

QUARTERLY REPORT

For period ending 30 June 2010

Argonaut Resources NL is pleased to deliver the following report for the Quarter to 30 June 2010.

Highlights

Torrens, SA

- Subsequent to the Quarter, Argonaut secured approval from the Minister for Aboriginal Affairs and Reconciliation for the **Section 23 application in respect of the Torrens Project in South Australia (EL 4296)**. Argonaut is exploring for iron-oxide copper-gold systems.

Kroombit, QLD

- Subsequent to the Quarter, the Kroombit zinc-copper project Scoping Study confirmed the project's development potential.
- The study showed an **IRR of 20%, an NPV of \$15 million and cash flow before tax of \$71 million**¹

Alford, SA

- Approval of \$1.3 million copper and gold exploration program at the Alford tenement in South Australia (EL 3969).

Corporate

- Strong cash position and balance sheet - the company had \$7.88 million in cash and no debt at 30 June 2010

ASX Code: ARE

ABN: 97 008 084848

Head office

Suite 4, Level 7
60 Park Street
Sydney, 2000, Australia
T: +61 2 9268 5100
F: +61 2 9268 5188
E: sydney@argonautresources.com

Laos

Unit 3, Level 5
ANZV Building
33 Lane Xang Avenue
Vientiane, Laos
T: +856 21 222 731
F: +856 21 240 281
E: laos@argonautresources.com

www.argonautresources.com

¹ Calculated under the current taxation system using the estimated Resource and Exploration Potential at a 0.3% copper cut off, uplifted grades and a Discount Rate of 12%.

Exploration

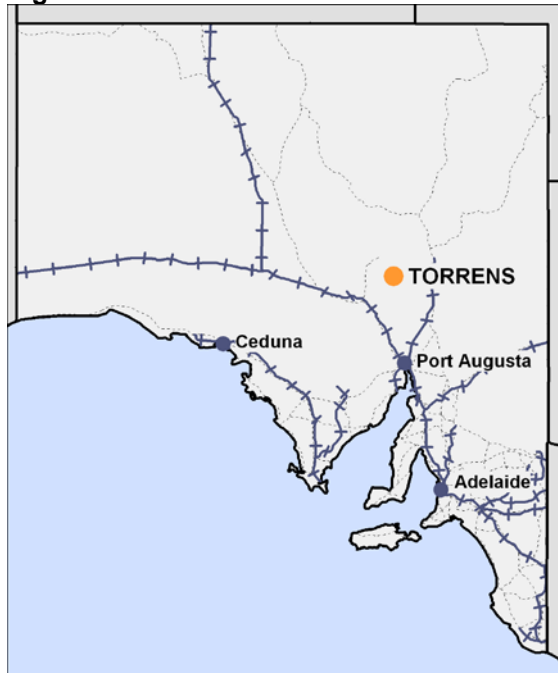
Australia

EL4296, Torrens (Argonaut 100%)

On 14 July 2010 the Torrens Joint Venture announced that **the Section 23 application under the South Australian Aboriginal Heritage Act (1988) in respect of the Torrens Project in South Australia (EL 4296) was approved** by the Minister for Aboriginal Affairs and Reconciliation.

Argonaut is exploring for iron-oxide copper-gold (“IOCG”) systems in the highly prospective Stuart Shelf region of South Australia (Torrens Project) via the Torrens Joint Venture between Argonaut and Straits Resources Ltd. (ASX: SRL).

Figure 1: Torrens Location



The Torrens Project is located near the eastern margin of South Australia’s Gawler

Craton region (Stuart Shelf), within 50 kilometres of Teck Cominco’s Carapateena copper-gold discovery and 75 kilometres from BHP Billiton’s Olympic Dam mine.

Under the terms of the Joint Venture, Straits has the right to earn a 70% interest in the project by spending \$7 million on exploration. Argonaut currently holds 100%.

Kroombit (Argonaut 100%)

On 21 July 2010, Argonaut announced the Kroombit zinc-copper project Scoping Study had confirmed the project’s development potential.

