

For Release 29 July 2011

Finders Resources Limited

# Quarterly Activities Report June 2011



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# HIGHLIGHTS



## ■ **Wetar Copper Project**

- Key Mining Permits Awarded
- Positive Bankable Feasibility Study
  - 9 year mine life producing 150,000t LME Grade A copper cathode
  - Capital cost US \$155.4m
  - Operating Costs (C1) US \$1.09/lb Cu
  - NPV<sub>10</sub>: US \$304m, IRR 62%
- Bank mandate for US \$138m facility signed with Standard Bank plc, Credit Suisse AG and Barclays Capital

## ■ **Ojolali Gold-Silver Project**

- Leach test results suggest excellent potential for leaching the Jambi oxide deposit with average 85% Au recovery
- Extensive zones of anomalous gold in soil and alteration exposed by trenching at the Talang Harno prospect

## ■ **Corporate**

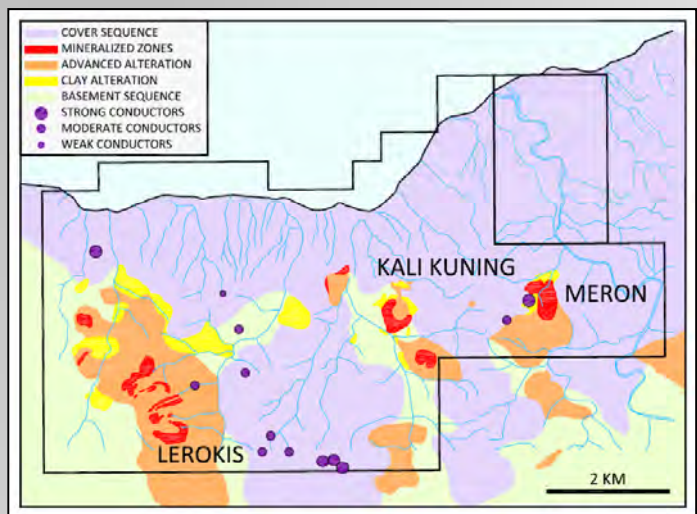
- Mr. Michael Stirzaker retired from the Board
- Securities Registries Provider changed to Boardroom Pty Limited



# WETAR COPPER PROJECT (FND 95%)

## Background

- The Wetar Copper Project comprises the development, mining and processing of sulphide copper deposits at Kali Kuning and Lerokis located on Wetar Island, Maluku Barat Daya, Indonesia.



- Finders has successfully operated a 1,825 tpa Cu demonstration plant, that incorporates heap leaching, solvent extraction (SX) and electrowinning (EW), with a view to optimising operating parameters and design for the recently completed Bankable Feasibility Study (BFS). Approximately 2,500t of LME Grade A copper cathode has been sold to Asian markets.
- Proved and Probable Mining Reserves of 8.2 Mt @ 2.5% Cu from the Kali Kuning and Lerokis deposits support a nine year mine life.
- Opportunities for a longer mine life are strongly founded, based on
  - Mining reconciliation during the demonstration stage, which showed that copper grades from one mining unit (the transition zone) are known to be under-reported in the Resource Estimate by 10-30%.
  - Better copper recoveries from demonstration Heap 3 (80%) which exceed recovery assumptions in the BFS (75%).
  - Satellite deposits such as Meron, which is a partially drilled copper-bearing massive sulphide, and the Karkopang target are located close to existing operations and could provide extra ore.
- A mandate for project debt has been signed with a view to partially funding a two stage expansion to 25,000tpa cathode production by 2013.



