil sampling and planned IP geophysics will focus on elevated gold anomalism that has an analogous east-west trending structural setting to the existing mineral resource estimation areas located less than 6km to the northwest.



**Figure 3: Ouro Paz JV Extent of Surface Soil Geochemistry Results with outline of Cu-Au-Mo Anomalism and Union Project Location with Prospect Locations**

- Rock Chip sampling and geological mapping completed on the Porteira M, Morro Feio, Peixoto West and Boneca regional target areas.

Surface gold anomalies were identified at the Peixoto West, Porteira M and Boneca Prospect areas that were followed up with trenching to better expose mineralisation and allow for representative sampling to better quantify mineralisation potential. 645 Rock chips and trench samples were submitted for analysis during the reporting period.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement dated 19 December 2013 and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

### **Mining Permit Applications**

Resource Estimation reports on all tenements host to the Ouro Paz JV's Maiden MRE have been accepted by Brazil's National Department of Mineral Production ("DNPM") finalising the approval process to make application for mining tenure in Brazil and initiating the environmental permitting process.

Acceptance of the final exploration reports is the initial step in the staged process of application for a mining licence in Brazil. The Ouro Paz JV is currently targeting to advance the application for mining licence process with submission of an 'Economic Use Plan' ("PAE") before the end of 2014. The PAE is expected to be completed in conjunction with a planned pre-feasibility study by the Ouro Paz JV which will focus on early extraction of oxide ore material by low-capex heap leach operations, and allow for further development of sulphide material that demonstrates good recoveries by conventional CIL processing in preliminary metallurgical studies.

A PAE has already been filed on the tenement that is host to the União Prospect mineral resource estimation. The current PAE, which would allow for start-up of heap leach operations targeting up to 100,000 tonne per annum mining, has been accepted by the DNPM.

The environmental permitting process required for issue of a Mining Licence in Brazil is currently advancing, with an application for the environmental licence ("LP") already filed with the Mato Grosso State Agency; Secretaria Estado do Meio Ambiente ("SEMA"), which is responsible for licensing, compliance and regulation of environmental affairs for the Ouro Paz JV Project. SEMA completing its initial field inspections in April and the Ouro Paz JV is actively working with SEMA to advance the permitting process.

**Table 1: Summary Table of Ouro Paz JV applications for Mining Licence**

Tenement ID	State	Municipality	Original Area (ha)	Mining Application Area (ha)	Status
866.353 /2003 (Carrapato)	MT	Peixoto de Azevedo	35	35	Mining Application – PAE Filed and being analysed by SEMA for environmental authorisation (LP)
866.357 /2005 (Ney)	MT	Nova Santa Helena / Peixoto De Azevedo / Terra Nova Do Norte	8720	6250	Mining Application – Final Exploration report approved by DNPM
866.377 /2005 (Ana)	MT	Nova Santa Helena / Peixoto De Azevedo / Terra Nova Do Norte	9273	7398	Mining Application – Final Exploration report approved by DNPM
866.688 /2009 (União)	MT	Peixoto de Azevedo	200	200	Mining Application – Final Exploration report approved by DNPM
866.322/ 2005 (Pe Quente)	MT	Peixoto de Azevedo	9870	7067	Mining Application – Final Exploration report approved by DNPM

## EXPLORATION PROPOSED

Exploration activities proposed for the next 3 month period are:

- Continue with diamond drill program in Brazil with focus on drilling to increase confidence in current resource estimation and resource extension drilling for continued growth.
- Complete Geotechnical review and pit slope stability reporting for prospects currently host to mineral resource estimation.
- Additional Metallurgical test work on the União and Ana Prospect areas in support of pre-feasibility report targeted for completion in late 2014.
- Complete induced polarity-resistivity (IP) ground geophysics program, targeting completion of 40 to 42 line-km of IP geophysics survey across multiple targets, with focus on better defining resource extension targets in the September quarter.

## CORPORATE ACTIVITY

### Sale of Plumridge Tenements

During the quarter the Company finalised the completion of the sale its four Plumridge exploration tenements in the Fraser Range Province of Western Australia to Segue Resources Limited. As consideration IGS has received 50 million Segue shares and \$300,000 in cash, and retains a 1% net smelter royalty from any mineral production by the Plumridge Gold Pty Ltd subsidiary wholly owned by Segue.