The study showed **an IRR of 20%, an NPV of \$15 million and cash flow before tax of \$71 million** under the current taxation system using the estimated Resource and Exploration Potential at a 0.3% copper cut off, uplifted grades and a Discount Rate of 12%.

Other study highlights included:

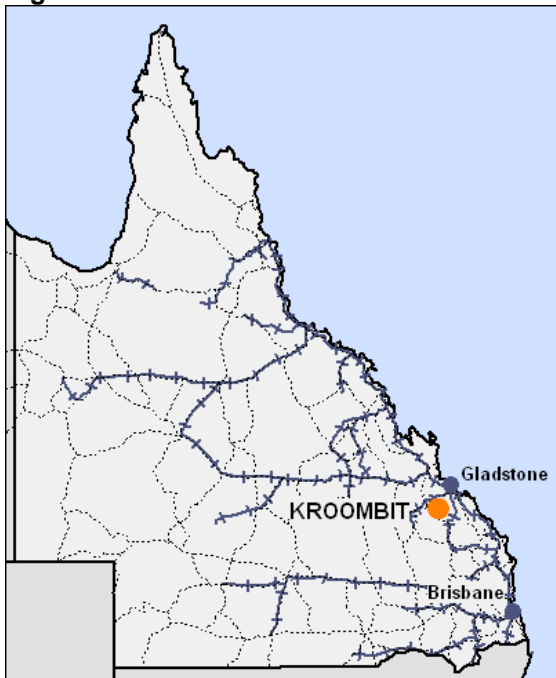
- Combined zinc/copper ore production estimated at 1.5 million tpa
- Low cost mining scenario - Open cut operation with estimated low striping ratio of 1.3:1
- Conventional processing route with low technology risk
- High grade zinc concentrate of 54% Zn
- Capital cost estimated at \$87 million
- Further expansion of the resource base required to underpin project economics

Following the estimation of a maiden zinc-copper resource at Kroombit, Argonaut engaged Intech Engineers of Brisbane to undertake the Scoping Study with support and input from Mineral Processing Consultants, Optimet Laboratories and Hellman & Schofield. The study involved:

- preliminary mine planning and site layout;
- preliminary cut-off grade optimisation;
- flotation and comminution testing;
- preliminary plant design and equipment selection;

- transport, logistics and infrastructure requirements; and
- capital and operating cost estimates.

Figure 2: Kroombit location



The aim of the study was to:

- Provide grade and tonnage targets for future resource drilling programs,
- Establish the scope for further work programs to advance the project,
- Provide justification for further major expenditure
- Provide a basis for a detailed Feasibility Study.

Scoping Study context: scoping or conceptual studies usually are not sufficiently accurate to carry out a meaningful assessment of the economic viability of any [mining] project. Rather, their role is to determine whether, and to what extent, further predevelopment efforts are warranted.

Scoping Studies typically have an accuracy level of +/-30-40%.

The study included financial analysis involving resource cases based on:

- the reported mineral Resource estimate;
- potential ore derived from reported Exploration Potential; and

- elevated grades based on possible underreporting of grade in RC drill samples.

Modelling of three cases was completed to determine potential project economics.

An uplifted grade was applied in Case 2 and Case 3 - based on reasoning detailed below – to model the impact of perceived underreporting of grades.

The financial analysis found the following major conclusions:

- Case 1 (current Resource using spot metal prices) has a positive net cash flow before tax of \$27.5 million but an NPV of \$1.4 million at a discount rate of 12% and an IRR of 13.2%.
- Case 2 (current Resource plus Exploration Potential and uplifted grades using spot metal prices) has a positive net cash flow before tax of \$55.9 million and an NPV of \$9.0 million at 12% discount rate and an IRR of 18.5%
- Case 2a (current Resource plus Exploration Potential using notional long term metal prices) has a negative net cash flow before tax of \$9.1 million and an NPV of -\$21.7 million at 12% discount rate and an IRR of -3.7%
- **Case 3 (current Resource plus Exploration Potential and uplifted grades using 0.3% Cu cut off grade and spot metal prices) has a positive net cash flow before tax of \$71.4 million and an NPV of \$15.0 million at 12% discount rate and an IRR of 20.0%**
- Case 3a (current Resource plus Exploration Potential and uplifted grades using 0.3% Cu cut off grade and notional long term metal prices) has a positive net cash flow before tax of \$4.0 million and an NPV of -\$18.1 million at 12% discount rate and an IRR of 1.3%

