



Report for the Quarter Ending 30th June, 2010

30th July, 2010

Highlights

- ◆ During the quarter PepinNini secured an additional two exploration licence applications in the Musgrave Province after being awarded the tenements through a tender process conducted by Primary Industries & Resources South Australia (PIRSA). ELA367/09 'West Mt Caroline' (46km²) and ELA368/09 'Hanging Knoll' (34m²) are strategically located adjacent to EL4048 'Mt Caroline' and EL3931 'Woodroffe', which are the current focus of exploration activities for PepinNini in the Musgrave Province. The ELA areas are considered highly prospective as they are dominated by Giles Complex mafic-ultramafic rocks which are prospective for Ni-Cu sulphide mineralisation.
- ◆ Three hundred and eighty one shallow vacuum boreholes, totaling 3,761.5m were completed during the quarter within EL3931 located within the Musgrave Province of South Australia. Maximum nickel and copper results have been recorded over the interpreted Caroline Intrusion, confirming the prospectivity of the Giles Complex mafic-ultramafic rocks.
- ◆ Seven diamond cored boreholes were also completed within EL3931 during the quarter, totaling 2,194.12m. Sulphide mineralisation was recorded in all boreholes although no economic concentrations were intersected. Elevated nickel, copper and chromium values were assayed for a number of intervals including a 6m interval which reported a composite assay of 0.14% nickel, 0.10% copper and 0.12% chromium and a 53m interval which reported a composite assay of 0.09% nickel, 0.06% copper and 0.15% chromium.
- ◆ The joint venture alliance between Sinosteel Corporation and PepinNini Minerals Limited is continuing to investigate the potential for both non uranium and uranium mineralisation within the Joint Venture tenements within the Curnamona Province Project area. Under the Joint Venture Agreement Sinosteel Corporation has a commitment to spend \$6million investigating the non uranium mineral potential within the tenements.
- ◆ Program preliminaries including a heritage clearance survey have been completed for a drilling program of approximately 27 RC boreholes designed to investigate high grade gold and copper mineralisation identified in surface samples collected from EPM15457 'The Return' and over portions of EPM15440 'Percyville' located in north Queensland. Drilling will commence following the construction of drill pads and access tracks.

- ◆ Joint Venture documentation is nearing completion to facilitate progressing the exploration and development of the identified Direct Shipping Ore (DSO) potential within the 7 tenements comprising the Robinson Range Iron Ore Project. The Joint Venture propose to undertake reverse circulation drilling across at least seven prospects where iron mineralisation has been confirmed and where potential extensions to the mineralisation may be concealed by the shallow alluvial sediments.
- ◆ At the end of the quarter the Company held \$5.9 million in cash.



SOUTH AUSTRALIA

Musgrave Province Project

PepinNini Minerals Limited is currently undertaking exploration programs designed to target nickel-copper sulphide mineralisation and base metal mineralisation in the Musgrave Province, South Australia. PepinNini has four granted exploration licences (EL3368, EL3536, EL4048, EL3931) covering ~5,669 km² and six exploration licence applications (ELA118/96, ELA185/96, ELA278/82, ELA491/94, ELA367/09, ELA368/09) covering ~3,932 km² (Fig. 1). PepinNini subsidiary PepinNini Resources Pty Limited is earning a 51% interest in EL3931 and ELA278/82 and ELA491/94 under a Farm-in and Joint Venture Agreement with Rio Tinto Ltd subsidiary Rio Tinto Exploration Pty Limited.

