

Exalt Resources Ltd
ACN: 145 327 617
Level 5, 56 Pitt Street, Sydney NSW 2000
P: +61 2 8823 3152



QUARTERLY REPORT FOR THE PERIOD ENDING 30TH JUNE 2011
ASX RELEASE 28TH JULY 2011

Corporate Activity

On the 25th March 2011, the Company lodged a Prospectus with the Australian Securities and Investments Commission seeking to raise \$3.125 million through the offer of 15,625,000 fully paid ordinary shares at an issue price of \$0.20 plus a free attaching option for every three shares subscribed for. Each option has an exercise price of \$0.20 and an expiry date of 31st December 2015. The funds raised from the offer were to be applied towards the initial 2 year exploration and work program, actively pursue and acquire additional mineral and energy related assets in Australia and overseas, working capital and meeting the costs of the offer.

On the 24th May 2011 the Company was admitted to Official List of the ASX after successfully closing its initial public offering where it raised \$3.125 million in new equity through the issue of 15,625,000 fully paid ordinary shares at an issue price of \$0.20 per share plus 5,208,568 free attaching options. The Company commenced trading of its securities on the 26th May 2011.

The capital structure of the Company upon completion of the IPO and as at the date of this report is:

Fully Paid Ordinary Shares on issue	25,125,003
Options on issue	16,008,568

Exalt's Projects

Exalt owns 100% of the Mineral Hill South Project covering 116km² of land located 3km to the south of the Mineral Hill Mine in NSW and 100% of the Nyngan Project which covers 160km² of land in central west NSW targeting porphyry copper and epithermal gold mineralisation.

Mineral Hill South Project

Exalt's Mineral Hill South Project is adjacent to the Mineral Hill Project owned by Kimberley Metals Ltd approximately 3km south of the recently discovered Pearse South Deposit which currently has Proven & Probable Reserves of 235,240t @ 6.72g/t Au & 71.7g/t Agt.

The Mineral Hill South Project is also situated approximately 2.1km from the recently announced Blind Calf discovery by Kidman Resources Ltd which has been reported to contain, 23m @ 7.07% Cu (Hole K11-17). The mineralisation is not included in a JORC compliant resource.

Nyngan Project

The Nyngan Project comprises 160km² of land located approximately 12km south of Nyngan, in central west NSW. The land covered by the Nyngan Project is flat and easily accessible by sealed roads. Current land uses consist of grazing and winter cereal cropping. The Nyngan Project covers a magnetic complex which is inferred to be part of the Nyngan Intrusive Complex beneath transported Quarternary alluvium around the Bogan River.

+ See chapter 19 for defined terms.

For personal use only

Appendix 5B Mining exploration entity quarterly report

Exploration Activity

Exalt announced on the 15th June 2011 that it had commenced its exploration activities which comprised detailed 3D IP surveys over three prospect areas within EL7663 Mineral Hill South which were designed to delineate areas of chargeability under shallow cover along strike to the south and south-east of Mineral Hill.

These IP surveys were completed in early July 2011 with the results announced to the market on 18th July 2011. The completed 3D IP (Induced Polarisation) surveys highlighted a number of promising chargeability anomalies within two of the three areas tested. The Mineral Hill mineralisation was highlighted as subtle chargeability anomalies in IP surveys in 1970 by Cyprus Mines Corporation.

In addition to the favourable chargeability responses from the survey, the newly defined chargeability anomalies occur on the contact between the Mineral Hill Volcanics and the adjacent Talingaboolba Sediments just as the mineralisation at Mineral Hill.

Figure 1 outlined below illustrates the results of the 3D IP Surveys on Interpreted geology and known mineralisation; the areas of higher chargeability are represented by orange and yellow. The images are a slice through a 3 dimensional model at 100m below surface. Yellow Shaft and Brooklyn Prospect returned significant chargeability anomalies.

A drilling contractor has been engaged to test the newly defined targets and will be available in the coming quarter.