The financial breakdown shows that copper is profitable but zinc is marginal, suggesting that an improvement to the zinc grade and/or expanded copper resource would contribute positively to the project's financial performance.

Mineral Resource estimates were prepared from 2007-8 drilling results. The maiden Resource Estimates were announced on 11 June 2009.

During the course of this scoping study additional resource reporting work was completed with the major activities being:

- Resource estimate reported in tonnes, volume and grade for 10m levels of the proposed open pit;
- a revised resource report was produced for copper contained within the zinc wireframe for blocks with copper greater than 0.5% and less than 1% zinc not previously reported. Potentially, this would provide additional economic copper feed; and
- revised resource estimate reports including estimated tonnes, volume and grades for copper and zinc mineralisation previously described as Exploration Potential. (Mineralisation defined as Exploration Potential has had insufficient exploration to define a Mineral Resource. It is uncertain whether further drilling will convert this to a Mineral Resource).

These figures were used as the basis for cases 2 and 3 in the financial model.

Financial model cases 2 and 3 used uplifted grades. This was based on the results of four diamond core holes twinning four RC holes which suggested that the diamond drill core contains higher overall zinc grades for the intercepts, implying that the RC data is understating the zinc values by approximately 15%.

Appendix 1, Table 1 provides a summary of the Resource and Exploration Potential reported and Tables 2, 3 and 4 provide the details of the quantities of mineralised material included in the revenue models and the basis of adjustments made.

The following are noted in relation to adjustments made to the Resource and Exploration Potential figures provided:

- mineralised oxide and transitional zone tonnages were reduced, as noted in Tables 2-4; and
- the tonnage of copper modelled in certain mineralised zones was reduced by 50% to avoid possible overstating of potential copper feed.

The study considered mining at a rate of 1.5mtpa and conclusions drawn from the preliminary investigation of the mining found:

- the Resource is defined to a depth of 140m below the surface making it suitable for extraction by open pit mining methods; and
- indications are that the stripping ratio will be low – in the order of 1.3 waste rock to ore – resulting in a low mining cost.

Preliminary metallurgical test work for processing of zinc and copper for the Kroombit deposit was completed as part of the study. The testing results indicate that both copper and zinc primary sulphides can be extracted by flotation with good recoveries.

Infrastructure investigations were able to resolve concept designs for the majority of the infrastructure and identified the following:

- grid power can be provided within an economic distance of the project site;
- water supply to the area is committed and investigation will be required to identify and provide a suitable supply for the project; and
- potential tailings storage facilities were identified and a concept was developed for a location to the east of the pit.

The total project capital cost is estimated at \$87 million and the life or average on-site operating cost is estimated at \$22.5/tonne of ore (Cu/Zn).

EL3969, Alford (Argonaut reclaiming 100%)

During the Quarter, Argonaut announced the approval of a \$1.3 million exploration

program at the company's Alford project on the Yorke Peninsula, South Australia.

The exploration program will target a range of mineralisation styles across three prospect areas. Following the acquisition of all necessary geophysical data, the company will commence drilling 12 diamond core holes to approximately 250m for a total of 3,000m. Drilling is expected to commence in November after the crop harvest.

The primary target is copper sulphide mineralisation in shear-hosted, high magnetic intensity anomalies. The targets, hosted in the Alford fault zone, are geophysically and geologically similar to those found at Hillside, approximately 80km to the southeast.

