

*A highly active exploration company with projects in Western Australia prospective for base metals, manganese and uranium*

**ASX Code**

ENR

**Market Cap (28/4/11)**

A\$87m (\$0.88/share)

**Issued Capital (31/3/11)**

99.3 million ordinary shares  
7.1 million employee options

**Cash (31/3/11)**

A\$8.3M

**Board of Directors & Management**

Mr. Paul Chapman  
Non-Executive Chairman

Mr. Will Robinson  
Managing Director

Mr. Peter Bewick  
Exploration Director

Dr. Jon Hronsky  
Non-Executive Director

Mr. Kevin Hart / Mr. Dan Travers  
Joint Company Secretary

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**HIGHLIGHTS**

**PATERSON PROVINCE**

**Yeneena - Major ground position between the Nifty copper mine, the Woodie Woodie manganese mine and the Kintyre uranium deposit**

• **BM1 Copper Discovery**

- The major 2011 drill campaign at BM1 commenced in April 2011. The initial program of 5,000m of diamond drilling and 3,000m of aircore and RC drilling will be completed within two months. First assay results are expected in June 2011.
- During the quarter 3D modelling of mineralised copper envelopes defined at BM1 was completed. This modelling confirmed coherent secondary copper at the Northern and Central Areas and provided valuable input into target definition for the major 2011 drill campaign.
- Petrographic thin section analyses completed during the quarter from the three hole diamond drill program completed in late 2010 has identified primary copper sulphide minerals (chalcopyrite / bornite) within bands of low grade copper mineralisation.

• **BM2 Prospect**

- Second large copper system identified at Yeneena located 35km north-east of the BM1 Copper Discovery
- Modelling of the ground gravity survey was completed during the quarter and has identified a gravity anomaly immediately south of the geochemical anomaly defined by aircore drilling at BM2 in 2010. This gravity feature will be tested in the 2011 drill program.
- A 4,000m aircore/RC drill program is scheduled to commence in late May 2011.

• **T4 Prospect**

- VTEM survey to commence in May 2011 to define drill targets along the margin of the interpreted horst block of Rudall Complex metamorphics.

**CORPORATE**

- The Company's cash balance at the end of the quarter was A\$8.3 million.

## EXPLORATION

Encounter Resources Limited (“**Encounter**”) is a Western Australian (“**WA**”) based exploration and resource development company with projects in three geological regions of WA. Encounter’s portfolio covers over 4,750km<sup>2</sup> of strategically located and highly prospective exploration projects (Figure 7). The portfolio includes:

- A major ground position in the Paterson mineral province between the Nifty copper mine, Woodie Woodie manganese operation and the Kintyre uranium deposit, considered highly prospective for Proterozoic copper and silver-lead-zinc mineralisation, unconformity related uranium and carbonate hosted manganese deposits;
- Inferred Resources of 11 million pounds of near surface, calcrete style uranium in the Yilgarn Province; and
- Four projects targeting base metals in the Bangemall Basin.

## PATERSON PROVINCE

### YENEENA (100% Encounter)

The Yeneena project covers a 1,300km<sup>2</sup> tenement package in the Paterson Province of WA located between the Nifty copper mine, the Woodie Woodie manganese mine and the Kintyre uranium deposit (Figure 1). The project is considered highly prospective for sedimentary copper mineralisation, silver-lead-zinc mineralisation, Woodie Woodie style manganese mineralisation and unconformity related uranium mineralisation.