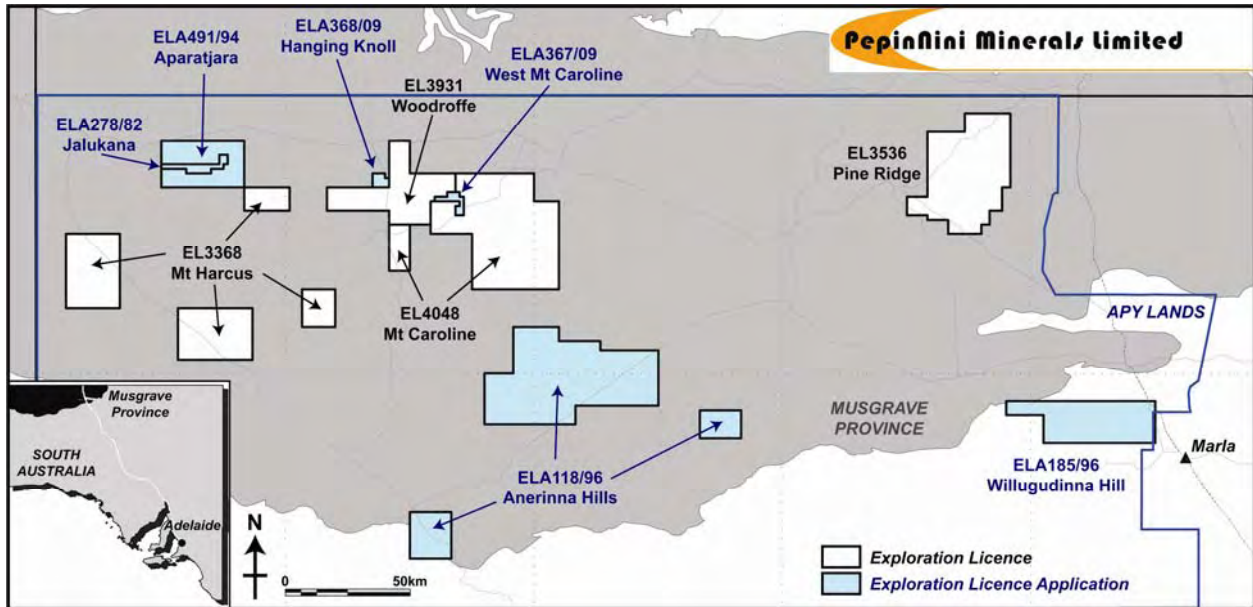


Figure 1. PepinNini tenement distribution in the Musgrave Province, South Australia

During the current quarter, exploration activity focused on EL3931 ‘Woodroffe’ in a green-fields area not previously explored. Exploration activity also occurred over an area interpreted to be the Giles Complex layered mafic-ultramafic Caroline Intrusion. The Caroline Intrusion has been the focus of exploration activity in an adjacent tenement, EL4048 ‘Mt Caroline’. The Giles Complex is considered to be highly prospective for nickel-copper sulphide and platinum group element mineralisation following the discovery of the Nebo-Babel deposit in Western Australia by WMC (392Mt @ 0.3%Ni and 0.33%Cu).

Exploration Licence EL3931 – Woodroffe

Field-based exploration activities commenced within EL3931 during the quarter ended 31st December 2009. During the current quarter ended 30 Jun 2010, exploration activities were focused in the northeast of EL3931 over a previously unexplored region and in the east of EL3931 over the interpreted basal units of the Giles Complex Caroline Intrusion.

During the current quarter, 381 vacuum boreholes were completed (WVC152-532), totaling 3,761.5m. A total of 532 vacuum boreholes have now been completed within EL3931, totaling 4,889.5m (Fig. 2). Assay results from 606 samples have been received to date. A selection of maximum vacuum sample assays is listed in Table 1. Maximum nickel and copper results have been recorded over the interpreted Caroline Intrusion, confirming the prospectivity of the Giles Complex mafic-ultramafic rocks. Currently the vacuum rig is completing a close-spaced infill drilling program over the basal units of the interpreted Giles Complex Caroline Intrusion.