# PROGRESS REPORT

## Permitting

- The Company announced that key permits for the Wetar Copper Project were approved by Drs Barnabas Orno, Regent of Maluku Barat Daya, Indonesia, as follows:-
  - IUP for Copper Mining Operations to PT Batutua Kharisma Permai  
Decree number 543-124 Year 2011, dated 9<sup>th</sup> June 2011, valid for up to 20 years
  - IUPK for Copper Processing and Refining to PT Batutua Tembaga Raya  
Decree number 543-125 Year 2011, dated 9<sup>th</sup> June 2011, valid for up to 20 years

## Other Permits

- An Environmental Impact Assessment (known as AMDAL in Indonesia) relating to the Wetar Copper Project was approved by the Governor of Maluku in 2010.
- About 50% of the project area occurs within the boundaries of the former gold operations. The Company rents land from the local government and has compensation agreements in place with traditional land owners. The proposed mining area is also classified as production and conversion forest but NOT subject to mining restrictions.
- The Province of Maluku, in its new spatial plan, has selected to convert all conversion areas in Maluku into open ground. In the project area, the locations at Kali Kuning, Meron and most of Lerokis will be released from a forestry classification. The conversion is at the final stages of verification and will be completed no later than December 2011, but is expected to be sooner.
- As a result of the re-zoning, approximately 4Ha of Lerokis, covering the old Billiton gold pit, will require a Forestry use permit. This permitting process is ongoing and timing is not expected to affect Lerokis production which is scheduled in 2015.
- The Company is in the process of applying for subsidiary permits which are routinely awarded after the mining permit. These include permits for water use, explosives, sand and gravel, quarrying, electrical power generation and fuel storage.

## Bank Mandate

- Barclays Capital, Credit Suisse AG and Standard Bank plc are Mandated Lead Arrangers for facilities totalling US\$138 million to fund the commercial development of the Wetar copper project in Indonesia. The facilities include:
  - Term loan facility of US \$103m to fund construction
  - Cost overrun facility of US \$20m
  - Working capital facility of US \$15m available to fund certain short-term tax obligations



# BANKABLE FEASIBILITY STUDY

## Overview

- The Bankable Feasibility Study (BFS) describes the technical and financial position of the project as at May 2011 and was completed by independent engineers and consultants. Further details can be found in the Company’s announcement on 27<sup>th</sup> June 2011.
- Mining will be carried out by conventional open pit methods initially at Kali Kuning and from Year 3 also at Lerokis with ore hauled from the open pits to the Kali Kuning ROM pad.
- The Expanded Demonstration Plant (EDP) project phase involves the expansion of the existing heap leach SX-EW demonstration plant to a nominal capacity of 7,000 tpa of cathode copper.
- The EDP will be operated in conjunction with the Main 18,000 tpa SX-EW Plant relocated from Whim Creek.
- The processing route for the ore has been designed to handle up to 1.65 Mtpa of sulphide ore to produce a total of 25,000 tpa of LME Grade A copper cathode from both plants.

## Key Bankable Feasibility Study Outcomes

	BFS June 2011
Ore Reserves <sup>1</sup>	8.2 MT
Strip Ratio	0.95
Initial Mine Life	9.2 years
Ave Cu Grade	2.5%
Cathode Production Capacity	25,000 tpa
LOM Cathode Production	150,000 t
Average Copper Recovery	75%
Operating Cash Cost (LOM) <sup>2</sup>	US \$1.09
<b>Capital Costs (US\$ m)</b>	
- Construction Period	\$143.4
- MFO Power Plant	<u>\$12.0</u>
<b>Total</b>	<b>\$155.4</b>

### Notes:

1. There is an additional 0.2MT of Inferred Resource within the pit shell not included in the above Ore Reserves
2. Operating Cash Costs exclude royalties (4%), head office costs and marketing costs (expected to be zero after netting off sales premiums)