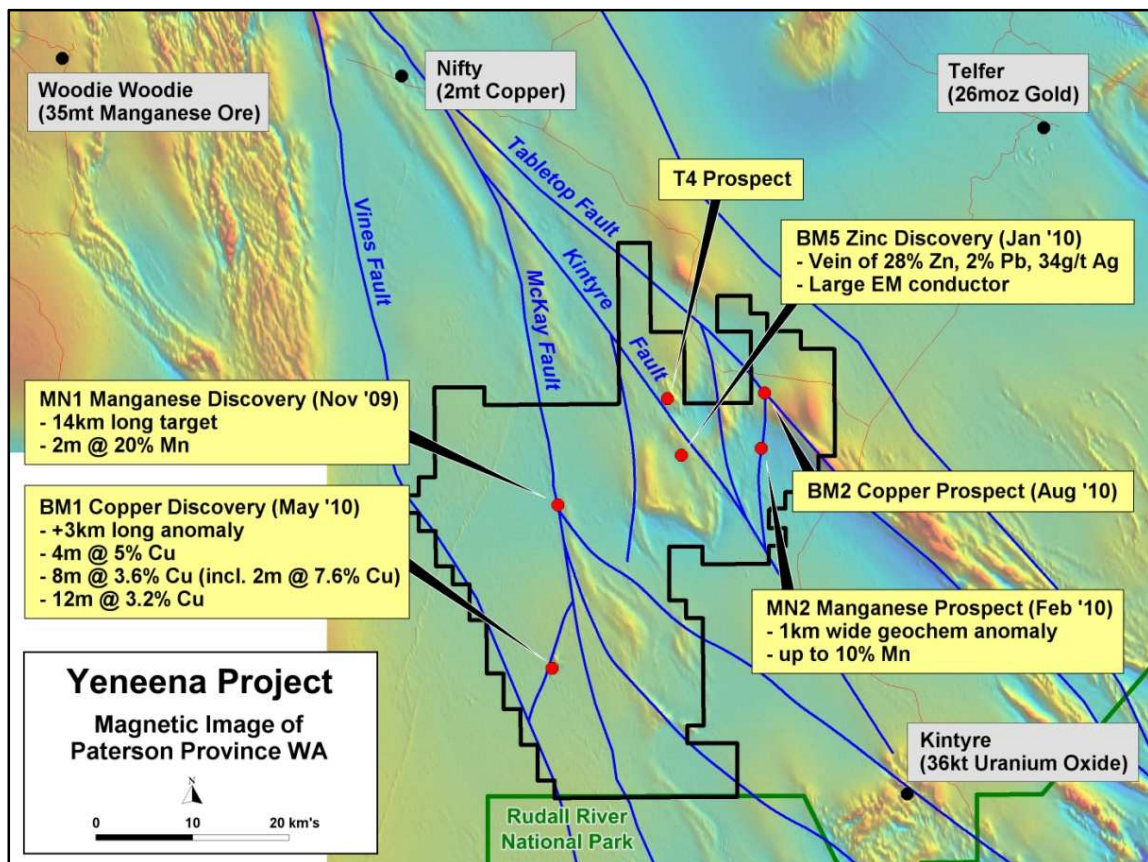



Figure 1: Yeneena targets and major structures over magnetics

Simplified geological stratigraphy for the region comprises the Palaeo-Proterozoic Rudall Complex as the lowermost unit, overlain by the Neo-Proterozoic Coolbro Sandstone. The Broadhurst Formation sits stratigraphically above the Coolbro Sandstone and is the host to the base metals targets and the Nifty copper mine.



The Kintyre uranium deposit sits directly below the unconformity between the Coolbro Sandstone and the Rudall Complex.

Exploration activities during the quarter have focused on the consolidation and interpretation of drilling, geochemical and geophysical data and the generation of a comprehensive 3D exploration model for the BM1 area. The model has generated a series of high priority drill targets which will be tested in the expanded \$5M 2011 exploration campaign.

Heavy rain during the quarter has resulted in a late start to the field season. Drilling has now commenced at BM1 following the re-establishment of access and camp infrastructure.

The 2011 exploration program at the Yeneena project is a major escalation of activity at this exciting greenfield copper exploration project.

### **BM1 Copper Discovery**

The BM1 Copper Discovery (“**BM1**”) is located along the McKay Fault approximately 60km south of the Nifty copper mine (Figure 1).

The copper regolith anomaly at BM1 extends over 3.5km and remains open to the north and south. The most southern drill line includes numerous intersections above 0.1% Cu including 2m @ 0.8% Cu from 62m in EPT373 (Figure 2).

The BM1 copper mineralisation is hosted within the Broadhurst Formation and is almost entirely overlain by 2-10 meters of transported cover. The exploration target at this prospect is for a Zambian Copper Belt style, sediment-hosted copper deposit.

High grade copper mineralisation was first discovered in aircore drilling at BM1 in June 2010. Intersections included 4m @ 5.45% Cu from 66m, 8m @ 1.09% Cu from 24m and 6m @ 1.41% Cu from 54m to end of hole.

Further drilling confirmed a coherent zone of high grade, near surface copper mineralisation defined over a large area in the northern section of BM1 (“**Northern Area**”) (Figures 2 and 3).

In the 2010 drill campaign numerous thick intersections grading over 1% copper were intersected within 50 metres of the surface at the Northern Area including:

- 20m @ 2.0% Cu from 22m (incl. 12m @ 3.2% Cu)
- 12m @ 1.5% Cu from 16m (incl. 2m @ 2.7% Cu)
- 10m @ 1.1% Cu from 36m (incl. 2m @ 2.5% Cu)
- 16m @ 0.7% Cu from 8m (incl. 2m @ 3.0% Cu)
- 34m @ 0.4% Cu from 18m (incl. 4m @ 1.6% Cu)
- 8m @ 3.6% Cu from 18m (incl. 2m at 7.6% Cu)
- 14m @ 1.1% Cu from 16m
- 12m @ 1.0% Cu from 24m
- 8m @ 0.8% Cu from 16m

Following the initial discovery of high grade copper oxide mineralisation a detailed ground gravity survey was completed at BM1 in July 2010. This survey was designed to provide additional structural and stratigraphic information at the prospect. Results from the survey and the regional Tempest Airborne EM (“**AEM**”) have been utilised to define a series of primary copper sulphide targets beneath the extensive regolith copper anomaly.