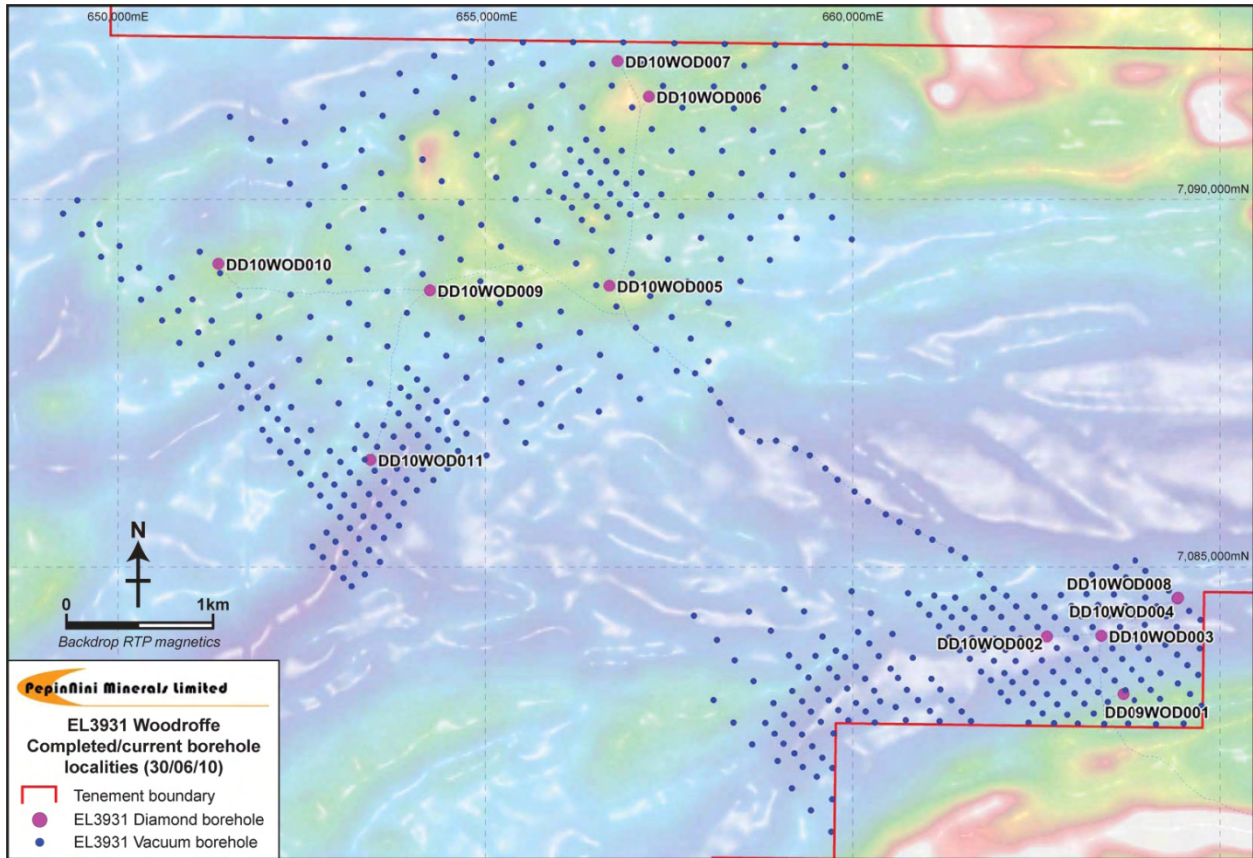


Figure 2. Diamond and vacuum borehole localities, EL3931 Woodroffe.

Table 1. Vacuum drilling maximum assay results, EL3931 'Woodroffe' (Datum: MGA GDA94 z52).

Hole ID	Easting	Northing	Sample	From m	To m	Co ppm	Cu ppm	Ni ppm	Pb ppm	Zn ppm	Ag ppm
WVC009	662645	7084032	106661	10.2	11.1	28	600	700	1.5	85	0.15
WVC038	663705	7083324	106716	6.6	7.5	140	100	1400	<0.5	105	0.25
WVC061	663705	7083324	106769	3.9	4.8	130	100	1300	1	60	<0.05
WVC062	660169	7083483	106771	3.9	4.8	75	500	500	1	65	<0.05
WVC068	662388	7082884	106788	6.6	7.5	185	200	1500	<0.5	105	0.1
WVC093	657806	7090361	106828	18.3	19.2	300	140	165	2.5	195	<0.05
WVC131	663630	7084185	106879	8.4	8.9	18	75	130	2	335	0.05
WVC183	653337	7091427	106975	4.8	5.2	9.5	13.5	13	5.5	550	0.7
WVC190	659324	7090929	106990	7.5	8.1	28.5	70	110	4.5	355	0.1
WVC191	659567	7082895	106994	8.4	8.9	85	600	445	2	205	0.05
WVC209	657121	7090366	107033	20.1	21.0	100	28.5	110	5	340	0.15
WVC238	659724	7082266	107088	6.6	7.5	650	360	315	1.5	190	0.2
WVC241	661346	7084320	107093	12.0	12.9	23	35.5	39	5.5	350	0.25
WVC249	662645	7084032	107102	5.7	6.6	44	950	1600	2	30	<0.05
WVC269	662388	7082884	107132	3.9	4.8	185	295	1400	1	80	0.15
WVC277	658925	7083150	107144	3.9	4.8	110	15	25	36	85	0.3
WVC287	664432	7084550	107158	5.7	6.6	390	250	490	2.5	125	0.1
WVC302	659264	7083642	107179	5.7	6.6	4.2	42.5	22	37	95	0.55
WVC321	664432	7084550	107200	12	12.9	130	370	950	1	195	0.05
WVC335	659680	7083622	107218	3.0	3.4	55	40.5	23	4.5	145	21.5
WVC341	660041	7083648	107224	2.1	3.0	14	49.5	75	37.5	140	0.1
WVC342	658183	7087228	107225	2.1	2.4	29	70	22	1.5	185	32
WVC344	657121	7090366	107227	14.7	15.6	310	95	160	3.5	310	0.2
WVC446	662388	7082884	107362	7.5	8.4	95	145	800	0.5	105	0.05
WVC462	663773	7084045	107384	5.7	6.6	46.5	450	550	2	75	<0.05

Seven diamond boreholes (DD10WOD004 – DD10WOD010) were also completed during the quarter, totaling 2,194.12m (Table 2, Fig. 2). The diamond borehole collar locations were selected on the basis of geophysical and geochemical anomalies. The majority of the diamond boreholes are situated in the northeast of the tenement in a region that has not been previously explored. Lithologies intersected in this region included Birksgate Complex felsic and mafic gneisses, Pitjantjatjara Supersuite granite, Giles Complex gabbros and post-Giles Complex mafic rocks. Sulphides were recorded in all boreholes although no economic concentrations were intersected. Elevated nickel, copper and chromium values were assayed for a number of intervals from borehole DD10WOD004, including a 6m interval (217m – 223m) which reported a composite assay of 0.14% nickel, 0.10% copper and 0.12% chromium and a 53m interval (190m – 243m) which reported a composite assay of 0.09% nickel, 0.06% copper and 0.15% chromium. A selection of maximum assay results for DD10WOD004 – DD10WOD007 are listed in Table 3.