### Santa Fe Gold Update

IGS currently holds 9.3m common shares and \$4m in convertible notes in Santa Fe, in addition to approx. \$400,000 of accrued interest on the convertible notes.

Subsequent to quarter end Santa Fe Gold Corporation (OTCQB: SFEG) ("Santa Fe"), announced it had entered into a strategic partnership with Canarc Resource Corp. (CCM: TSX and CRCUF: OTC-BB) ("Canarc").

The key terms of the strategic partnership between Santa Fe and Canarc are;

- Santa Fe to issue 66m shares of its common stock to Canarc and Canarc to issue 33m of its common stock to Santa Fe. Upon consummation of the Share Exchange, Santa Fe will own approximately 17% of Canarc's outstanding shares and Canarc will own approximately 34% of Santa Fe's outstanding shares.
- Santa Fe's senior secured creditors, Waterton Global Value, L.P. ("Waterton"), Sandstorm Gold Ltd. and Sandstorm Gold (Barbados) Ltd. ("Sandstorm") have entered into respective agreements that demonstrate that they are supportive of the share exchange transaction and that they are amenable to restructuring collectively approximately \$20m of Santa Fe debt;
- Santa Fe has entered into a "best-efforts" Placement Agreement with an investment bank with which Canarc and Endeavour Silver (NYSE:EXK, TSX:EDR) ("Endeavour")(a strategic partner Company of Canarc) have enjoyed a long standing relationship, pursuant to which it will place an estimated \$22m of 8% Gold Bonds Due in 2018 that are redeemable in cash or gold ETF;

ENDS

FOR FURTHER INFORMATION, PLEASE CONTACT:

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***Competent person statements:***

*The information included in this report that relates to Exploration Results is based on information compiled by Travis Schwertfeger, B.Sc, M.Sc., MAIG, a competent person who is a member of the Australian Institute of Geoscientists. Mr. Schwertfeger is a full-time employee of the Company in the role of Managing Director for International Goldfields Ltd, with a related party holding securities in International Goldfields. Mr Schwertfeger has worked as a geologist in regional exploration, mine evaluation, resource estimation and mineral production roles for over 15 years in precious and base metal deposits. Mr. Schwertfeger has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Travis Schwertfeger consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information extracted from the report entitled 'Maiden Resource Estimate of 690,000 oz Gold - Ouro Paz Joint Venture, Mato Grosso, Brazil' created on 19 December 2013 and appended with the report entitled 'Additional information for the Ouro Paz Joint Venture Mineral Resource Estimation and Scoping Study' created 31 December 2013 and is available to view on [www.intgold.com.au](http://www.intgold.com.au). Material from the referenced reports that relates to project costs and parameters of Mineral Resource Estimation is based on and fairly represents, information and supporting documentation compiled under the overall supervision and direction of Porfirio Cabaleiro Rodriguez B.Sc., MAIG, a competent person who is a member of the Australian Institute of Geoscientists and is an associate consultant with Coffey Consultoria e Serviços Ltda on a contract basis and holds no direct or indirect interest in the Gleba-União (Ouro Paz) Gold Project of Cia. Mineradora Ouro Paz S/A and does not beneficially own, directly or indirectly, any securities of International Goldfields Ltd or any associate or affiliate of such company. Mr Rodriguez is as a professional engineer with more than 34 years of relevant experience in Resource and Reserve estimation, involving mining properties in Brazil, including among others; iron ore, gold, and copper mineralisation. Mr. Rodriguez has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.*

*The information extracted from the report entitled 'Maiden Resource Estimate of 690,000 oz Gold - Ouro Paz Joint Venture, Mato Grosso, Brazil' created on 19 December 2013 and appended with the report entitled 'Additional information for the Ouro Paz Joint Venture Mineral Resource Estimation and Scoping Study' created 31 December 2013 and is available to view on [www.intgold.com.au](http://www.intgold.com.au). Material from the referenced report that relates to Mineral Resource Estimation is based on information compiled by Leonardo de Moraes Soares B.Sc., MAIG, a competent person who is a member of the Australian Institute of Geoscientists and a full time employee of Coffey Consultoria e Serviços Ltda and holds no direct or indirect interest in the Gleba-União (Ouro Paz) Gold Project of Cia. Mineradora Ouro Paz S/A and does not beneficially own, directly or indirectly, any securities of International Goldfields Ltd or any associate or affiliate of such company. Mr Soares has over 11 years of relevant experience in Resource and Reserve estimation, involving mining properties in Brazil, including, among others; iron ore, gold, and copper mineralisation. Mr. Soares has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.*