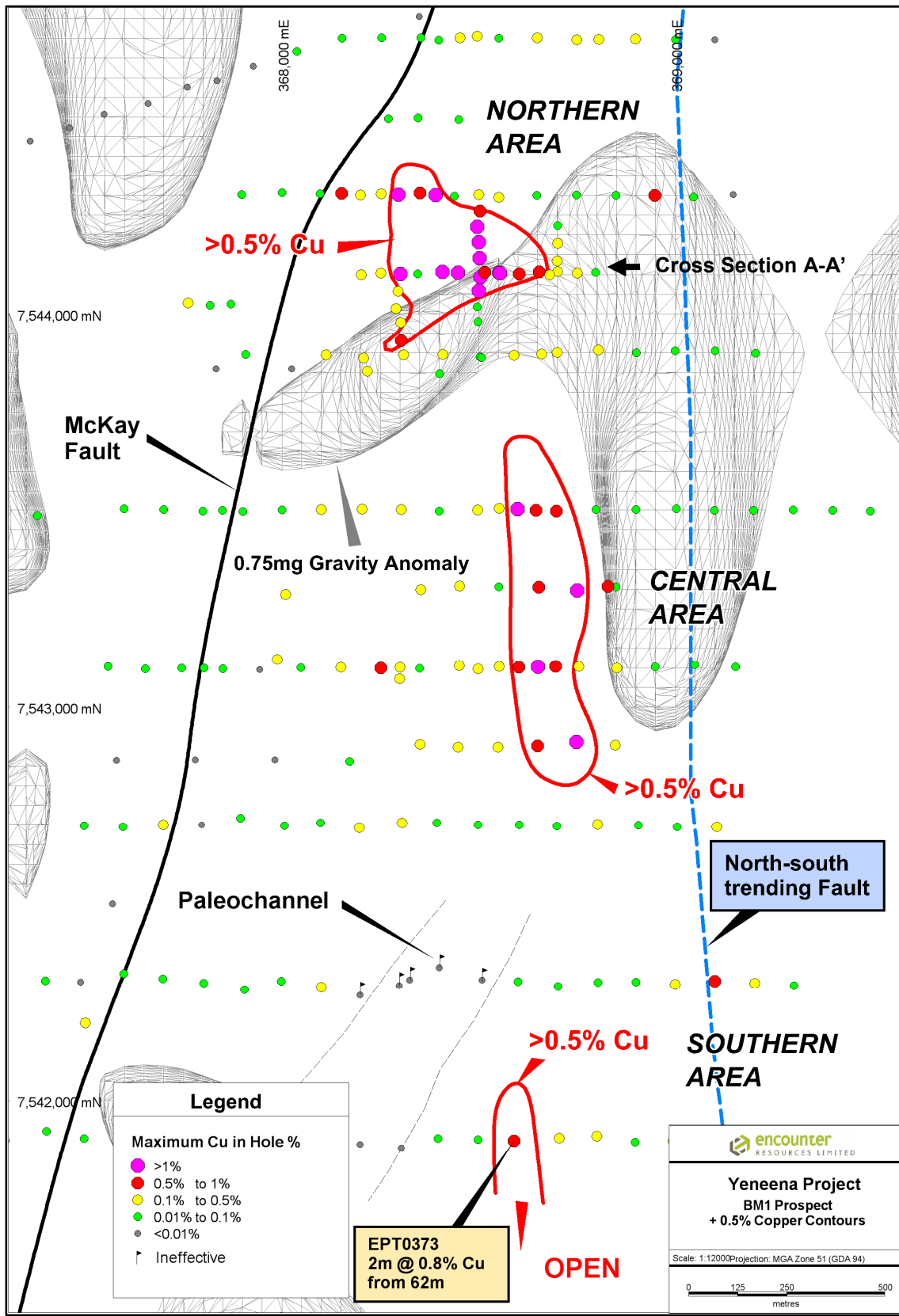
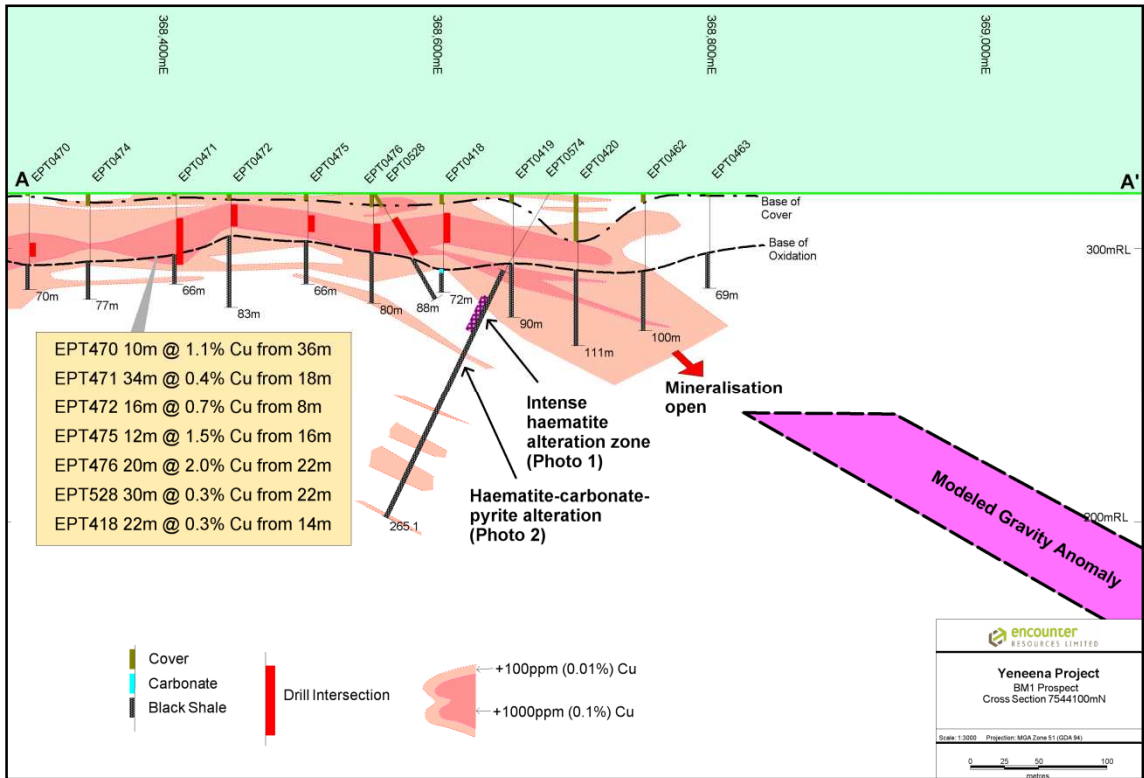
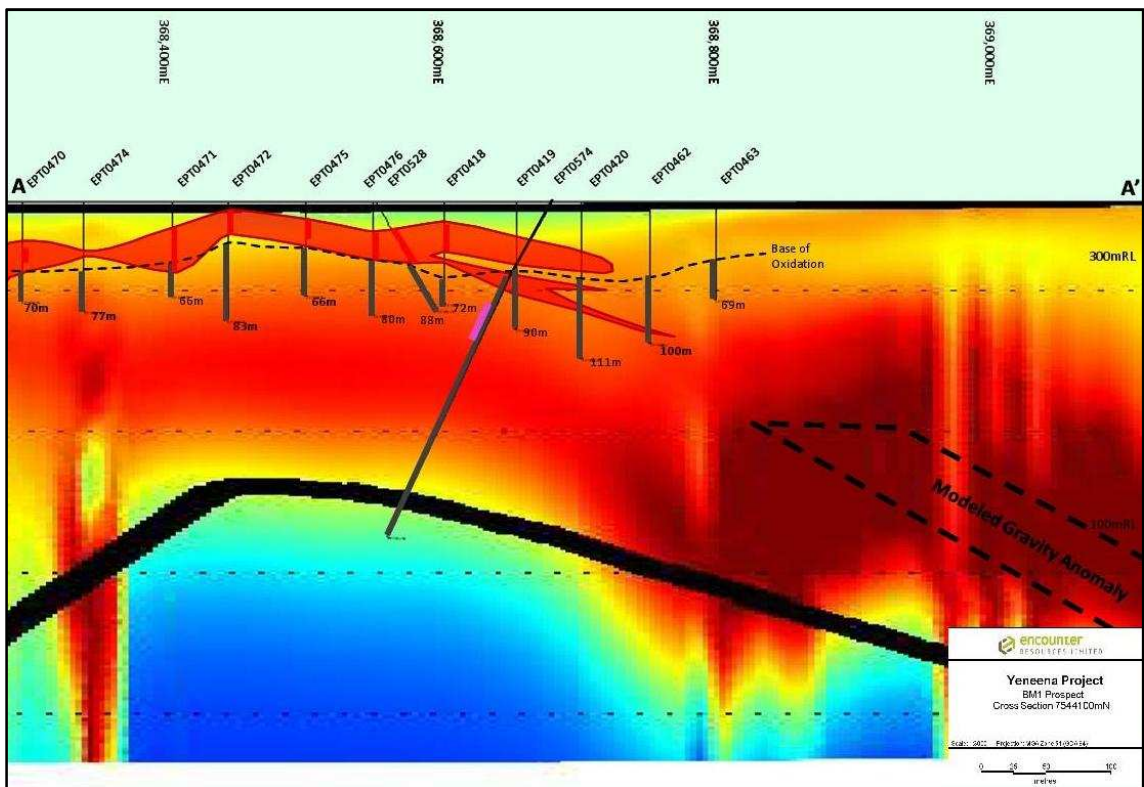