Table 2. Diamond borehole collar details, EL3931 'Woodroffe' (*Datum: MGA GDA94 z52*).

Hole ID	Easting	Northing	Angle	Azimuth	EOH depth (m)
DD10WOD004	664422	7084578	-60°	160°	252.07
DD10WOD005	656686	7088823	-60°	160°	241.97
DD10WOD006	657223	7091394	-60°	160°	25.4
DD10WOD007	656797	7091876	-60°	160°	292
DD10WOD008	664430	7084581	-90°		69.54
DD10WOD009	654250	7088760	-60°	135°	257.97
DD10WOD010	651363	7089123	-60°	315°	275.9

Table 3. Diamond drilling maximum assay results, EL3931 'Woodroffe' (*Datum: MGA GDA94 z52*).

Hole ID	From (m)	To (m)	Int. (m)	Sample No.	Ni ppm	Cu ppm	Cr ppm	Co ppm	Pb ppm	Zn ppm	V ppm	Ti %	Mg %	Fe %	S %
DD10WOD004	35	38	3	200626	100	97	20	53	4	90	608	1.05	2.96	11.2	0.01
	117	120	3	200630	478	147	1320	60	<2	42	215	0.17	10	6.15	0.07
	127	130	3	200632	402	125	1540	48	<2	28	208	0.17	8.85	5.13	0.06
	136	139	3	200633	415	104	1650	50	2	30	234	0.17	9.79	5.44	0.06
	152	155	3	200635	560	223	1770	65	<2	43	262	0.2	11.05	6.88	0.14
	155	158	3	200636	478	205	1500	66	2	52	244	0.19	10.9	7.01	0.12
	187.5	190	2.5	200639	567	240	1550	62	<2	40	228	0.18	10.35	6.63	0.15
	190	193	3	200640	1060	668	1650	77	3	42	247	0.2	9.84	6.96	0.41
	196	199	3	200642	622	483	1780	66	<2	44	259	0.21	10.7	7.21	0.19
	199	202	3	200643	1000	636	1770	73	<2	37	251	0.2	9.75	6.86	0.44
	202	205	3	200644	872	518	1840	80	4	46	260	0.24	10.6	7.68	0.48
	205	208	3	200645	680	319	1670	65	5	47	256	0.23	10.1	7.01	0.31
	208	211	3	200646	686	390	1900	63	<2	41	259	0.22	10.3	6.59	0.25
	211	214	3	200647	791	477	1800	72	<2	55	260	0.22	11.2	7.2	0.32
	214	217	3	200648	666	309	1660	70	<2	47	253	0.2	11.35	7.1	0.19
	217	220	3	200649	1030	919	989	73	<2	54	219	0.36	9.9	7.36	0.54
	220	223	3	200650	1770	1140	1400	97	<2	50	196	0.15	11.75	7.67	0.72
231	234	3	200651	1020	689	1140	70	4	38	228	0.19	9.21	6.56	0.47	
234	237	3	200652	1260	727	1130	82	2	44	210	0.17	10.8	7.18	0.5	
240	243	3	200654	808	439	1520	69	<2	40	246	0.18	10.95	6.65	0.22	
DD10WOD005	55	58	3	200660	68	83	36	69	5	113	624	2.96	3.34	13.15	0.43
	58	61	3	200661	66	80	33	68	3	114	581	2.8	3.52	13.05	0.41
	77	80	3	200663	66	70	39	70	10	131	557	2.81	3.44	12.95	0.4
	80	83	3	200664	68	77	32	68	5	124	564	2.81	3.49	12.95	0.42
	128.8	131.5	2.7	200666	87	91	44	68	8	112	611	2.92	3.51	12.7	0.36
	151	154	3	200669	68	93	30	70	6	109	628	2.89	3.45	13.2	0.44
	218	221	3	200675	76	87	40	73	<2	99	587	2.57	3.28	11.5	0.34
DD10WOD006	11.11	11.35	0.24	200682	92	32	88	60	<2	279	461	4.1	3.92	18.3	0.03
DD10WOD007	84	85	1	200695	42	70	82	27	34	94	91	0.45	2.23	5.31	0.26
	88.97	89.14	0.17	200697	31	128	12	12	33	52	27	0.13	0.24	2.81	0.42
	133	136	3	200708	42	74	91	50	33	177	331	0.92	3.96	9.4	0.18
	148.66	148.79	0.13	200712	4	10	14	6	33	41	40	0.3	0.51	2.32	0.03
	149.84	149.97	0.13	200713	25	66	53	46	11	184	340	1.83	2.9	11.65	0.28
	153.58	153.7	0.12	200714	33	82	21	48	22	163	384	2.58	2.42	11.65	0.32

New Exploration Licence Applications

During the quarter PepinNini secured an additional two exploration licence applications in the Musgrave Province after being awarded the tenements through a tender process conducted by Primary Industries & Resources South Australia (PIRSA). ELA367/09 'West Mt Caroline' (46km²) and ELA368/09 'Hanging Knoll' (34m²) are strategically located adjacent to EL4048 'Mt Caroline' and EL3931 'Woodroffe', which are the current focus of our exploration activities. The ELA areas are considered highly prospective as they are dominated by Giles Complex mafic-ultramafic which is prospective for Ni-Cu sulphide mineralisation.

