

Quarterly Report

For Quarter Ending 30 June 2011

HIGHLIGHTS

CORPORATE

Management

Mr **Jonathan Shellabear** has been appointed Managing Director and Chief Executive Officer, effective from 1 August 2011.

Mr Shellabear has extensive experience in the Australian and international mining industries having held senior corporate and investment banking roles with NM Rothschild & Sons (Australia) Limited and Deutsche Bank. Most recently he was the Managing Director and Chief Executive Officer of Dominion Mining Limited, a position he held until February 2011 following the completion of the agreed takeover of Dominion by Kingsgate Consolidated Limited.

Mr Shellabear takes over from Mathew Longworth, who resigned on 27 April 2011. The Board acknowledged Mr Longworth's energy and professionalism as exemplary during his seven and a half years with Heron.

Finance

Cash at bank is **\$47.0million**. Outlays have continued to be reduced during the Quarter, allowing the Company to maintain its strong cash position.

The Board continues to assess opportunities to acquire near production or operating mining assets, leveraging off Heron's strong cash position. In current tight equity markets, and under Mr Shellabear's leadership, the Company is confident of a successful outcome for its acquisition strategy.

PROJECT DEVELOPMENT

Several advancements in the **Kalgoorlie Nickel Project** have occurred during the Quarter:

- A collaborative research agreement was concluded with the Commonwealth Scientific and Industrial Research Organisation (**CSIRO**) to undertake a detailed mineralogical and metallurgical study of the KNP.
- An international engineering consultancy has been retained to advise on the **pyro-metallurgical treatment** (Thermal Upgrade) and marketing of potential Iron-Nickel resources identified within the KNP.
- Soil sampling at the **Black Range Nickel-Copper-PGM Prospect** within the KNP was completed ahead of EM surveying and drill testing.

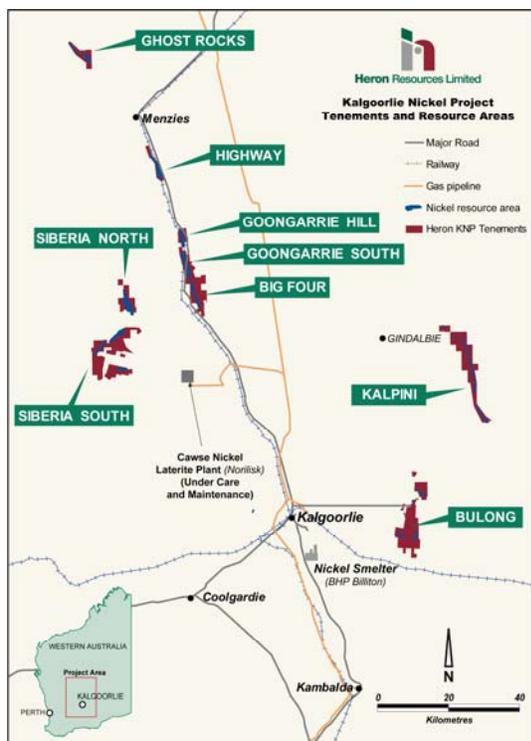
EXPLORATION

Aggressive exploration of the Company's 100% owned properties has continued:

- Gravity surveying was completed at the **Shay Gap Iron Ore Prospect**, defining several drill targets for detrital iron ore material. Heritage clearance for a 260 drill hole RC program is in progress.
- Drilling was completed at the **Mt Zephyr Base Metal Prospect**, following up previously reported mineralization. Mineralized sulphidic zones were again intersected, with the best intercept being 12 meters at 0.5% zinc hosted within a felsic volcanoclastic unit adjacent to a strong conductor (good VMS indicator to proximal mineralization). Downhole EM surveys are currently being undertaken on selected holes.
- Soil sampling at the **Mt Zephyr Gale Gold Prospect** has defined a 50-273ppb gold anomaly for drill testing.

PROJECT DEVELOPMENT

KALGOORLIE NICKEL PROJECT (KNP) (HERON 100%)



The Company recognizes the immense option value of the KNP, and is developing a strategy to crystallize this value.

- Define which ore types are best suited to conventional Pressure Acid Leach and Heap Leach hydrometallurgical processing (producing Nickel Intermediate Products), and which may be amenable to pyro-metallurgical smelting (producing Iron-Nickel).
- Define the mineralogy for the various KNP ore types, with the CSIRO Research Agreement and the ferro-nickel consultancy being two important steps (refer below).
- Following the various studies, scope the optimum flow sheets across the range of KNP ore types.
- Continue to evaluate alternate hydrometallurgical processing technologies where patents exist, through provision of test material under agreement.
- Drill test Ni-Cu-PGM sulphide targets, with **Black Range** and **Kalpini** currently the most advanced targets.

Kalgoorlie Nickel Project Location

Heron has implemented a strategy of focusing on the core project around the resource base of **744 million tonnes grading 0.73% nickel and 0.044% cobalt** (for details of resource categories and distribution between project areas please refer to the statement of mineral resources following).

There has been a steady grant of KNP Mining Leases covering Nickel Laterite resources during the Quarter, reflecting the tenement consolidation strategy. Peripheral non-resource tenements have been divested, mainly to gold explorers.