Figure 2: BM1 - Northern Area & Central Area - Maximum Copper in Hole over 0.75mg Gravity Shell



**Figure 3:** BM1 - Northern Area – Cross Section 7544100N (A – A')  
Country rock density 2.6 g/cm<sup>3</sup>, Modelled anomaly density 3.8g/cm<sup>3</sup>



**Figure 4:** BM1 - Northern Area – Cross Section 7544100N (A – A')  
Drill holes against Layered Earth Inversion background

At the eastern side of the Northern Area, highly anomalous copper mineralisation has been intersected towards the bottom of the shallow aircore drill holes, below the base of oxidation within black shales. This is interpreted to be transitional to primary in nature. This area is also associated with highly anomalous cobalt mineralisation with several intersections of over 0.1% cobalt and anomalous silver. These elements are considered less mobile than copper and it is interpreted that the mineralisation within this area may be more proximal to the primary copper sulphide source.




Figure 3 and Figure 4 show drill results from Section A-A' across the Northern Zone mineralisation. The sections show the anomalous copper mineralisation updip of the modelled gravity anomaly in Figure 3. Figure 4 highlights the area of the gravity anomaly is coincident with an area of increased conductivity as shown in the Layered Earth Inversion model.

A second coherent zone of near surface copper mineralisation over 0.5% copper, (“**Central Area**”) 500m south of the Northern Area discovery at BM1 was identified in 2010 (Figure 2).