# FINANCIAL ANALYSIS

## Key financial assumptions used in the financial analysis

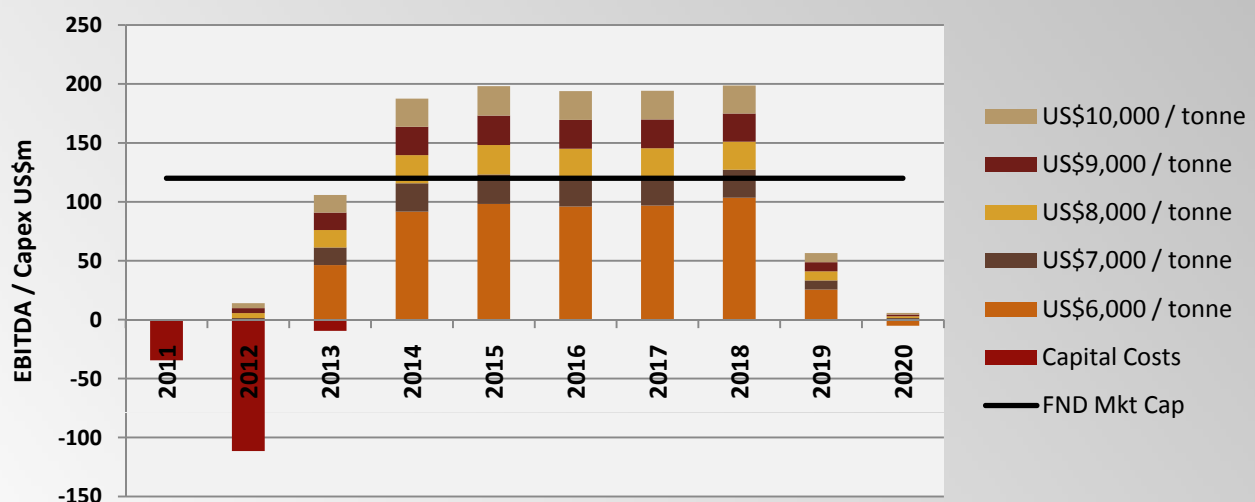
- Copper price for the base case used the Comex forward curve as at 16 June 2011 and then assumed a reversion to a real long-term price of US \$2.50/lb from 2017.
- Discount rate 10% (approximates Company’s weighted average cost of capital, WACC);
- IDR/USD exchange rate 8,500.
- Diesel fuel price US\$1.13/litre, MFO fuel price US\$1.01/litre.
- Total power cost US\$0.226/kWh.
- Tax rate of 25%, royalty rate of 4%.

## Key financial ratios

The project is robust at a number of copper price scenarios with short payback periods, strong cash generation and significant NPV<sub>10</sub> across a range of copper prices. NPV on an ungeared basis varies ~US \$70m for every US \$1,000 change in the copper price.

		Flat LOM Copper Price (US \$/t)				
Price Case	Base	\$6,000	\$7,000	\$8,000	\$9,000	\$10,000
LOM Cash Surplus (US\$m)	525	295	408	518	627	737
Project NPV <sub>10</sub> (US\$m)	304	143	216	287	359	430
Project IRR	62%	32%	42%	51%	60%	69%
Payback Period (Years)	0.9	1.6	1.3	1.1	0.9	0.8

The annual EBITDA for the project at capacity production above a US \$7,000/t copper price equals Finders’ current market capitalisation.