CSIRO Research Agreement

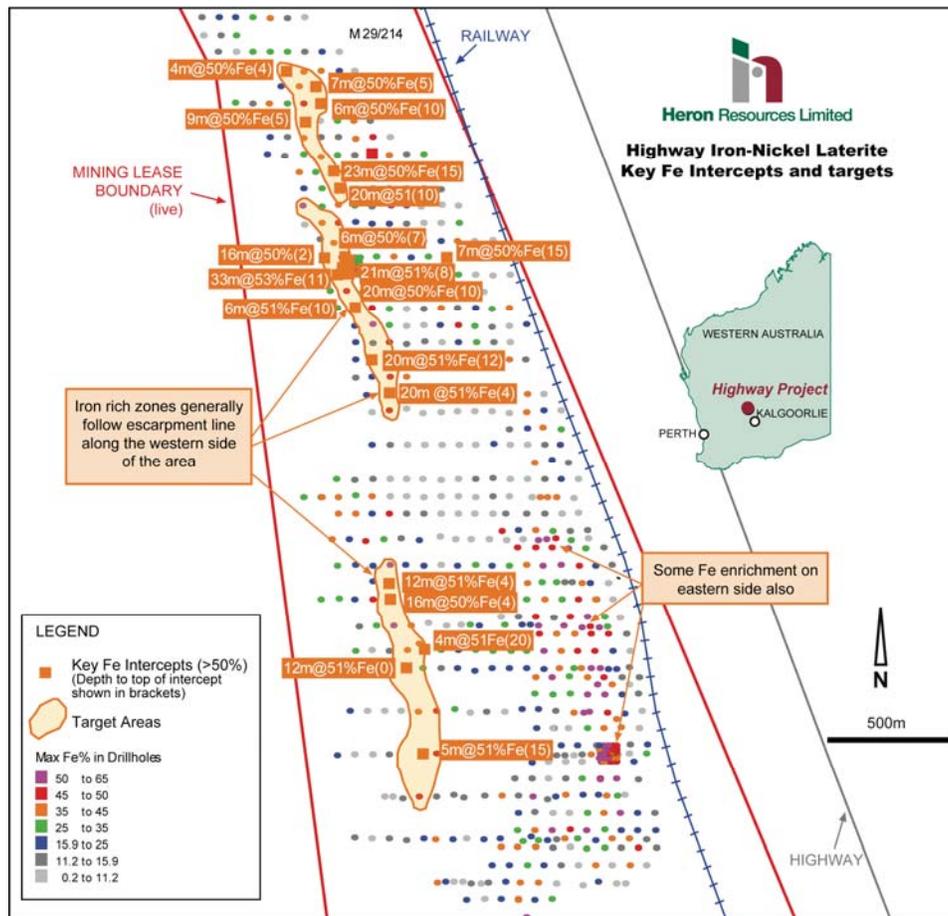
The Company entered into a collaborative research agreement with the Commonwealth Scientific and Industrial Research Organisation (**CSIRO**) to undertake a detailed mineralogical and metallurgical study of the ore types at the **KNP**. CSIRO is a world-renowned research organisation and its Minerals Down Under National Research Flagship has specialist expertise in ore deposit studies and mineral processing.

This study will define which minerals contain extractable nickel and how these particular minerals can be preferentially recovered using low cost processing such as screen beneficiation and cyclones. The objective is to increase the nickel grades of the leach feed material. Securing higher Leach Feed Grades from the currently defined mineralisation has the potential to increase nickel production rates with little change to the capital and operating costs as envisaged in the Heron KNP Prefeasibility Study Revision of February 2010.

The February 2010 study recommended a 3.75Mtpa operation over 35 years, producing an average of 36,700 tonnes per annum of nickel in intermediate product, at an average operating cost of \$4.17/lb. The predicted Leach Feed resource was **134Mt grading 1.04% nickel**. The aim of the CSIRO research is to significantly improve this Leach Feed Grade.

Iron-Nickel Study

The Company retained an international engineering consultancy to advise on the treatment and future marketing of potential Iron-Nickel targets identified within the KNP.



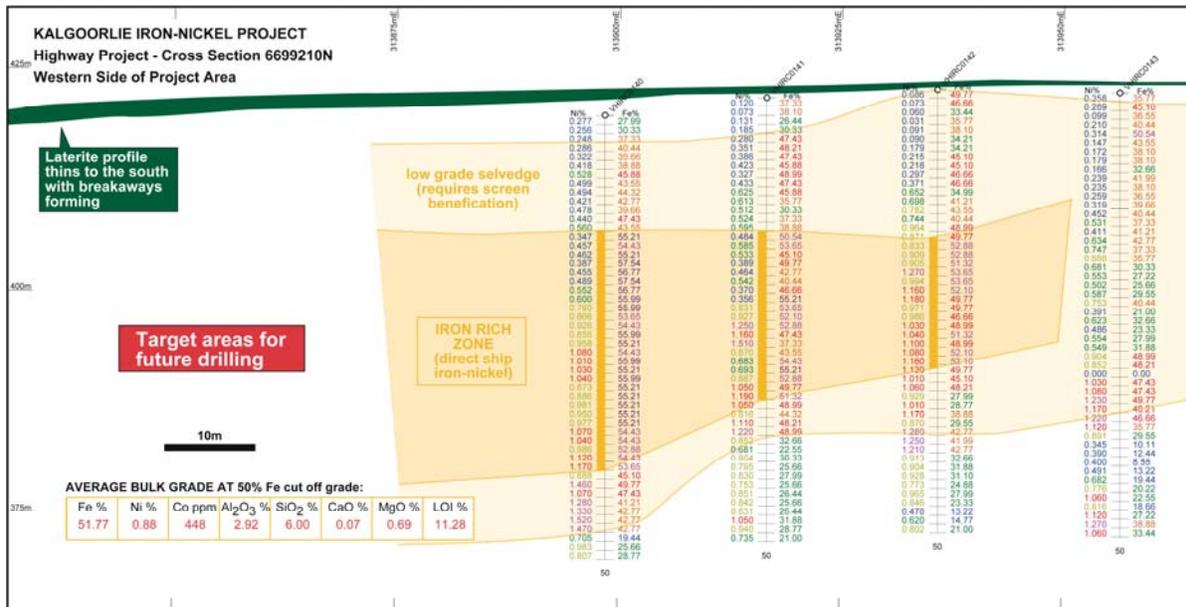
There are three main areas where the consultancy will be assisting:

- Technical review and appraisal of the Heron's ores and potential concentrates (assisted by the CSIRO study).
- Market studies covering iron and nickel products, notably for the ferro-nickel, stainless steel and specialized steel sectors in China.
- Preliminary technical and economic studies of various processing routes.

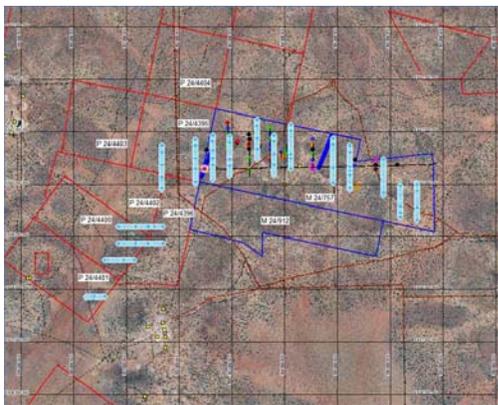
This study will benchmark the ores and concentrates which Heron could produce, and identify the possible uses and markets for each one. The key issues to be addressed to quantify the Iron-Nickel potential of the KNP include:

- Quality and quantity of each ore or concentrate considering nickel grade, iron grade, gangue components and impurities, and likely market acceptance.
- High-level technical appraisal of processing alternatives and potential products.
- Particular focus to be on low-capital or stage-wise developments appropriate for Heron, particularly the scope to utilize the extensive established Kalgoorlie region infrastructure.

The nickel and iron markets are constantly changing, particularly as a result of developments in China. In the last decade there has been a rise and possibly the fall again of nickel pig iron (NPI) as a feed to stainless steel plants. There are "push factors" such as the requirement to do some processing of ores before export in traditional supply countries such as Indonesia and the Philippines.



Black Range Nickel-Copper-PGM Sulphide Project



Black Range soil geochemical coverage

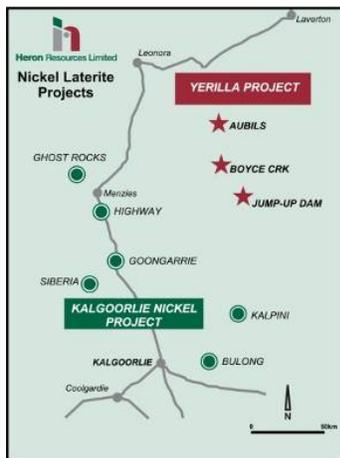
The Black Range Mining Lease was granted to Heron.

The tenement contains a Layered Mafic Complex termed the Ora Banda Sill, with known nickel-copper sulphide occurrences. The mineralized setting is comparable to world-class occurrences such as Voisey's Bay in Canada.

Heron immediately completed a 314 sample soil geochemical program to define anomalous copper-nickel-PGM zones for ground Electro-Magnetic (EM) follow up and then Reverse Circulation (RC) drilling.

Soil results are awaited.

YERILLA PROJECT (SHANSHAN EARN IN)



Yerilla Nickel Cobalt Project Location

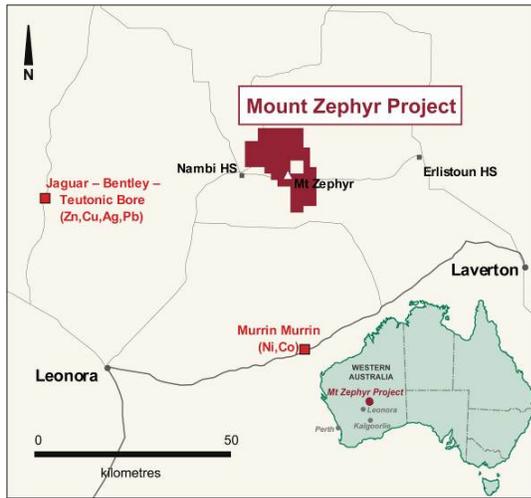
The Yerilla Project is a partnership between Heron and Shanshan Ningbo. Shanshan may earn a 70% interest in the project by completing all studies and construction of the project. The earning point is upon the project commissioning reaching 50% of name plate capacity.

Shanshan has completed a Scoping Study for a combined agitated leach and heap leach processing for the Yerilla project. Operating and capital expenditures were estimated for both Australia and China-located plants.

The process flow sheet aims at beneficiation of the ore prior to sulphuric acid leaching in a stirred tank environment. This will be complemented by a study to look at the potential of heap leaching the beneficiation rejects.