Assays results from the Central Area include:

- 14m @ 1.2% Cu from 42m
- 2m @ 3.0% Cu from 40m
- 6m @ 0.8% Cu from 68m (incl. 2m @ 1.7% Cu)
- 6m @ 1.4% Cu from 54m
- 4m @ 1.1% Cu from 26m
- 2m @ 0.8% Cu from 74m

The coincident gravity and conductivity anomaly at BM1 trends ENE in the Northern Area and NS within the Central Area. It is interpreted that this geophysical anomaly may represent primary sulphide mineralisation at depth.

Three diamond holes were completed during November 2010 at BM1. These holes were designed to help define the geological units at depth and to identify vectors towards the primary source of the near surface copper mineralisation. Two holes were drilled at the Northern Area and one hole was drilled at the Central Area.

Zones of very intense haematite ‘red rock’ alteration, as well as extensive zones of pyrite within the shale packages were intersected in the Northern Area drilling. This intense alteration provides further indication of the potential for a major mineralised system beneath the near surface secondary copper mineralisation discovered at BM1 in 2010. Importantly, these diamond holes did not intersect any units that would account for the gravity anomaly.

Petrographic thin section analyses completed during the quarter from this diamond drilling has identified fine sulphide inclusions interpreted to be primary copper sulphide minerals (chalcopyrite / bornite) within narrow bands of low grade copper mineralisation at depths of 150-200m below surface. These inclusions may represent a halo to a primary copper sulphide position at BM1.

A detailed helicopter EM survey (“**VTEM**”) is planned to be completed at BM1 during May 2011. Regional AEM data has proven to be invaluable in understanding the stratigraphy and structure at the Yeneena Project. The detailed VTEM data at BM1 will help resolve the geometry of the conductive shale host units including potential sulphide mineralisation beneath the base of oxidation.

A 5,000m diamond drill program (approximately 12 drill holes) has commenced. The program has been designed to test for primary copper sulphide mineralisation below the base of oxidation and to determine the nature of the unexplained gravity and conductivity anomaly at BM1. Initial assay results from this program are scheduled to be available from June 2011.

In addition, a 3,000m aircore and RC drill program will be completed in the June quarter to determine the extent of the 3.5km long copper regolith anomaly at BM1.

### **BM2 Prospect**

The BM2 prospect is located 50km south-east of the Nifty copper deposit and 34km north-east of the BM1 copper discovery at the intersection of a north-south trending, westerly dipping fault and the regionally extensive Tabletop Fault (Figure 1). AEM data indicates a clear structural termination of a conductive horizon at its eastern margin against the Tabletop Fault.

Shallow, broad spaced aircore drilling completed in 2010 at BM2 has confirmed a second large copper system at the Yeneena project. Drilling intersected broad and continuous zones of copper oxide mineralisation at a key structural location.

A nine hole, broad spaced aircore program completed at BM2 in June 2010 intersected thick zones of highly anomalous copper which included 2m @ 0.24% Cu at the bottom of the hole EPT315.

Three east-west drill traverses, spaced 320 metres apart, were completed at BM2 in October 2010 following up these anomalous copper intersections. Thirty aircore holes were drilled to a depth of approximately 80-100m and copper anomalism was intersected on all three drill traverses. The central line included multiple thick, highly anomalous copper intersections including:

- EPT561 30m @ 0.14% Cu from 42m to end of hole incl. 2m @ 0.88% Cu
- EPT563 28m @ 0.18% Cu from 54m incl. 4m @ 0.48% Cu & 2m @ 0.41% Cu
- EPT564 36m @ 0.17% Cu from 76m to end of hole incl. 6m @ 0.37% Cu
- EPT588 20m @ 0.27% Cu from 62m incl. 4m @ 0.57% Cu