Curnamona Province Project

The development of the Curnamona Province Project which includes the Crocker Well Uranium Deposit is being managed by Sinosteel PepinNini Curnamona Management Pty Limited (SPCM) on behalf of the Joint Venture partners Sinosteel Corporation (60%) and PepinNini Minerals (40%).

During the quarter SPCM continued investigation of the potential for both non uranium and uranium mineralisation within the Joint Venture tenements. Under the Joint Venture Agreement Sinosteel Corporation has a commitment to spend \$6million investigating the non uranium mineral potential within the tenements.

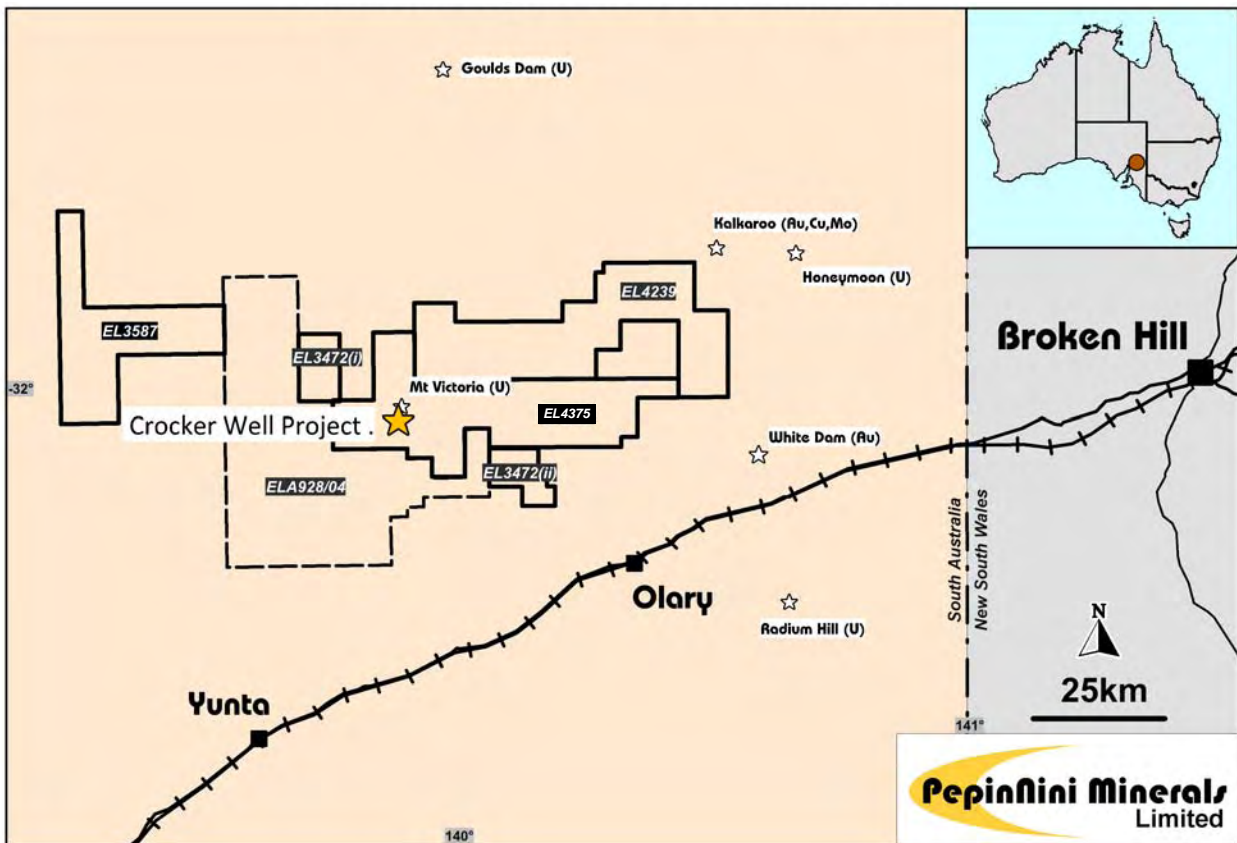


Figure 3. Curnamona Province Project Tenement Location Plan

Crocker Well Uranium Project

On the 28th April, 2010 PepinNini Minerals released an announcement regarding an independent JORC compliant estimate of the mining recoverable uranium resources of the Crocker Well Uranium Project prepared by Hellman & Schofield (H&S). At a cutoff grade of 150ppm U₃O₈ the combined deposits at Crocker Well consists of an Indicated Resource totaling 13,250,000 tonnes at 283 ppm U₃O₈ for 3,750 tonnes (8.27 Mlbs) contained U₃O₈, and an Inferred Resource totaling 5,590,000 tonnes at 275 ppm U₃O₈ for 1,537 tonnes (3.39 Mlbs) contained U₃O₈.