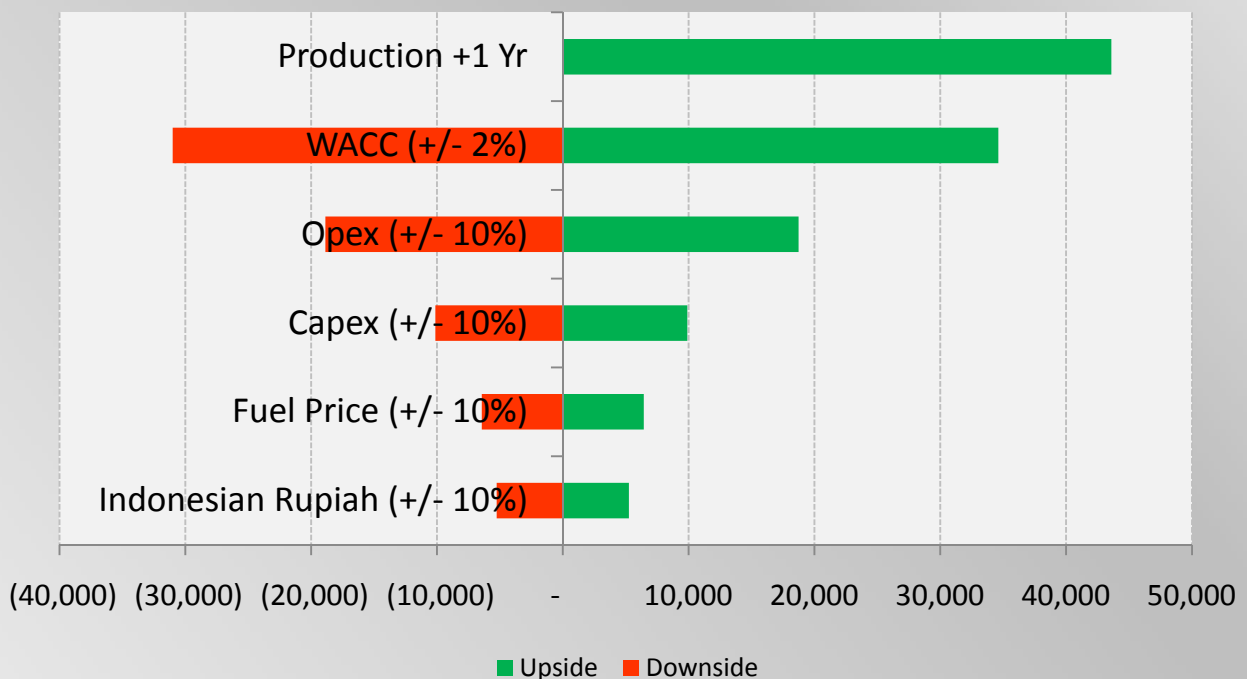




# SENSITIVITIES

Higher grades and recoveries achieved during the demonstration phase have the potential to add a full year’s production and US\$43m to the project NPV. Given the high operating margins the project is not overly sensitive to changes in operating or capital costs.

## Impact on NPV (US\$ 000)



Key cost drivers for the Wetar Copper Project include cathode produced and tonnes mined.

A summary of the key cost items is set out below:

Key Cost Driver	BFS (US \$)
Mining (\$/tonne ore mined)	\$8.80
Mining (\$/tonne ore and waste mined)	\$4.50
Power (\$/tonne cathode)	\$860
Reagents (\$/tonne cathode)	\$150
Other Processing (\$/tonne cathode)	\$250
Total Processing (\$/tonne cathode)	\$1,260



# OTHER ACTIVITIES

With receipt of mining permits, completion of the Bankable Feasibility Study and signed Bank Mandate, considerable momentum has been achieved in preparation for a Board decision to proceed with the development of the project.

## Site activities

During the quarter, in advance of the start of construction, the main focus was the refurbishment with acid-resistant rollers and re-commissioning of the conveyor and crusher circuit. The crushing system is currently being used for trouble shooting and operator training.



The neutralisation plant and SX-EW plant facilities have been upgraded with addition of new potable water systems and filter presses, the latter allowing the removal of sludge from the mixing ponds.

Preventative maintenance of key equipment and instrumentation was also completed.

Existing site power generators are being systematically rotated off-site for overhaul and return to site.





# Other activities contd.

## Equipment

Purchase orders for long lead items (six months) for the EDP have been prepared. Some items, such as the rectifier for the EDP, have been fabricated, tested and will be shipped in the next few weeks. Approval of the master equipment list by the Foreign Investment Board (BKPM) was received on 1<sup>st</sup> July 2011. The approval allows for certain tax concessions on capital equipment, including the Whim Creek plant. It is expected that the Whim Creek plant will be transported from Port Hedland in the next Quarter.

## Contracts

Draft contracts for major works have been issued, these include earthworks, mining (dry hire), drill & blast and power supply system. Proposals were received for catering/housekeeping from two contractors. Potential suppliers of refurbished MFO units were visited in China and contract negotiations have commenced. Three major shipping ports were assessed, with a view to determining their suitability for the Wetar Project. Initial conclusions are that Surabaya would form the main headquarters for logistical control. Proposals are currently being sought from shipping lines for roll-over logistics agreements to potential staging ports at either the port of Kupang or Maumere.