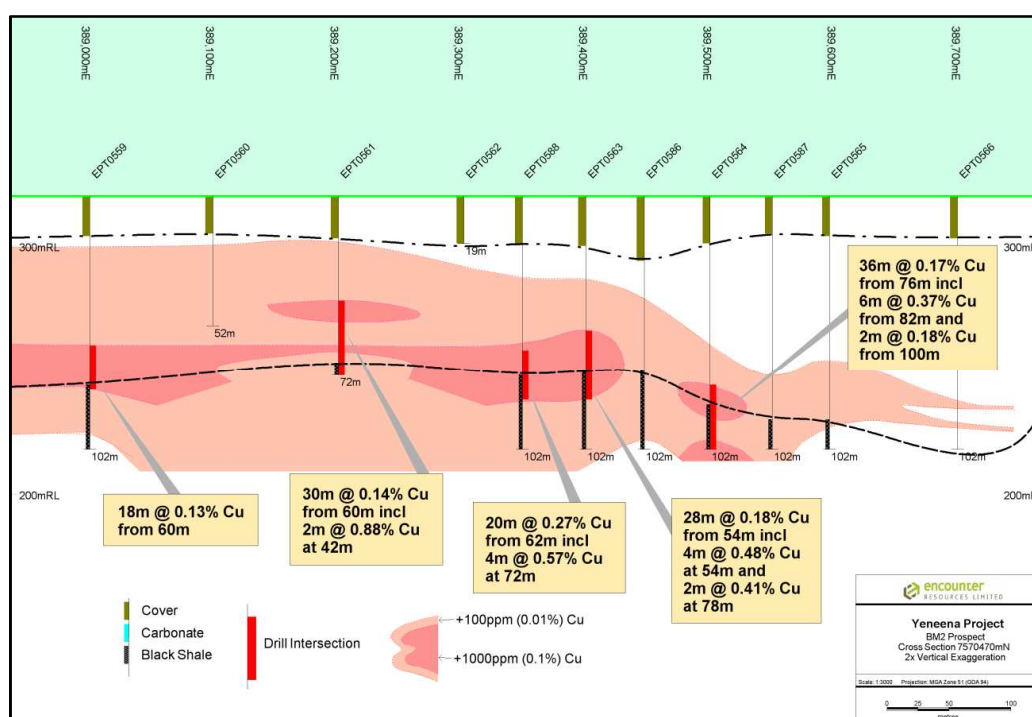


Figure 5: BM2 –Cross Section 7570470N

There is extensive copper regolith enrichment at BM2 that is laterally continuous over a large area (Figure 5). The copper mineralisation appears to be bounded by the Tabletop Fault to the east and remains open to the west. Several of the shallow holes terminated in anomalous copper.

A ground gravity survey was completed at BM2 in November 2010 to assist in the definition of local structures and potential drill targets. The survey outlined an E-W striking gravity feature to the south of aircore drilling conducted in 2010. This anomaly will be drill tested the 2011 drill campaign.

An extensive aircore/RC program (4,000m), followed by a deep diamond drill program will commence at BM2 in May 2011. The proposed diamond drilling will be designed following the completion of the shallow aircore/RC program.

The discovery of a second copper system under transported cover validates Encounter's base metals targeting methodology in the Yeneena. This exploration success has justified an aggressive 2011 regional exploration program to be completed in parallel with the planned expanded drilling program at BM1.

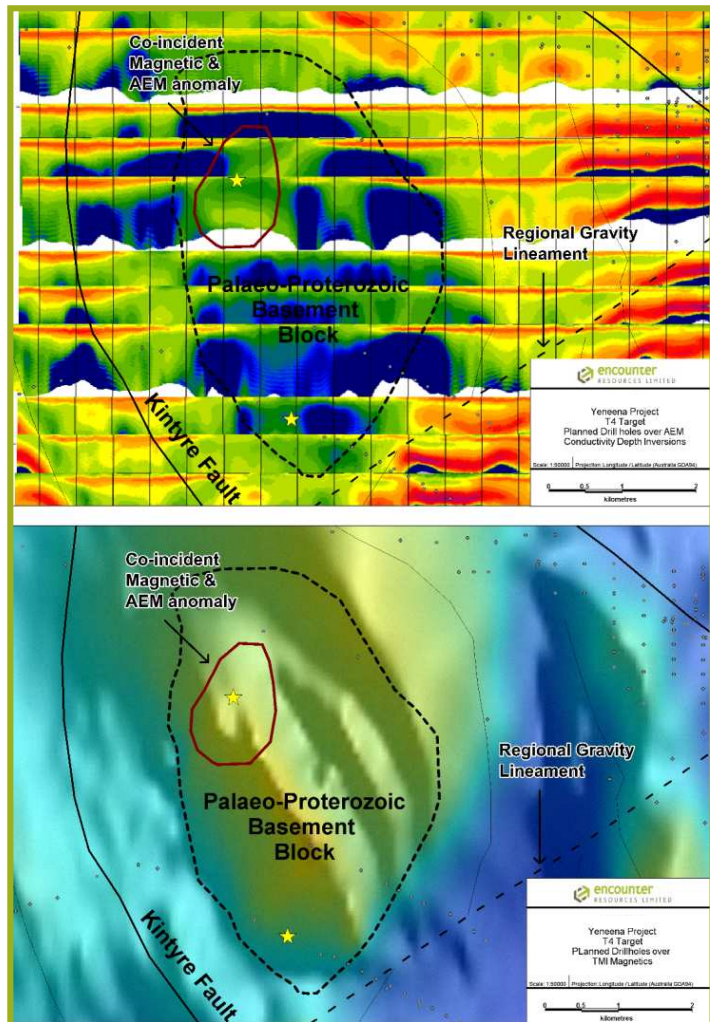
## T4 Prospect

Encounter has confirmed the presence of a horst block of Palaeo-Proterozoic basement rocks (5.5km x 3.5km) in an area of no outcrop at the T4 Prospect which is located approximately 5kms north of the BM5 Prospect. The block was observed in three independent datasets (magnetics, gravity and AEM).

Re-logging of isolated historical drill chips confirmed the presence of metamorphic schists similar to Rudall Complex rocks known in the area. Sedimentary units on the margins of the horst block are considered highly prospective for SEDEX Cu and Pb-Zn mineralisation.

A 350 line km VTEM survey is scheduled to commence in May 2011 to assist in the definition of drill targets along the margin of the Rudall Complex metamorphics at T4.

Encounter was successful in its application for co-funded drilling under the WA Government Exploration Incentive Scheme. This funding will contribute towards the drilling costs of a planned diamond drill program at T4.