EXPLORATION PROJECTS

MT ZEPHYR BASE METAL PROJECT



The Company's wholly owned Mt Zephyr Project is located 70km north-east of Leonora. The project is targeting Volcanogenic Massive Sulphide (VMS) deposits similar to those found at the Teutonic Bore copper-zinc-lead mine located 60km west.

RC drilling was completed during the Quarter with 15 holes for 2,176m. Targets included the alteration zone outlined in the March 2011 Quarterly, extensions of the mineralised sericite alteration zone, a RAB copper anomaly in the central target area and two untested EM anomalies in the northern target area.

No massive sulphides were intersected, however, several sulphide-rich VMS zones were indentified, which continue to provide encouragement for economic mineralization.

Mt Zephyr Location Plan

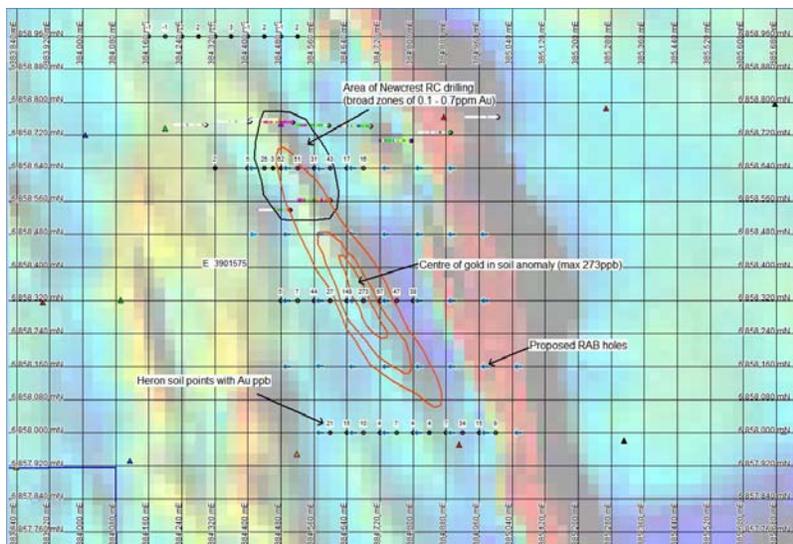
Results from drilling during the Quarter were as follows:

- ZNRC010: 8 meters @ 0.64% zinc from 84 meters depth in sericite schist.
- ZNRC015: 12 meters @ 0.5% zinc from 72 meters depth in felsic volcanic.
- ZNRC015: 24 meters @ 0.06% copper from 96 meters in a semi-massive sulphides.

The host rock is heavily sericite-altered felsic volcanic, as opposed to black shale enrichment. This augurs well for VMS-style mineralized systems.

Down-hole EM surveying will be completed, aiming to identify off-hole massive sulphide mineralization.

MT ZEPHYR GALE GOLD PROJECT



Heron soil sampling at Mt Zephyr (Gale) has delineated a strong **50-273ppb gold anomaly** over some 800 meters along strike from previous Newcrest drilling along a granite/basalt contact.

The previous drilling immediately northwest of the soil peak anomaly returned pervasive broad zones of 0.1-0.7g/t gold.

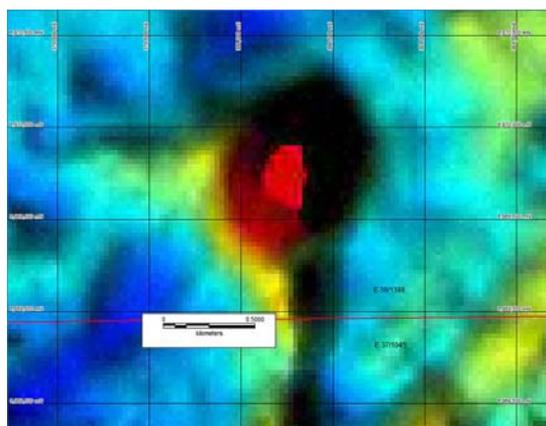
A moderate priority follow-up RAB program (37 holes for 1,300m) has been designed to follow up the soil gold anomaly.

Mt Zephyr Gale, gold soil geochemistry on magnetics

MT ZEPHYR NORTH PROJECT



Photo of Diamond Core ZRDD01 209 – 220m



The Mt Zephyr North Copper-Gold Project is located in the far north of the Mt Zephyr project area, 80km north-east of Leonora.

As previously reported, the Company drilled a single diamond core hole (ZRDD01) into a strong magnetic anomaly which intersected 85 meters (from 190 meters depth) of strongly altered magnetite-hematite-epidote basaltic and syenitic rocks.

A follow-up broad spaced program of RAB drilling identified a strong copper anomaly within strongly altered granitic rocks in a hole directly to the north of the magnetic anomaly. A subtle but strike extensive EM anomaly is also associated with this zone, providing a clear target for follow-up.

A single follow-up RC hole intersected a zone of strongly magnetic amphibolite and granite with epidote alteration over some 15 meters from 120 meters depth. No sulphides were intersected, with maximum 0.01% copper.

However, based on the magnetite intersected in drilling, the magnetic anomaly is now being geophysically modelled to determine the potential for open-pit table magnetite Iron Ore.

The magnetic anomaly is some 500m in diameter and associated with the magnetite skarn alteration defined in earlier Heron drilling of the copper-gold target.