# OJOLALI Au-Ag PROJECT (FND 72%)

## Background

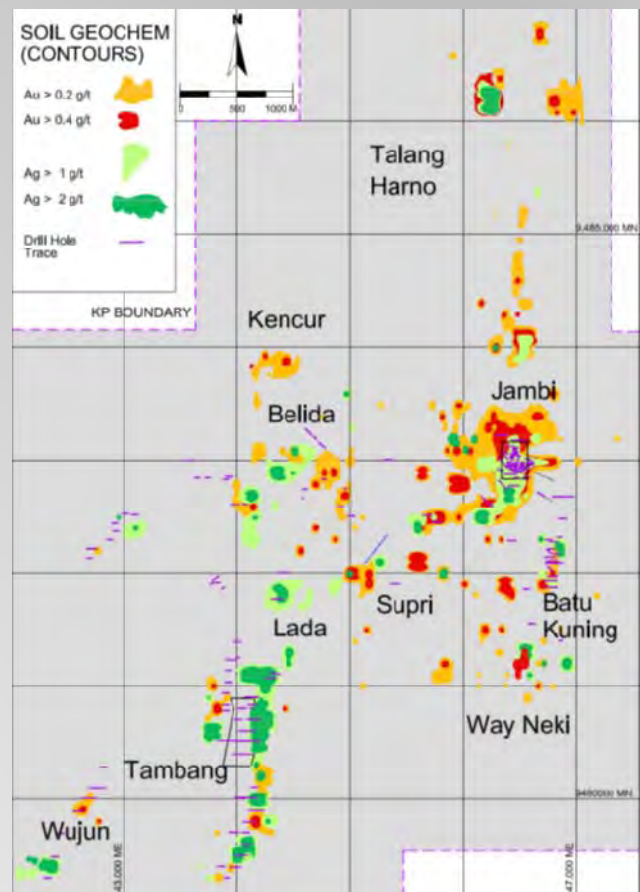
- The Ojolali Project is an advanced gold-silver prospect in Lampung Province of southern Sumatra covering a 13km<sup>2</sup> system with numerous shoots. Ojolali lies within the highly productive Sumatran Gold Belt, which includes Martarbe (+3.7 moz) Lebong Donok (1.5 moz), Lebong Tandai (1.3 moz), Pongkor (3 moz) and Way Linggo deposits (0.25 moz).
- The Jambi deposit has potential for 30-50,000 oz based on the existing resource, below

Zone	Indicated			Inferred			Total			Au Oz	Ag Oz
	Tonnes (million)	Au g/t	Ag g/t	Tonnes (million)	Au g/t	Ag g/t	Tonnes (million)	Au g/t	Ag g/t		
Oxide	4.1	0.92	4.8	0.39	0.8	3.1	4.5	0.9	4.7	131,000	670,000
Transition	0.79	0.70	6.3	0.07	0.6	6.3	0.85	0.7	6.3	19,000	170,000
Fresh	0.99	0.66	3.9	0.22	0.7	4.5	1.2	0.7	4.0	26,000	160,000
<b>Total</b>	<b>5.9</b>	<b>0.85</b>	<b>4.9</b>	<b>0.67</b>	<b>0.8</b>	<b>3.9</b>	<b>6.5</b>	<b>0.8</b>	<b>4.8</b>	<b>176,000</b>	<b>1,000,000</b>

Cut-off 0.3 g/t Au (100% project basis); the figures in the table may not sum due to rounding. Significant figures do not imply an added level of precision

- With widespread gold in soil geochemical anomalies over an area 8km north south and up to 5km wide, Finders considers that there is strong potential for additional discoveries, including a number of target types:

- Bulk low grade disseminated gold (Jambi, Jambi North, Jambi South, Belida, Supri)
- Bonanza grade gold-silver veins (Way Neki, Batu Kuning, Kencur)
- High grade Ag in supergene enriched zones (Tambang Oxide, Jambi)
- Major vein systems in feeder structures at depth (Jambi, Tambang, Talang Harno)





# CURRENT ACTIVITIES

During the Quarter, work undertaken at Ojolali comprised:

- Continued column test work on representative composites of the Jambi oxide gold resource carried out by Australian Minmet Metallurgical Laboratories Pty Ltd (AMML) in NSW.
- On-going surface exploration comprising trench sampling and mapping of soil geochemical targets focused on the Talang Harno area which is extending the area of known gold-silver mineralization in the Ojolali prospect area.

