

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

SANDFIRE RESOURCES NL

ABN

55 105 154 185

Quarter ended ("current quarter")

30 June 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from provision of services	-	-
1.2 Payments for (a) exploration and evaluation	(9,607)	(24,759)
(b) development	-	-
(c) production	-	-
(d) administration	(766)	(1,881)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	400	729
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Movement in Working Capital	-	-
Net Operating Cash Flows	(9,973)	(25,911)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(826)	(2,689)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	61
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (payments for security deposits/bonds)	(223)	(315)
Net investing cash flows	(1,049)	(2,943)
1.13 Total operating and investing cash flows (carried forward)	(11,022)	(28,854)

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(11,022)	(28,854)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	26,725	84,375
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Share issue expenses	(464)	(2,332)
1.20	Other – reclassification of cash to environmental bonds	-	-
	Net financing cash flows	26,261	82,043
	Net increase in cash held	15,239	53,189
1.21	Cash at beginning of quarter/year to date	40,595	2,645
1.22	Exchange rate adjustments to item 1.21	-	-
1.23	Cash at end of quarter/year	55,834	55,834

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
1.24	Aggregate amount of payments to the parties included in item 1	302
1.25	Aggregate amount of loans to the parties included in item 1.10	-
1.26	Explanation necessary for an understanding of the transactions Payment of director and consulting fees to directors and director related entity.	

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 None.
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 None.

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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	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	13,200
4.2 Development	-
4.3 Production	-
4.4 Administration	500
Total	13,700

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	15,834	5,595
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Term Deposits	40,000	35,000
Total: cash at end of quarter (item 1.23)	55,834	40,595

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	E04/1449	<u>WA Exploration License</u> Surrendered	100%	-
	E04/1451	Surrendered	100%	-
6.2 Interests in mining tenements acquired or increased				

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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 issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	130,009,760	130,009,760		Fully paid
7.4 Changes during quarter (a) Increases through issues 25,143 75,000 (b) Decreases through contributing shares paid up in full	8,332,349 25,143 75,000	8,332,349 25,143 75,000	\$3.20 \$1.40 \$0.35	Fully paid Fully paid Fully paid
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	141,430 1,025,000 1,600,000 882,000 200,000 1,690,000 4,000,000 1,170,000 1,000,000		Exercise price \$0.35 \$0.40 \$0.50 \$1.40 \$3.00 \$0.60 \$0.80 and \$1.00 \$4.66; \$5.44 and \$6.22 \$3.80; \$4.40 and \$5.00	Expiry date 7 Feb 2011 8 Aug 2011 30 Sep 2011 6 Jul 2012 30 Sep 2012 12 Jul 2013 12 Jul 2013 27 Nov 2014 15 Jun 2015
7.8 Issued during quarter	1,000,000		\$3.80; \$4.40 and \$5.00	15 Jun 2015
7.9 Exercised during quarter	25,143 75,000		\$1.40 \$0.35	6 Jul 2012 7 Feb 2011
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

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