Mt Zephyr North magnetic anomaly

SHAY GAP IRON ORE PROJECT

Heron's wholly owned Shay Gap Iron Ore Project is located 150km due east of Port Hedland and adjacent to BHP Billiton's iron ore operations in this area. The Company is exploring for Detrital and Channel Iron Deposits (DID and CID), derived from iron-rich material shed from the Shay Gap ranges to the immediate north-east.

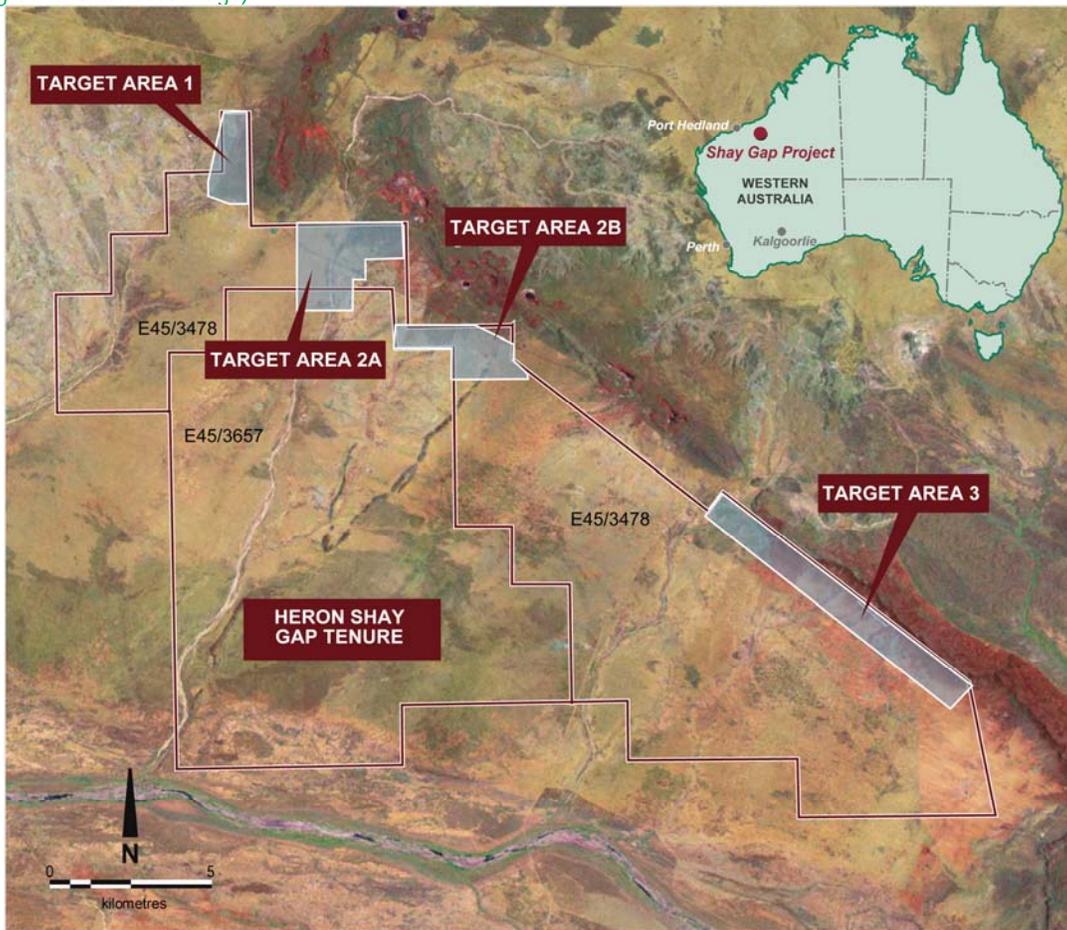
Previously reported surface samples from the tenements returned several results above 60% iron, indicating that high grade iron-ore in modern times is being shed off the ranges and onto Heron's tenements. The Company is currently working through the requirements of the Heritage Agreement signed with the Traditional Owners and is hoping to commence drilling programs in the next Quarter.

The Company completed a detailed gravity survey over four key areas along the range. Gravity surveying is a geophysical method which maps the subtle changes in density of various rock types and has proven to be an effective exploration tool for targeting high-grade detrital deposits in Western Australia. Four key areas (shown below) are being initially targeted with the gravity surveys.