The company will progress exploration activity focused on Iron Oxide Copper-Gold mineralisation, and will acquire further magnetic and gravity data over the Glenrae target. Based on this data, modelling will delineate high density/low magnetic susceptibility bodies for drill testing.

The company will also progress its drilling program on the copper-silver targets at the Netherleigh Park prospect. Previous drilling intercepted 76m at 0.95% copper from 138m in drill hole ALDDH01, with future drilling planned to extend this mineralisation.

Previously, the Alford tenement was subject to a farm-in joint venture. The joint venture agreement has now expired and Argonaut will soon revert to a 100% interest in the tenement.

EL4358 and EL4153, Aroona (Argonaut 100%)

No exploration work was undertaken on EL4358 or EL4153 during the Quarter. These tenements are currently subject to a joint venture agreement with Perilya Limited.

Laos

During the Quarter, Argonaut continued to assess the extent of additional exploration work at the Century and Xekong projects in the Lao PDR.

Century Area (Argonaut 70%)

The company has maintained an exploration presence at the Century area and continues to conduct low impact exploration, in particular database consolidation and geological reinterpretation.

Xekong Area (Argonaut 65%)

The company has agreed to work with the Government of Laos to sterilise, via surface geochemical sampling, certain areas of its Xekong tenement for the purpose of population expansion and potential village relocation. This work will be conducted during the current wet season (May – November).

Corporate

During the Quarter, Mr Andrew Bursill was appointed as a Director of the company. This appointment is in addition to his continuing roles as Company Secretary, acting General Manager and Chief Financial Officer.

Lindsay Owler

Director

Argonaut Resources NL

The data in this report that relates to Mineral Resources for the Mt Kroombit Deposit is based on information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience 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 (the "JORC Code"). Mr Tear is a full-time employee of Hellman & Schofield Pty Ltd and he consents to the inclusion in the report of the Mineral Resource in the form and context in which they appear.

The resource estimate is based on a total of 16,972 assays from 201 drill holes completed by Argonaut within the past two years. Drilling has consisted of predominantly RC with some minor diamond drilling. Drill hole spacing is a nominal 25m by 25m but locally drops to 20m on cross section lines. A 1m composite interval for the drill hole assay data was used in conjunction with constrained Ordinary Kriging modelling to generate resource estimates for the deposit. Maximum search distances used for copper and zinc are 45 metres with 16 minimum data required for Indicated and 8 for Inferred with data required in 4 and 2 octants, respectively. Zinc mineralisation was defined by a single wireframe. The copper wireframes were based on a series of quartz hematite zones within which the copper mineralisation largely occurs. Some of the copper mineralisation is outside the zinc mineralisation

wireframe. Density is based on 173 samples from four diamond drill holes and was modelled using inverse distance weighting on average density values for the RC coded geology.

Sections of information contained in this report that relate to Exploration Results were compiled or supervised by Mr Lindsay Owler BSc, MAusIMM who is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Argonaut Resources NL. Mr Owler has sufficient experience which is relevant to the style of mineral deposits 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 Mineral Resources and Ore Reserves". Mr Owler consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