**Figure 6:** T4 Palaeo-Proterozoic basement block interpretation over AEM Conductivity Depth Inversions & TMI Magnetics Image.

## BM5 Prospect

The BM5 Prospect (“**BM5**”) is located along the regionally extensive Kintyre Fault (Figure 1). During the June 2010 quarter two diamond drill holes were completed at the prospect to test a downhole EM conductor beneath a gossanous iron manganese horizon, associated with copper-lead-zinc-silver geochemical anomalism. The drill holes were designed to test to the west of a vein of massive sulphide containing sphalerite and galena that was intersected by Encounter in drill hole EPT062 in late 2009. Assay results for the interval of massive sulphide returned **0.1m @ 28.5% zinc, 2.3% lead and 33.9g/t silver**.

Additional RC drilling is planned towards the north of BM5 in the second half of 2011 where it is interpreted that the prospective geological contact is trending closer to surface. This area to the north of BM5 will be included in the VTEM survey to be completed at T4 commencing in May 2011. The results of the survey will assist in the targeting of additional base metals mineralisation at BM5.





## **BANGEMALL BASIN**

### **WANNA (E08/1779 - 85% Encounter, 15% Avoca)**

The Wanna Project (“**Wanna**”) is located 120kms SW of Paraburdoo on the southern margin of the Bangemall Basin, approximately 40kms WNW of Mt Augustus. The project sits along the interpreted western extension of the Augustus Rift, to the east of the Gifford Creek Complex. The planned diamond drilling at Wanna scheduled for May/June 2011 is currently being assessed following recent field reconnaissance at the project.

## **YILGARN DISTRICT**

### **CALCRETE URANIUM RESOURCES**

A strategic review of the calcrete uranium resource has been initiated by Encounter to consider the potential development and commercial alternatives to advance these projects.

### **HILLVIEW (E51/1127 - 82% Encounter, 18% Avoca)**

The Hillview uranium project is located 50kms south east of Meekatharra and contains an Inferred Resource of 27.6 million tonnes, averaging 174ppm  $U_3O_8$  for a contained 10.6 million pounds of  $U_3O_8$ . The Inferred Resource is reported in accordance with the JORC code (2004) and guidelines.

### **LAKE WAY SOUTH (E53/1232 – 60% Encounter Uranium rights only, 40% Avoca)**

The Lake Way South project is located approximately 10kms south of Wiluna, between Toro Energy’s Lake Way and Centipede uranium deposits. An Inferred Resource for the area of the Centipede resource within the JV tenement has been calculated. This resource contains 220,000t @ 244ppm  $U_3O_8$  for 120,000lbs of  $U_3O_8$ . The Inferred Resource is reported in accordance with the JORC code (2004) and guidelines

### **BELLAH BORE EAST (E53/1158 – 82% Encounter, 18% Avoca)**

The Bellah Bore East project is situated in the upper reaches of the Yeelirrie Channel. An Inferred Resource of 350,000t averaging 210ppm  $U_3O_8$  for 160,000lb of  $U_3O_8$  has been calculated for the Bellah Bore East prospect. The Inferred Resource is reported in accordance with the JORC code (2004) and guidelines

## **CORPORATE**

The Company’s cash balance at the end of the quarter was A\$8.3 million.

## **NEXT QUARTER HIGHLIGHTS**

BM1 – 5,000m diamond drilling campaign and 3,000m aircore/RC drill program. Initial assay results will start to be available from June 2011. VTEM survey to test for additional drill targets is scheduled to commence in May 2011.

BM2 – 4000m aircore/RC drilling to commence in May 2011. Diamond drilling follow up.

T4 – VTEM survey is scheduled for May 2011 to be followed by EIS co-funded drilling of targets along the margin of the interpreted Rudall Complex metamorphics.