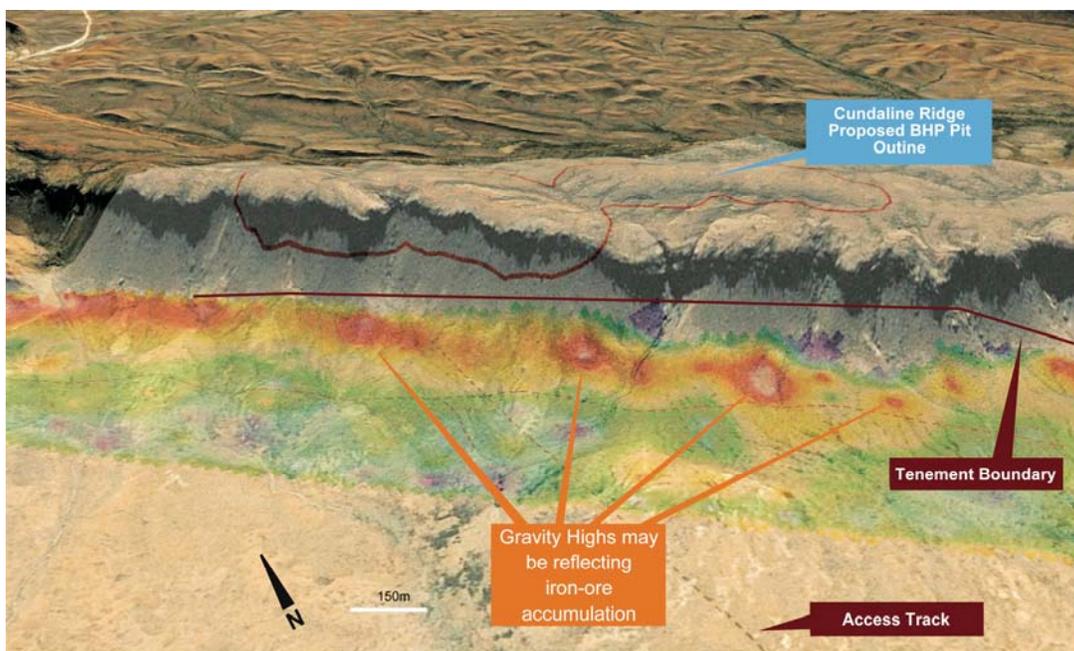
The Company's tenements at Shay Gap cover a 15km strike extent of the range-front and there is potential for Detrital Iron Deposits to have been trapped in old drainage lines along the contact between the sediments and the granite, and between the granite and later cross-cutting dolerite dykes.

The gravity data highlights a number of encouraging "highs" along the range front in Area 3 and a number of other areas. Some 260 RC drill collars have been marked out, and Heritage clearance is in progress.

Map showing location of Heron's tenement area and gravity survey areas adjacent to the range at Shay Gap (background is Landsat image)

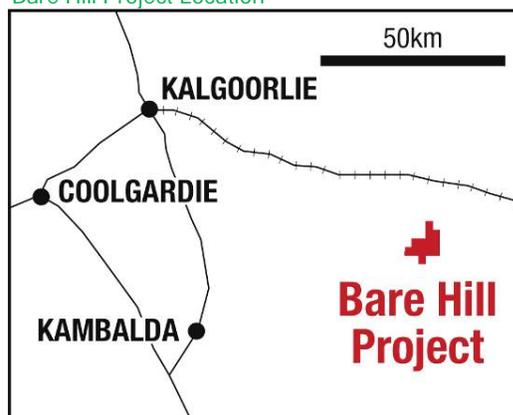


Map showing the gravity survey anomalies (highest gravity indicating dense rock in red tones) draped over topography



BARE HILL GOLD PROJECT

Bare Hill Project Location



The Company's wholly owned Bare Hill Gold Project is located 70km south-east of Kalgoorlie and 8km to the east of the 420,000oz Salt Creek gold deposit. A total of 8 RC holes were drilled in the previous Quarter for 857meters. All holes returned anomalous gold intercepts with three holes returning more significant results using 1 metre samples as detailed below:

Hole	Northing	Easting	Significant gold intercepts
BHRC01	6559280	414460	5m @ 1.85g/t from 73m
BHRC02	6559280	414500	6m @ 2.17g/t from 78m
BHRC03	6559600	414440	4m @ 2.79g/t from 64m

The anomalous results were associated with zones of quartz veining and sericite-carbonate-pyrite alteration in mafic schists.

There was scope to interpret that the mineralisation is trending oblique to the section (in an ENE or ESE trend) and so a program of 23 angled RAB holes for 1,203m were drilled. Best intercept was 4 meters at 1.2g/t gold. The N-S trend, rather than E-W, is preferred.

It is likely a farm-out of Bare Hill will be sought.

NEW PROJECTS, WESTERN AUSTRALIA

During the Quarter, the Company has become more active in tenement pegging in Western Australia, with new acquisitions including:

- **Diemals South**, iron-ore target in the Yilgarn Iron Province. An initial review of data indicated previous drilling intersected up to 10 meters @ 58% iron from 8 meters down-hole, and appears open along strike. Upon grant, mapping then RC drill follow-up is planned.
- **Mt Sandilands**, vein-hosted barite-lead-zinc prospect in the western Gascoyne Province. From interpretation of open file data, several targets have been defined for geochemical sampling then RC drill follow-up.

The Heron pegging strategy is most specific, in that a defined drilling target must be apparent to support the pegging.

LEICHHARDT COPPER-GOLD-REE PROJECT, NORTHWEST QUEENSLAND

The Company commenced tenement pegging in the Mt Isa Inlier of Northwest Queensland, targeting copper-gold-rare earth mineralization in Iron Ore Copper Gold (IOCG) settings.

In terms of exploration potential, Mt Isa Inlier is a very well mineralised Cu-Au, Pb-Zn-Ag, U-REE and Mo-Re province, with one or two world class deposits discovered virtually each decade (Ernest Henry 1991 discovery, 122Mt at 1.14% Cu and 0.55g/t Au; Mt Elliott 2009 discovery, 570Mt at 0.44% Cu and 0.26g/t Au, both IOCG deposits).