APPENDIX 1

Table 1 Resource Summary

Description	Details	Volume	Tonnes	Zn %	Cu %	Zn t	Cu t
Zn Wireframe 1% Zn	Zinc resource inside the Zn mineral wireframe at a 1% Zn cut off	1,855,500	5,157,649	1.875	0.151	96,706	7,788
Cu 0.5% in Zn Wireframe 1% Zn	Copper resource in the zinc mineralisation wireframe where the zinc grade is <1% ie "extra copper"	114,250	345,618	0.51	0.816	1,763	2,820
Cu Wireframe 0.5%	Copper resource outside zinc mineral wireframe but inside Qtz_hematite lodes at a 0.5% Cu cut off	260,500	839,989	0.314	1.038	2,638	8,719
Zn Exp Potential	Zinc Exploration Potential from unconstrained modelling, with blocks outside the zinc wireframe	873,000	2,470,925	1.67	0.167	41,264	4,126
Cu Exp Potential	Copper Exploration Potential from unconstrained modelling, with blocks outside the copper wireframes and the zinc wireframe	232,000	686,747	0	0.849	1,662	5,830
Totals		3,335,250	9,500,928			144,033	29,284
Zn Wireframe 1% Zn	Zinc resource inside the Zn mineral wireframe at a 1% Zn cut off	1,855,500	5,157,649	1.875	0.151	96,706	7,788
Cu 0.3% in Zn Wireframe 1% Zn	Copper resource in the zinc mineralisation wireframe where the zinc grade is <1% ie "extra copper"	249,500	733,108	0.549	0.585	4,025	4,289
Cu Wireframe 0.3%	Copper resource outside zinc mineral wireframe but inside Qtz_hematite lodes at a 0.3% Cu cut off	417,500	1,334,785	0.381	0.796	5,086	10,625
Zn Exp Potential	Zinc Exploration Potential from unconstrained modelling, with blocks outside the zinc wireframe	873,000	2,470,925	1.67	0.167	41,264	4,126
Cu Exp Potential	Copper Exploration Potential from unconstrained modelling, with blocks outside the copper wireframes and the zinc wireframe	232,000	686,747	0	0.849	1,662	5,830
Totals		3,627,500	10,383,214			148,743	32,659
Zn Wireframe 1.5% Zn	Zinc resource inside the Zn mineral wireframe at a 1.5% Zn cut off	1,118,750	3,114,053	2	0.153	71,561	4,765
Zn Wireframe 1.25% Zn	Zinc resource inside the Zn mineral wireframe at a 1.25% Zn cut off	1,452,500	4,042,272	2.085	0.151	84,281	6,104
Zn Wireframe 2% Zn	Zinc resource inside the Zn mineral wireframe at a 2% Zn cut off	609,500	1,689,571	2.783	0.159	47,021	2,686
Cu Wireframe .3	Copper resource outside zinc mineral wireframe but inside Qtz_hematite lodes at a 0.3% Cu cut off	417,500	1,334,785	0.381	0.796	5,086	10,625
Cu Wireframe .4	Copper resource outside zinc mineral wireframe but inside Qtz_hematite lodes at a 0.4% Cu cut off	327,250	1,051,822	0.353	0.918	3,713	9,656
Zn Wireframe 0.1%Cu	Copper Mineralisation at 0.1% cut off inside Zinc wireframe	1430750	4042758	1.38	0.311	55,790	12,573
Zn Wireframe 0.2%Cu	Copper Mineralisation at 0.2% cut off inside Zinc wireframe	813000	2334912	1.312	0.437	30,634	10,204
Zn Wireframe 0.3%Cu	Copper Mineralisation at 0.3% cut off inside Zinc wireframe	498500	1450608	1.233	0.556	17,886	8,065
Zn Wireframe 0.4%Cu	Copper Mineralisation at 0.4% cut off inside Zinc wireframe	315500	927388	1.182	0.676	10,962	6,269
Zn Wireframe 0.5%Cu	Copper Mineralisation at 0.5% cut off inside Zinc wireframe	212250	629576	1.135	0.787	7,146	4,955

Minor rounding errors. The use of significant figures does not imply precision. Mineralisation reported as Exploration Potential has been converted from ranges (as required under JORC) for the purpose of financial modelling.

APPENDIX 1

Table 2 Case 1 Resource Summary

Reported Mineral Resource and Exploration Potential						As applied to Financial Model			Notes
Volume	Tonnes	Zn %	Cu %	Zn t	Cu t	Tonnes	Zn t	Cu t	
1,855,500	5,157,649	1.875	0.151	96,706	7,788	4,161,551	76,508	6,363	0% oxide, 75% transitional, 15% Zn uplift
114,250	345,618	0.51	0.816	1,763	2,820	327,549	1,641	2,705	0% oxide, 75% transitional, 15% Zn uplift
260,500	839,989	0.314	1.038	2,638	8,719	839,030	2,634	8,715	0% oxide, 75% transitional, 15% Zn uplift
2,230,250	6,343,256			101,107	19,327	5,328,130	80,783	17,783	