## Metallurgical Testing - Jambi

- Column leach testing of 4 composite samples derived from Jambi drill cores continued. These represent the full range of ore types from the Jambi oxide resource.
- Leaching of the two low silver columns, CL1 and CL2 has progressed to near completion, and these columns were terminated after 106 days. The remaining 2 columns, comprising a high grade gold and a high grade silver composite continue to leach steadily. Progress results, subject to final mass balance, are tabulated below.

Column	Leach Time	Head Grade		Dissolution %		Status
	Days	Au g/t	Ag g/t	Au %	Ag %	
CL1	106	0.47	4.0	80	17	Terminated
CL2	106	0.96	1.0	89	39	Terminated
CL3	125	2.63	15.6	86	33	Ongoing
CL4	125	0.67	40.7	77	42	Ongoing

- These results are highly encouraging, with a grade weighted average recovery of 85% for gold, and 38% for silver.

## Ongoing Surface Exploration

- Geological mapping and trench sampling at locations supported by strong auger soil geochemistry at Talang Harno, approximately 1 km to the north of the Belida prospect, has revealed several zones of strong alteration and micro-veining up to 70m wide extending over a strike length of at least 600m north-south, open to the north beyond coverage of Finders existing ground geophysical surveys.
- Assay results for these trenches are still awaited, but the geological setting is regarded as highly encouraging, with potential to open up a significant new target area with no previous drill testing.



# CORPORATE

## Director retirement

- Mr. Michael Stirzaker did not stand for re-election at the 2011 Annual General Meeting on 26 May 2011 and retired from the Board.

## Capital Structure

- The capital structure at 30 June 2011 is set out below.

Type of Security	Number on Issue		
<i>Fully Paid Ordinary Shares ("Shares")</i>			
Shares on issue at 31 Mar 2011	<b>278,747,566</b>		
Issued in payment of convertible note interest	102,309		
<b>Shares on issue at 30 Jun 2011</b>	<b>278,849,875</b>		
<i>Unlisted Options</i>	<i>Exercise Price</i>	<i>Expiry Date</i>	
	A\$0.30	Apr 16, 2012	500,000
	A\$0.30	Apr 16, 2014	500,000
	A\$0.30	May 8, 2014	2,000,000
	A\$0.37	Jun 23, 2014	250,000
	A\$0.37	Aug 29, 2014	250,000
<b>Unlisted Options on issue at 30 Jun 2011</b>	<b>3,500,000</b>		
<i>12% Convertible Note</i>	<i>Face Value</i>	<i>Conversion Price</i>	<i>Maturity Date</i>
	US\$1,500,000	A\$0.36	19 January 2012

## Change of Securities Registries Provider

- With effect from 18 July 2011, the company transferred its securities registry management services from Computershare Investor Services Pty Limited to –

Boardroom Pty Limited  
 Level 7, 207 Kent Street, Sydney NSW 2000  
 Telephone (02) 9290 9600, Fax: (02) 9290 0664  
 Email: enquiries@boardroomlimited.com.au

## Cash

- As at 30 June 2011, Finders had A\$5.6 million in cash. The mining exploration entity quarterly report (Appendix 5B) is appended.

Chris Farmer

Managing Director



# STATEMENTS & DISCLAIMER

## **Independent Statements**

- The information in this report that relates to mineral reserve estimation is based on work completed by Mr John Wyche who is a full time employee of Australian Mine Design and Development Pty Ltd and a member of the Australasian Institute of Mining and Metallurgy. Mr Wyche has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Wyche 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 in this report that relates to mineral resource estimation is based on work completed by Dr Phillip Hellman who is a full time employee of Hellman and Schofield Pty Ltd and a Fellow of the Australian Institute of Geoscientists. Dr Hellman has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Hellman 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 in this report that relates to exploration potential and geology is based on work compiled by Dr Russell Fountain. Dr Fountain is a director of Finders Resources Ltd and a Fellow of the Australian Institute of Geoscientists. Dr Fountain has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Fountain consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## **Disclaimer**