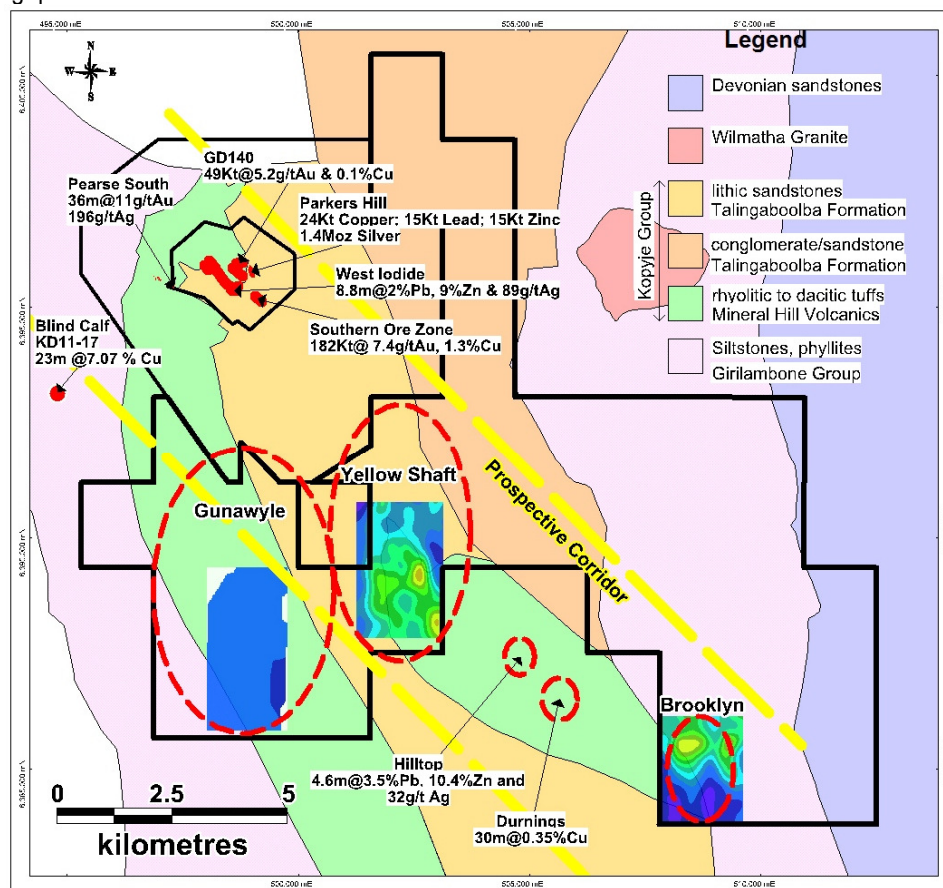


Figure 1 – 100m Depth Slice on 3D IP Results overlaid Interpreted Geology and Known Mineralisation

+ See chapter 19 for defined terms.

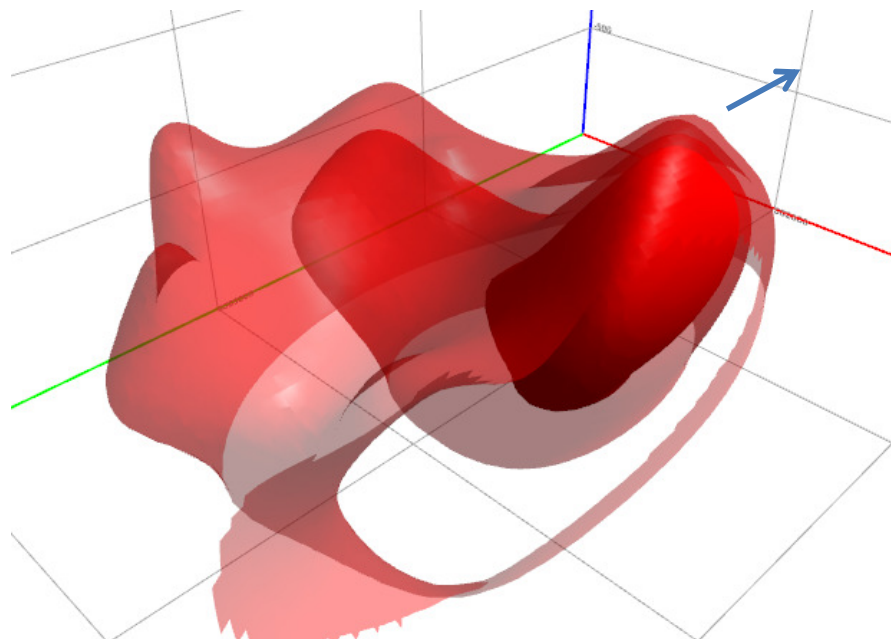


Figure 2 –3D IP Model Results for Yellow Shaft. Arrow indicates north.

Red surfaces areas of increasing chargeability at values 7.6mV/V, 8.8mV/V and 9.45mV/V.

Should you have any questions in relation to the quarterly report, please feel free to contact the Company on (02) 8823 3152.

Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources and/or Ore Reserves is based on information provided by Mr D Ward, Member of Australasian Institute of Mining and Metallurgy and a Consultant to Exalt Resources Limited. Mr Ward has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ward, consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

+ See chapter 19 for defined terms.

For personal use only

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

EXALT RESOURCES LIMITED

ABN

17 145 327 617

Quarter ended ("current quarter")

30 JUNE 2011

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	- - - (123)	- - - (123)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	24	24
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(99)	(99)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
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)	-	-
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	(99)	(99)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(99)	(99)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	3,125	3,125
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 (provide details if material)	(120)	(120)
	Net financing cash flows	3,005	3,005
	Net increase (decrease) in cash held	2,906	2,906
1.20	Cash at beginning of quarter/year to date	333	333
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,239	3,239

**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	12
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

These payments include Non Executive Director Fees.

Non-cash financing and investing activities

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

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

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	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	\$300
4.2 Development	
4.3 Production	
4.4 Administration	
Total	

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	3,239	333
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	3,239	333

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			Made application for ELA 4297

+ See chapter 19 for defined terms.

For personal use only

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>	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	25,125,003	17,724,984	\$0.20	\$0.20
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	15,625,000	15,625,000	\$0.20	\$0.20
7.5 +Convertible debt securities <i>(description)</i>	Nil			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	16,008,568	5,908,555	<i>Exercise price</i> \$0.20	<i>Expiry date</i> 31 December 2014
7.8 Issued during quarter	5,508,568	5,508,568	\$0.20	31 December 2014
7.9 Exercised during quarter				
7.10 Expired during quarter				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.11	Performance Shares <i>(totals only)</i>		Nil
7.12	Unsecured notes <i>(totals only)</i>		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date:28/7/11.....
 (Company Secretary)

Print name: SHANE HARTWIG

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.

+ See chapter 19 for defined terms.

For personal use only

- 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.

== == == == ==

For personal use only

+ See chapter 19 for defined terms.