*The information extracted from the report entitled 'Maiden Resource Estimate of 690,000 oz Gold - Ouro Paz Joint Venture, Mato Grosso, Brazil' created on 19 December 2013 and appended with the report entitled 'Additional information for the Ouro Paz Joint Venture Mineral Resource Estimation and Scoping Study' created 31 December 2013 and is available to view on [www.intgold.com.au](http://www.intgold.com.au). Material from the referenced report that relates to Exploration Results supporting Mineral Resource Estimation, Scoping Study, and mineral resource estimate underpinning the production target is based on information compiled by Mario Conrado Reinhardt MAIG, a competent person who is a member of the Australian Institute of Geoscientists. Mr. Reinhardt is contract employee as Senior Geologist for Biogold Investment Fund and is Exploration Manager of CIA Ouro Paz Mineradora S.A. and holds an indirect interest in the Gleba União Gold Project of Cia. Mineradora Ouro Paz S/A but does not beneficially own, directly or indirectly, any securities International Goldfields Ltd. Mr Conrado has worked as a consultant in regional exploration, mine evaluation and mine development for over 30 years in precious and base metal deposits. Mr. Reinhardt has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.*

#### **Forward Looking Statement:**

*Statements regarding plans with respect to the Company's mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.*



**ASX Additional Information for Quarterly Report to 31 March 2014**
**SCHEDULE OF MINING TENNEMENTS**

Tenement ID	Location	Interest Acquired during quarter	Interest Disposed during quarter	Beneficial Interest Sold during quarter	Interest Held at end of quarter	Comments
E28/1475	Western Australia			65%	35%	<i>The four Western Australia tenement's are subject to a Sale Agreement with Segue Resources Limited with 65% interest transferred during reporting period, and final 35% interest were transferred to Segue subsequent to reporting period</i>
E39/1118	Western Australia			65%	35%	
E39/1117	Western Australia			65%	35%	
E39/1084	Western Australia			65%	35%	
866003/2005	Mato Grosso, Brazil			na	33%	
866006/2005	Mato Grosso, Brazil			na	33%	
866127/2005	Mato Grosso, Brazil			na	33%	
866187/2005	Mato Grosso, Brazil			na	33%	
866217/2005	Mato Grosso, Brazil			na	33%	
866240/2005	Mato Grosso, Brazil			na	33%	
866249/2005	Mato Grosso, Brazil			na	33%	
866250/2005	Mato Grosso, Brazil			na	33%	
866267/2005	Mato Grosso, Brazil			na	33%	
866275/2005	Mato Grosso, Brazil			na	33%	
866286/2005	Mato Grosso, Brazil			na	33%	
866294/2005	Mato Grosso, Brazil			na	33%	
866313/2005	Mato Grosso, Brazil			na	33%	
866322/2005	Mato Grosso, Brazil			na	33%	Tenement 866.377 had a 28% reduction in size from 9,870ha to 7,067ha during the June quarter period
866338/2005	Mato Grosso, Brazil			na	33%	
866349/2005	Mato Grosso, Brazil			na	33%	
866353/2003	Mato Grosso, Brazil			na	33%	
866357/2005	Mato Grosso, Brazil			na	33%	Tenement 866.357 had a 23% reduction in size from 8,720ha to 6,250ha during the June quarter period
866375/2005	Mato Grosso, Brazil			na	33%	
866377/2005	Mato Grosso, Brazil			na	33%	Tenement 866.377 had a 20% reduction in size from 9,273ha to 7,398ha during the June quarter period
866398/2005	Mato Grosso, Brazil			na	33%	
866407/2005	Mato Grosso, Brazil			na	33%	
866429/2004	Mato Grosso, Brazil			na	33%	
866435/2005	Mato Grosso, Brazil			na	33%	
866447/2005	Mato Grosso, Brazil			na	33%	