The combined Indicated and Inferred Uranium Recoverable Resource estimate for the Crocker Well Project at a cutoff grade of 150ppm U₃O₈ is 18,840,000 tonnes at 281 ppm U₃O₈ for 5,290 tonnes (11.66 Mlbs) contained U₃O₈.

Combined deposit resource includes resources in four separate deposits namely Crocker East, Crocker Central, Crocker Original and Crocker Junction. This resource has been estimated using data from 31 diamond drill holes and 542 reverse circulation (RC) holes across four deposits in a combined area totaling approximately 45 hectares to an approximate depth of 160m. A bulk density SG (Specific Gravity) of 2.65gms/cc has been estimated for the granodiorite, alaskite, adamellite and biotite-alaskite lithologies at Crocker Well.

Regional Uranium Prospects

Investigation of regional uranium projects in the vicinity of the Crocker Well Project is currently ongoing. Reverse circulation (RC) percussion drill testing of regional uranium prospects returned encouraging U + REE (Ce, La, Y) assay results at the Becaroo Prospect. At Becaroo Prospect drill testing in the vicinity of anomalous rockchip samples (max 1200ppmU₃O₈) returned broad intervals of anomalous U + combined REE enveloping narrower higher grade intercepts within a number of drillholes as presented in Table 4.

Table 4. Becaroo Prospect RC drilling assay results, EL3931

Drillhole	MGA_E	MGA_N	Dip	Az (Mag)	From	To	Interval	U ₃ O ₈ (ppm)	Ce (ppm)	La (ppm)	Y (ppm)
RC09BEC006	396351	6464902	-60	180	36	46	10	469	582	606	204
including					36	38	2	801	760	850	350
					44	46	2	519	1260	1240	240
RC09BEC008	396401	6464813	-60	180	40	88	48	340	367	365	107
including					40	46	6	593	473	440	113
					72	82	10	634	972	948	224
RC09BEC009	396403	6464850	-60	180	10	32	22	271	241	262	110
					36	44	8	171	1125	1090	118
RC09BEC010	396449	6464804	-60	180	14	70	56	178	234	255	109
including					26	32	6	263	350	377	153
					84	86	2	-	3580	3300	110

At Mt Victoria drilling intersected mineralised lodes as defined by handheld scintillometer and downhole geophysical logging. Cutting of drill core was delayed due to restrictions under environmental guidelines but is now proceeding. Sampling and assaying of core samples is scheduled to be completed during the next quarter.

During the quarter a detailed airborne magnetic and radiometric survey was completed within EL4239 (Kalabity). Historical airborne magnetic and radiometric data within the tenement area were considered to be of insufficient resolution to resolve current prospective areas. The newly

acquired radiometric data has defined significant uranium channel anomalies highlighted by red in Figure 4 that warrant reconnaissance and further testing.

Non Uranium Exploration

Tenements held by the Joint Venture are considered prospective for Iron Oxide Copper-Gold-Uranium (IOCG-U), disseminated stratabound copper and/or gold mineralisation, supergene copper-gold mineralisation, Broken Hill type Pb-Zn-Ag deposits and stratabound/sediment hosted base metal mineralisation of the Mt Isa and Century Zinc type deposits. Previous exploration has identified at least 30 prospects, with a number reporting encouraging intersections such as 10m @ 2.07g/t Au, 0.74% Cu, 5.6m @ 8.5% Cu and 32m @ 0.66% Zn.

Airborne magnetic data acquired during the quarter has significantly enhanced structural and stratigraphic interpretations within EL4239 (Figure 5) and other tenements held by the Joint Venture. Integration and interpretation of historical data with the newly acquired airborne data will be undertaken during the next quarter and is expected to generate high priority exploration targets for further testing within the tenement package.