Table 3 Case 2 Resource Summary

Reported Mineral Resource and Exploration Potential						As applied to Financial Model			Notes
Volume	Tonnes	Zn %	Cu %	Zn t	Cu t	Tonnes	Zn t	Cu t	
1,855,500	5,157,649	1.875	0.151	96,706	7,788	4,161,551	76,508	6,363	0% oxide, 75% transitional, 15% Zn uplift
114,250	345,618	0.51	0.816	1,763	2,820	327,549	1,641	2,705	0% oxide, 75% transitional, 15% Zn uplift
260,500	839,989	0.314	1.038	2,638	8,719	839,030	2,634	8,715	0% oxide, 75% transitional, 15% Zn uplift
873,000	2,470,925	1.67	0.167	41,264	4,126	2,277,371	37,979	3,937	0% oxide, 75% transitional, 15% Zn uplift
232,000	686,747	0	0.849	1,662	5,830	339,286	811	2,887	50% Exploration Potential, 0% oxide, 75% transitional, 15% Zn uplift
3,335,250	9,500,928			144,033	29,284	7,944,785	119,574	24,606	

Table 4 Case 3 Resource Summary

Reported Mineral Resource and Exploration Potential						As applied to Financial Model			Notes
Volume	Tonnes	Zn %	Cu %	Zn t	Cu t	Tonnes	Zn t	Cu t	
1,855,500	5,157,649	1.875	0.151	96,706	7,788	4,161,551	76,508	6,363	0% oxide, 75% transitional, 15% Zn uplift
249,500	733,108	0.549	0.585	4,025	4,289	677,161	3,654	4,034	0% oxide, 75% transitional, 15% Zn uplift
417,500	1,334,785	0.381	0.796	5,086	10,625	1,326,982	5,099	10,642	0% oxide, 75% transitional, 15% Zn uplift
873,000	2,470,925	1.67	0.167	41,264	4,126	2,277,371	37,979	3,937	0% oxide, 75% transitional, 15% Zn uplift
232,000	686,747	0	0.849	1,662	5,830	339,286	811	2,887	50% Exploration Potential, 0% oxide, 75% transitional, 15% Zn uplift
3,627,500	10,383,214			148,743	32,659	8,782,349	124,051	27,863	

Minor rounding errors. The use of significant figures does not imply precision. Mineralisation reported as Exploration Potential has been converted from ranges (as required under JORC) for the purpose of financial modelling.

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

Argonaut Resources NL

ABN

97 008 084 848

For the period ending

30 June 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Three Months ending 30 June 2010 \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(282)	(891)
(b) development	-	-
(c) production	-	-
(d) administration	(237)	(1,217)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	99	354
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – abnormal costs, fraud related recovery	-	2,013
Net Operating Cash Flows	(420)	259
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(10)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	983
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	973
1.13 Total operating and investing cash flows (carried forward)	(420)	1,232

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(420)	1,232
	Cash flows related to financing activities		
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 (capital raising costs)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(420)	1,232
1.20	Cash at beginning of quarter/ year to date	8,304	6,652
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of the period	7,884	7,884

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

		Twelve Months \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	136
1.24	Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

Payment for Directors 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

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	250
4.2	Development	-
4.3	Production	-
4.4	Administration	200
Total		450

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.

		Twelve Months \$A'000	YTD \$A'000
5.1	Cash on hand and at bank	384	384
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details) – term deposits	7,500	7,500
Total: cash at end of nine months (item 1.22)		7,884	7,884

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of year	Interest at end of 12 months
6.1	Interests in mining tenements relinquished, reduced or lapsed	There have been no changes to the mining tenement schedule for the quarter.		
6.2	Interests in mining tenements acquired or increased			

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of 30 June 2010

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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	165,244,720	165,244,720		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>				
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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: 29 July 2010
(Company secretary)

Print name: Andrew Bursill
Company Secretary

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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