- This announcement may or may not contain certain "forward-looking statements". All statements, other than statements of historical fact, which address activities, events or developments that Finders believes, expects or anticipates will or may occur in the future, are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "targeting", "expect", and "intend" and statements that an event or result "may", "will", "can", "should", "could", or "might" occur or be achieved and other similar expressions. These forward-looking statements, including those with respect to permitting and development timetables, mineral grades, metallurgical recoveries, potential production reflect the current internal projections, expectations or beliefs of Finders based on information currently available to Finders. Statements in this document that are forward-looking and involve numerous risks and uncertainties that could cause actual results to differ materially from expected results are based on the Company's current beliefs and assumptions regarding a large number of factors affecting its business. Actual results may differ materially from expected results. There can be no assurance that (i) the Company has correctly measured or identified all of the factors affecting its business or the extent of their likely impact, (ii) the publicly available information with respect to these factors on which the Company's analysis is based is complete or accurate, (iii) the Company's analysis is correct or (iv) the Company's strategy, which is based in part on this analysis, will be successful. Finders expressly disclaims any obligation to update or revise any such forward-looking statements.

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## **Distribution Restrictions**

- The distribution of this announcement may be restricted by law in certain jurisdictions. Recipients and any other persons who come into possession of this announcement must inform themselves about, and observe any such restrictions.

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

FINDERS RESOURCES LIMITED

ABN

82 108 547 413

Quarter ended ("current quarter")

30 June 2011

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	843
1.2 Payments for: (a) exploration & evaluation	(173)	(291)
(b) development	(1,343)	(1,965)
(c) production	(1,715)	(4,124)
(d) administration	(921)	(2,191)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	98	248
1.5 Interest and other costs of finance paid	(12)	(12)
1.6 Taxes and value added tax paid	(140)	(404)
1.7 Other (provide details if material)		
<b>Net Operating Cash Flows</b>	<b>(4,206)</b>	<b>(7,896)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	(640)	(1,128)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	158	179
<b>Net investing cash flows</b>	<b>(482)</b>	<b>(949)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(4,688)</b>	<b>(8,845)</b>

+ See chapter 19 for defined terms.

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

1.13	Total operating and investing cash flows (brought forward)	(4,688)	(8,845)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.		
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 (provide details if material)		
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(4,688)	(8,845)
1.20	Cash at beginning of quarter/year to date	10,300	14,457
1.21	Exchange rate adjustments to item 1.20	(16)	(16)
1.22	<b>Cash at end of quarter</b>	5,596	5,596

**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	431
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 Payments for salaries, directors fees and consulting fees.

**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

NA

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

NA

+ 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 Convertible note facility (USD 1,500,000)	2,324	2,324
3.2 Credit standby arrangements	Nil	Nil

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	60
4.2 Development	500
4.3 Production	1,600
4.4 Administration	800
<b>Total</b>	<b>2,960</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	1,596	1,233
5.2 Deposits at call	4,000	9,067
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter (item 1.22)</b>	<b>5,596</b>	<b>10,300</b>

### 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	NA	Interests in mining tenements relinquished, reduced or lapsed		
6.2	NA	Interests in mining tenements acquired or increased		

+ See chapter 19 for defined terms.



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

**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</b> <sup>+</sup> <b>securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	278,849,875	278,849,875		
7.4 Changes during quarter (a) Increases through issues - <i>Conversion of interest payable under convertible note</i>  (b) Decreases through returns of capital, buy-backs	102,309	102,309	42 cents	42 cents
7.5 <b>*Convertible debt securities</b> <i>(description)</i>	6,455,477	NIL	36cents	36cents
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>			<i>Exercise price</i>	<i>Expiry date</i>
	500,000	NIL	30cents	16.04.2012
	500,000	NIL	30cents	16.04.2014
	2,000,000	NIL	30cents	08.05.2014
	250,000	NIL	37cents	23.06.2014
	250,000	NIL	37cents	29.08.2014
7.8 Issued during quarter				
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 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 29 July 2011  
Director

Print name: Christopher Ben Farmer

## 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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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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