Figure 4. EL 4239 - Radiometric U channel draped on Total Count

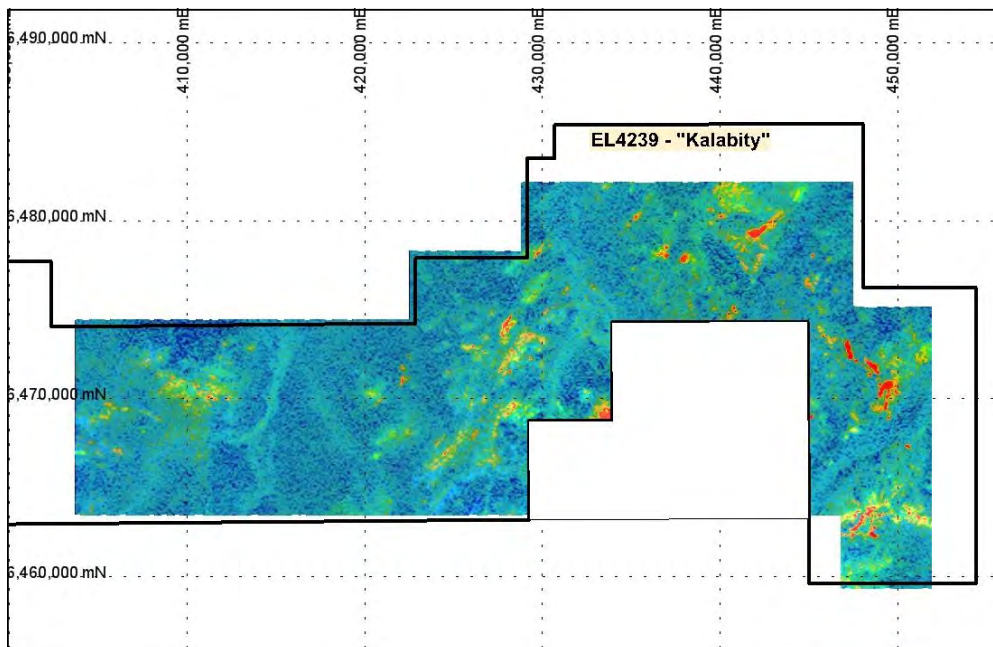
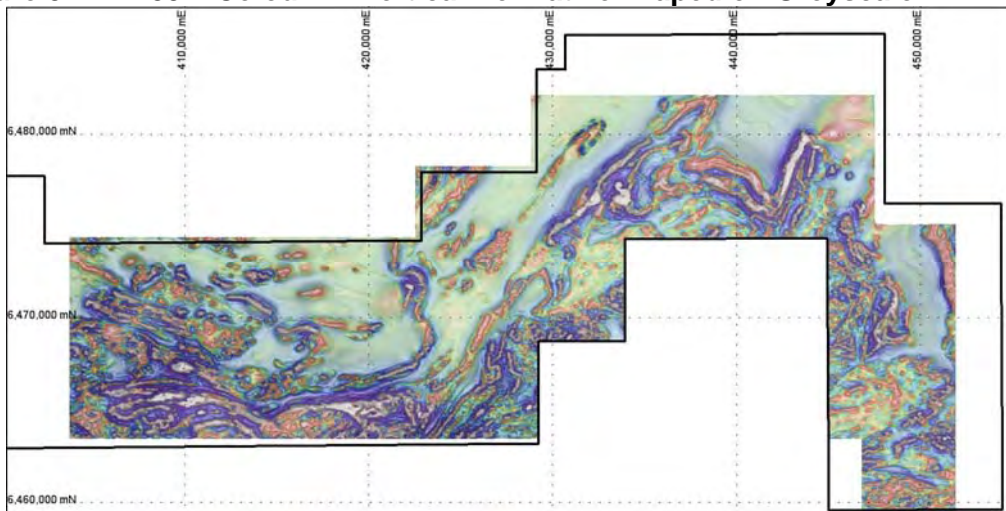


Figure 5. EL4239 – Colour 1st Vertical Derivative Draped on Greyscale RTP Image



WESTERN AUSTRALIA

Robinson Range Iron Ore Project

Joint Venture documentation is nearing completion to facilitate progressing the exploration and development of the identified Direct Shipping Ore (DSO) potential within the 7 tenements comprising the Robinson Range Iron Ore Project.

Following execution of the legal documentation the Joint Venture propose to undertake reverse circulation drilling across at least seven prospects where iron mineralisation has been confirmed and where potential extensions to the mineralisation may be concealed by the shallow alluvial sediments. The intention of the drilling will be to define the depth, thickness, volume, grade and quality of the confirmed and interpreted zones of supergene iron enrichment.