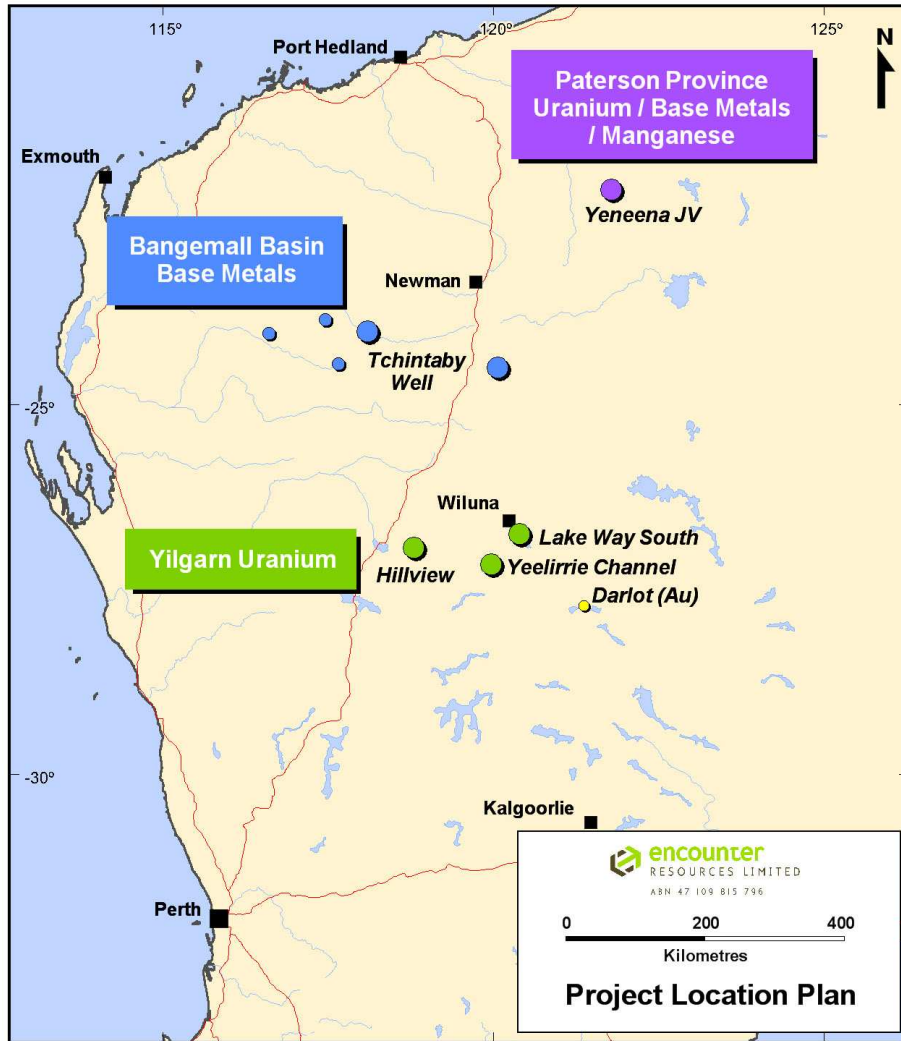


Figure 7: Encounter Resources Project Location Plan

Will Robinson  
 Managing Director

*The information in this report that relates to Exploration Results and Mineral Resources at Lake Way South is based on information compiled by Mr Peter Bewick who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Bewick is a full time employee of Encounter Resources Ltd and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bewick 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 presentation that relates to Mineral Resources for the Hillview Uranium Project is based on information compiled by Mr Neil Inwood who is employed by Coffey Mining Ltd. Mr Peter Bewick from Encounter has consented to a joint sign off for the Resource, Mr Bewick taking responsibility for the quality and reliability of the drillhole database and Mr Inwood is responsible for the grade estimate and classification of the resource. Messrs Inwood and Bewick have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Messrs Inwood and Bewick consent to the inclusion in the report of the matters based on the information compiled by them, in the form and context in which it appears*

## 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

Encounter Resources Limited

ABN

47 109 815 796

Quarter ended ("current quarter")

31 March 2011

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(340)	(2,551)
(b) development	-	-
(c) production	-	-
(d) administration	(174)	(574)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	20	96
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – R&D tax concession refund	-	172
<b>Net Operating Cash Flows</b>	<b>(494)</b>	<b>(2,857)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(52)	(66)
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)	-	-
<b>Net investing cash flows</b>	<b>(52)</b>	<b>(66)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(546)</b>	<b>(2,923)</b>

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(546)	(2,923)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds/(refunds) from issues of shares, options, etc.	145	9,427
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	-	(530)
	<b>Net financing cash flows</b>	<b>145</b>	<b>8,897</b>
	<b>Net increase (decrease) in cash held</b>	<b>(401)</b>	<b>5,974</b>
1.20	Cash at beginning of quarter/year to date	8,750	2,375
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>8,349</b>	<b>8,349</b>

**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	172
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 - Remuneration of Directors.

**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

-

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 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	1,700
4.2 Development	-
4.3 Production	-
4.4 Administration	150
<b>Total</b>	<b>1850</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	152	576
5.2 Deposits at call	8,197	8,174
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>8,349</b>	<b>8,750</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 Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interests in mining tenements acquired or increased	E37/1062	Granted tenement	0%	100%
	E52/2654	Granted tenement	0%	100%
	E52/2648	Granted tenement	0%	100%

+ See chapter 19 for defined terms.

### 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> <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>	99,294,360	99,294,360		
7.4 Changes during quarter				
(a) Increases through issues	300,000	300,000		
(b) Decreases through returns of capital, buy-backs	-	-		
(c) Released from Escrow	-	-		
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-		
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>	50,000	-	<u>Exercise price</u> 50 cents	<u>Expiry date</u> 9/8/2012
	500,000	-	53.5 cents	30/11/2012
	400,000	-	55 cents	30/11/2012
	400,000	-	70 cents	30/11/2012
	25,000	-	50 cents	30/11/2012
	225,000	-	30 cents	30/6/2013
	5,500,000	-	\$1.35	22/11/2014
7.8 Issued during quarter	500,000	-	\$1.35	22/11/2014
7.9 Exercised during quarter	200,000	-	52.5 cents	7/12/2011
	50,000	-	50 cents	30/11/2012
	50,000	-	30 cents	30/6/2013
7.10 Expired during quarter	-	-		

+ See chapter 19 for defined terms.

7.11	<b>Debentures</b> <i>(totals only)</i>	-	-		
7.12	<b>Unsecured notes</b> <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 4).

2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company secretary)

Date: 28 April 2011

Print name: Kevin Hart

## 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: Cash Flow Statements* 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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+ See chapter 19 for defined terms.