866452/2005	Mato Grosso, Brazil	na	33%
866475/2005	Mato Grosso, Brazil	na	33%
866633/2009	Mato Grosso, Brazil	na	33%
866655/2008	Mato Grosso, Brazil	na	33%
866668/2012	Mato Grosso, Brazil	na	33%
866673/2005	Mato Grosso, Brazil	na	33%
866688/2009	Mato Grosso, Brazil	na	33%
866773/2011	Mato Grosso, Brazil	na	33%
867121/2012	Mato Grosso, Brazil	na	33%
867122/2012	Mato Grosso, Brazil	na	33%
867123/2012	Mato Grosso, Brazil	na	33%
867124/2012	Mato Grosso, Brazil	na	33%
867125/2012	Mato Grosso, Brazil	na	33%
867126/2012	Mato Grosso, Brazil	na	33%
867128/2012	Mato Grosso, Brazil	na	33%
867129/2012	Mato Grosso, Brazil	na	33%
867130/2012	Mato Grosso, Brazil	na	33%
867142/2012	Mato Grosso, Brazil	na	33%
867143/2012	Mato Grosso, Brazil	na	33%
867144/2012	Mato Grosso, Brazil	na	33%
867145/2012	Mato Grosso, Brazil	na	33%
867148/2012	Mato Grosso, Brazil	na	33%

## 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

INTERNATIONAL GOLDFIELDS LIMITED

ABN

69 099 544 680

Quarter ended ("current quarter")

30 June 2014

#### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(637)	(1085)
(b) development	-	-
(c) production	-	-
(d) administration	(100)	(613)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	4
1.5 Interest and other costs of finance paid	-	(23)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(737)</b>	<b>(1,717)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) Subsidiary -Plumridge	300	300
(b) equity investments	-	104
(c) other fixed assets	27	50
(d) Data in regards to prospects	-	25
1.10 Loans to other entities (Santa Fe)	-	(1,090)
1.11 Loans repaid by other entities	-	-
1.12 Other – refund of tenement bonds	-	116
<b>Net investing cash flows</b>	<b>327</b>	<b>(495)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(410)</b>	<b>(2,212)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(410)	(2,212)
	<b>Cash flows related to financing activities</b>		
1.14a	Proceeds from issues of shares, options, etc	-	-
1.14b	Shares to issue	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	200	1,120
1.17	Repayment of borrowings	(200)	(200)
1.18	Dividends paid	-	-
1.19	Other - Capital raising costs	-	-
	<b>Net financing cash flows</b>	-	920
	<b>Net increase (decrease) in cash held</b>	(410)	(1,292)
1.20	Cash at beginning of quarter/year to date	620	1,502
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	210	210

- Subsequent to the end of the Quarter the Company has received \$455k in disposal of assets

**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	44
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors' salary

**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

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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

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+ See chapter 19 for defined terms.

**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		
3.2	Credit standby arrangements		

**Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	200
4.2	Development	-
4.3	Production	-
4.4	Administration	85
<b>Total</b>		<b>285</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated 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	183	593
5.2 Deposits at call	27	27
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>210</b>	<b>620</b>

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+ See chapter 19 for defined terms.

## Appendix 5B Mining exploration entity quarterly report

### 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	866322/2005 866357/2005 866377/2005	Brazil Tenements, partial reductions 28% reduction in size 23% reduction in size 20% reduction in size	33% 33% 33%
6.2	Interests in mining tenements acquired or increased			

\*Full details of the Group's tenement holdings are set out in the attached Schedule of Mining Tenements

### 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	<b>Preference securities</b> (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>*Ordinary securities</b>	671,669,556	671,669,556	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	26,482,500	26,482,500	
7.5	<b>*Convertible debt securities</b> (Convertible Notes)			

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>	14,000,000 37,100,000 5,000,000	- - -	<i>Exercise price</i> \$0.08 \$0.01 \$0.03	<i>Expiry date</i> 31/12/2015 30/09/2016 30/09/2016
7.8	Issued during quarter	14,850,640	-	\$0.03	30/06/2017
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>				
7.12	<b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

## 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 July 2014  
(Company secretary)

Print name: Jane Flegg

## 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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