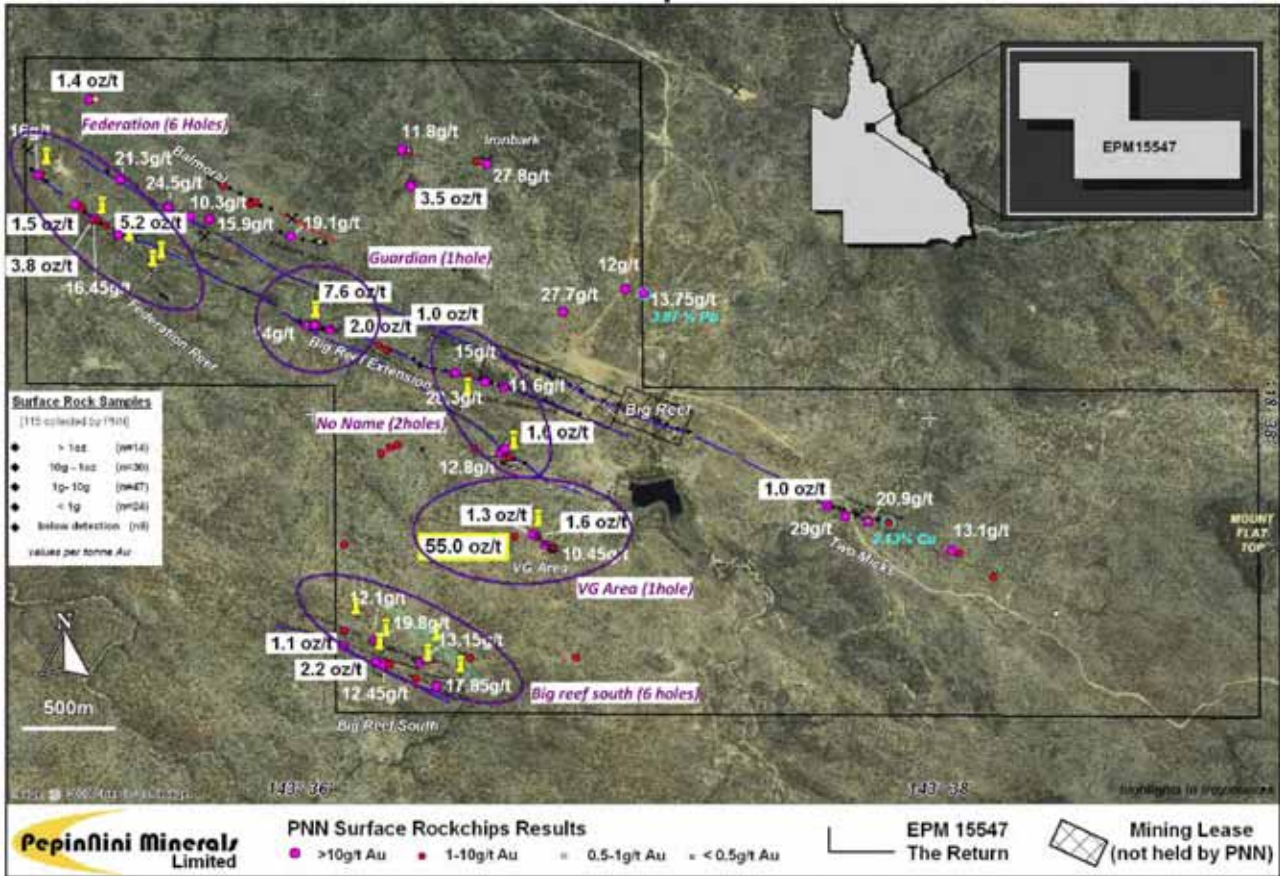
The Robinson Range Iron Ore Project lies in the Midwest region of Western Australia (Figure 6). The project is located 850kms north of Perth and 550kms north east of the planned Oakajee Port and Rail development near Geraldton. The region has emerged as Western Australia's next major iron ore province (second to the Pilbara) and holds considerable potential for the discovery of both iron-ore and manganese deposits.



Figure 6. Location of the Robinson Range Iron Ore Project.

Initial reconnaissance surface sampling and preliminary geological mapping conducted in November, 2009 has confirmed strong iron mineralisation at twelve prospect sites investigated within the project area. Results of up to 67.3% Fe have been returned from rock chip samples with all prospect areas returning values in excess of 60% Fe.

The Return EPM15547 - Proposed Drill Holes 2010



The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Norman Kennedy BSc MAusIMM. Norman Kennedy is the Chairman and Managing Director of PepinNini Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration 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". Norman Kennedy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information please contact:

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Note: Additional information on PepinNini Minerals Limited can be found on the website:
www.pepinnini.com.au

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

PepinNini Minerals Limited

ABN

55 101 714 989

Quarter ended ("current quarter")

June 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (... 12.. months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	15	24
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(951)	(4,875)
1.3 Dividends received	(344)	(1,011)
1.4 Interest and other items of a similar nature received	76	359
1.5 Interest and other costs of finance paid		
1.6 Income taxes (paid)/refund	88	88
1.7 Other (Government Grants)	11	14
Net Operating Cash Flows	(1,105)	(5,401)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c)other fixed assets		(111)
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) – controlled entity contributing cash		
Net investing cash flows	0	(111)
1.13 Total operating and investing cash flows (carried forward)	(1,105)	(5,512)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,105)	(5,512)
	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 – On market Share Buy-back	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(1,105)	(5,512)
1.20	Cash at beginning of quarter/year to date	6,987	11,394
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	5,882	5,882

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	165
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Within Item 1.2	
1. Managing Director, Administration Director and non-executive directors' remuneration.....	\$129,885
2. Reimbursement of Directors' & related parties expenses	\$20,253
3. Provision of office facilities & services	\$14,888

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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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		

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,000
4.2 Development	
Total	1,000

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	1,882	1,487
5.2 Deposits at call	4,000	5,500
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	5,882	6,987

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	nil	nil	nil	nil
6.2 Interests in mining tenements acquired or increased	nil	nil	nil	nil

+ 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 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	78,202,499	78,202,499	N/A	N/A
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>	500,000 600,000 100,000		<i>Exercise price</i> 138 cents 130 to 230 cents 35 cents	<i>Expiry date</i> 30 Nov 2010 31 Jan 2011 31 Dec 2010
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>				

+ 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 **Friday 30th July 2010.**

Print name:

.....**Rebecca Holland-Kennedy**.....

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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