The copper, copper-gold and Rare Earth (REE) potential of the Leichhardt-Kalkadoon block east of Mt Isa and the Eastern Succession further to the east is one of the best in the world. Recent discoveries in the Eastern Succession drilling under historical copper workings have reinforced this view, and are a model for the Heron tenement acquisition strategy.

To date, Heron has pegged 15 tenements covering 1,717km². District-scale initial reconnaissance has confirmed large-scale alteration systems, which has encouraged the Heron pegging.

Kalgoorlie Nickel Project, Statement of Mineral Resources

Project	Prospect	Million tonnes	Ni %	Co %	Ni tonnes	Co tonnes	Cut-off %Ni	Category	Estimation Method
Goongarrie	Big Four	40.4	0.77	0.049	311,000	19,800	0.5	Indicated	Recoverable
Goongarrie	Big Four	13.4	0.71	0.045	95,000	6,100	0.5	Inferred	Recoverable
Goongarrie	Goongarrie Hill	66.6	0.67	0.031	446,000	20,600	0.5	Inferred	Recoverable
Goongarrie	Goongarrie South	5.6	1.11	0.107	62,000	6,000	0.5	Measured	Recoverable
Goongarrie	Goongarrie South	48.1	0.85	0.067	409,000	32,200	0.5	Indicated	Recoverable
Goongarrie	Goongarrie South	47.0	0.69	0.035	324,000	16,500	0.5	Inferred	Recoverable
Goongarrie	Highway	52.6	0.72	0.039	379,000	20,500	0.5	Indicated	Recoverable
Goongarrie	Highway	40.4	0.70	0.038	283,000	15,400	0.5	Inferred	Recoverable
Goongarrie	Scotia	11.2	0.77	0.080	86,000	9,000	0.5	Inferred	Krige
Sub-Total Goongarrie		325.4	0.74	0.045	2,395,000	146,100			
Siberia	Siberia South	111.8	0.65	0.035	727,000	39,100	0.5	Inferred	Krige
Siberia	Siberia North	15.5	0.71	0.040	110,000	6,200	0.5	Indicated	Recoverable
Siberia	Siberia North	75.9	0.73	0.033	554,000	25,100	0.5	Inferred	Recoverable
Siberia	Black Range	20.4	0.75	0.102	153,000	20,800	0.5	Inferred	Krige
Siberia	Ghost Rocks	47.3	0.66	0.042	312,000	19,900	0.5	Inferred	Krige
Sub-Total Siberia		271.0	0.69	0.041	1,856,000	111,100			
Total KNP West		596.4	0.71	0.043	4,251,000	257,200			
Bulong	East	16.7	0.90	0.047	150,000	7,800	0.5	Indicated	Krige
Bulong	East	38.0	0.81	0.053	308,000	20,200	0.5	Inferred	Krige
Sub-Total Bulong		54.7	0.84	0.051	458,000	28,000			
Hampton	Kalpini	76.4	0.73	0.044	558,000	33,600	0.5	Inferred	Krige
Hampton	Rebecca	16.2	0.94	0.050	152,000	8,100	0.5	Inferred	End Area
Sub-Total Hampton		92.6	0.77	0.045	710,000	41,700			
Total KNP East		147.3	0.79	0.047	1,168,000	69,700			
Total KNP		743.7	0.73	0.044	5,419,000	326,900			

JORC COMPLIANCE STATEMENTS

The information in this report that relates to Mineral Resources is based on information compiled by James Ridley who is a Member of the Australasian Institute of Mining and Metallurgy. James Ridley is a full time employee of Heron Resources Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the resource estimation activities undertaken to qualify as Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. James Ridley consents to the inclusion in this report of the matters based on his information in the form and context that it appears. Note that Mineral Resources that are not Ore Reserves do not have demonstrated viability.

The information in this report that related to Exploration is based on information compiled by David von Perger who is a member of Australian Institute of Mining and Metallurgy. David von Perger is a full time employee of Heron Resources Limited. David von Perger has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the exploration activity that he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. David von Perger consents to the inclusion in this report of the matters based on his information in the form and context that it appears.



Ian Buchhorn
Executive Director

1.12 Total operating and investing cash flows (brought forward)	(1,592)	(9,690)
Cash flows related to financing activities		
1.13 Proceeds from the issue of shares, options, etc.	-	-
1.14 Proceeds from the sale of forfeited shares		
1.15 Proceeds from borrowings		
1.16 Repayment of borrowings		
1.17 Dividends paid		
1.18 Other (provide details if material)		
Net financing cash flows	-	-
Net increase (decrease) in cash held	(1,592)	(9,690)
1.19 Cash at beginning of quarter/year	48,565	56,663
1.20 Exchange rate adjustments		
1.21 Cash at end of quarter	46,973	46,973

**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 Qtr \$A'000
1.22 Aggregate amount of payments to the parties included in item 1.2	867
1.23 Aggregate amount of loans to the parties included in item 1.10	

1.24 Explanation necessary for an understanding of the transactions

Directors fees, salaries and superannuation (A\$816,608). Provision of office accommodation by director related entity (A\$18,000) Provision of legal services by director related entity (A\$31,955)

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

See attached schedule

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	1,600
4.2 Development	-
4.3 Production	-
4.4 Administration	750
Total	2,350

Reconciliation of cash

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

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	154	175
5.2 Deposits at call	46,242	47,833
5.3 Bank Overdraft		
5.4 Other (provide details)		
Property Rental bond	47	47
Environmental bonds	530	510
Escrow Accounts		
Total: cash at end of quarter (Item 1.21)	46,973	48,565

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at Begin of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	See attached schedule		
6.2	Interests in mining tenements acquired or increased	See attached schedule		

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) (\$)	Amount paid up per security (see note 3) (\$)
7.1 Preference securities (description)				
7.2 Changes during Quarter				
(a) Increases through share issues				
(b) Decreases through returns of capital, buybacks, redemptions				
Ordinary securities	252,985,787	252,985,787		
7.3 Changes during Quarter *				
(a) Increases through share issues				
(b) Decreases through returns of capital, buybacks				
7.4 Convertible debt securities (description)				
7.5 Changes during Quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				

7.6 Options (description and conversion factor)	5,000,000	Nil	Exercise Price \$0.6864	Expiry Date 7/09/2016
	1,500,000	Nil	\$1.00	05/06/2012
	2,500,000	Nil	\$1.50	05/06/2013
	3,500,000	Nil	\$2.00	05/06/2013
	5,250,000	Nil	\$2.50	05/06/2014
	4,818,776	Nil	\$0.30	09/06/2014
	1,800,000	Nil	\$0.25	25/06/2012
	2,600,000	Nil	\$0.425	25/06/2014
7.7 Issued during Quarter				
7.8 Exercised during Quarter				
7.9 Expired during Quarter	100,000	Nil	\$1.48	30/06/2011
7.10 Debentures (totals only)				
7.11 Unsecured notes (totals only)				

Compliance 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.

- Southern Gold Limited may earn an initial 51% interest in three tenements comprising Heron's Bulong South Project through expenditure of \$120,000 over a two year period from October 2009.
 - Southern Gold Limited may earn an initial 60% and subject to Heron non-contribution, then up to 80% of Heron's Bulong Project through a staged expenditure up to \$1,000,000 within 21 months. Heron's 20% interest would then be free carried through to the completion of a Pre-feasibility Study or \$8M of cumulative expenditure, whichever occurs first. Southern Gold is to spend a minimum commitment of \$150,000 within 3 months of the commencement date. Heron retains Nickel Laterite rights.
 - Ningbo Shanshan Co Ltd, may earn a 70% interest in the Company's Yerilla Project by sole funding construction and commissioning of the Project to an agreed capacity following a positive feasibility outcome. The agreement is subject to Australian and Chinese regulatory approvals.
 - Heron sold tenements to Kalgoorlie Consolidated Gold Mines - Heron retain a royalty on gold production.
- 6.1 Interests in Mining Tenements transferred, relinquished, reduced or lapsed (includes tenements that have lapsed and/or expired that may have subsequent Heron tenement in place).**

Tenement	Nature of Interest	% Beginning of Quarter	% At end of Quarter
M29/00415	Registered Holder	100	0
E77/01614	Registered Holder	100	0
E16/00322	Registered Holder	100	0
E25/00401	Registered Holder	100	0
E21/00421	Registered Holder	100	0
E39/00883	Registered Holder	100	0
P24/04548	Registered Holder	100	0
P24/03777-03781	Registered Holder	100	0
P24/03179-03184	Registered Holder	100	0

P26/03757-03758	Registered Holder	100	See note 4 above
P26/03360-03362	Registered Holder	100	See note 4 above
P26/03493-03496	Registered Holder	100	See note 4 above
P26/03572	Registered Holder	100	See note 4 above
M25/00059	Registered Holder	100	See note 2 above
M25/00111	Registered Holder	100	See note 2 above
M25/00134	Registered Holder	100	See note 2 above
M25/00145	Registered Holder	100	See note 2 above
M25/00161-00162	Registered Holder	100	See note 2 above
M25/00171	Registered Holder	100	See note 2 above
M25/00206-00210	Registered Holder	100	See note 2 above
M25/00220	Registered Holder	100	See note 2 above
P25/01058	Registered Holder	100	See note 2 above
P25/01061-01063	Registered Holder	100	See note 2 above
P25/01175-01177	Registered Holder	100	See note 2 above
P25/01179	Registered Holder	100	See note 2 above
P25/02050	Registered Holder	100	See note 2 above
P25/02062	Registered Holder	100	See note 2 above
M25/00165	Registered Holder	100	See note 2 above
M25/00191	Registered Holder	100	See note 2 above
P25/02062	Registered Holder	100	See note 2 above
M25/00165	Registered Holder	100	See note 2 above
M25/00191	Registered Holder	100	See note 2 above
M25/00226	Registered Holder	100	See note 2 above
M25/00234	Registered Holder	100	See note 2 above
M25/00260	Registered Holder	100	See note 2 above
M25/00341	Registered Holder	100	See note 2 above
P25/02170-02171	Registered Holder	100	See note 2 above
P25/01853	Registered Holder	100	See note 2 above

Interests in Mining Tenements acquired or increased

Tenement	Nature of Interest	% Beginning of Quarter	% At end of Quarter
E09/01912	Registered Applicant	0	100
E30/00433	Registered Applicant	0	100
E77/01961	Registered Applicant	0	100
EPM 19168	Registered Applicant	0	100
EPM 19191	Registered Applicant	0	100
EPM 19192	Registered Applicant	0	100

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: _____
Company Secretary

Date: 28/07/11

Print name: Bryan Horan

Notes

1. The Quarterly Report is to provide 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.