

QUARTERLY REPORT FOR THE PERIOD ENDING 31 MARCH 2014

EXPLORATION HIGHLIGHTS

TIMON

- First pass RC drilling program (5 holes for 2,344m) completed in December 2013 quarter confirms the presence of a large sulphide mineralised porphyry system with low copper concentrations.
- Results sufficiently encouraging to continue the assessment of the large mineralised porphyry system in the quarter.

SAN JUAN

- Binding Heads of Agreement executed on projects in San Juan Province, immediately adjoining Chile.
- San Juan Province has a strong mining culture and is pro-mining development.
- Projects range from the established and previously skeletally drilled copper-gold porphyry target at Cerro Blanco, to extensive and point source high grade epithermal gold-silver vein mineralisation at San Francisco and Amiches respectively, on which considerable exploration work has been carried over the last 4 years with encouraging results.

The Board of Oro Verde Limited (ASX:“OVL”) (“Oro Verde” or “the Company”) is pleased to provide its Quarterly Report for the period ended 31 March 2014.

EXPLORATION

During the quarter the Company continued its evaluation of projects on hand, the Timon Project located in the Late Eocene to Oligocene Giant Porphyry Copper Belt of Chile which targets a porphyry copper deposit and the Alma Project located in the Coastal Cordillera Copper Belt of Chile which targets iron oxide, copper, gold (“IOCG”) deposits. All projects are located in areas of good infrastructure and access. Exploration emphasis was however directed to Timon in the quarter, and to evaluate further new mineral exploration and development opportunities in San Juan Province, Argentina, immediately adjacent to Chile, refer Figure 1.

A. Current Projects

Timon Project

The 50km² Timon Project, comprising 17 Exploitation Concessions, is located 75km southeast of the city of Copiapo in Region 3 of Chile in the southern extension of the Late Eocene to Oligocene Giant Porphyry Copper Belt of Chile.

From geological, geophysical (306km² of 100m line spacing continuous magnetics and 26.6 line km of pole-dipole Induced Polarisation (“IP”) (200m electrode intervals, n = 1 to 8) and geochemical work the primary target area of interest is the central, 1 to 2km wide by 3.5km long, portion of the north-south trending Sierra El Timon ridge at 3,200m elevation. On pre-drill data Timon ridge was considered to be a substantial porphyry copper target with the possibility of a significant chalcocite enrichment blanket over primary sulphides at depth. Geophysical anomalies, an open at depth IP chargeability high and magnetic low (a prominent area of demagnetisation, a typical magnetic response over a porphyry system) are coincident with stream sediment copper (“Cu”) anomalies over the ridge, specifically over the area of the central IP anomaly. The target also has a moderate to strongly leached gossanous iron oxide cap, termed a “lithocap”, that usually defines and overlays the shallow oxide parts of porphyry copper sulphide systems, typically above the main Cu-(Au/-Mo) zone. Historic, mineralographic results of iron oxide lithocap samples, taken over 4km of ridge strike also supports the probable presence of a copper mineralised porphyry system at depth. Seven of 12 iron oxide lithocap samples revealed trace to scarce fine grained copper sulphide minerals, chalcopyrite and chalcocite within the iron oxide matrix. Four of these samples lie within the area of the stream sediment copper anomaly and to a lesser extent the IP anomaly.

Track access and drill pad preparations were sufficiently advanced to commence a reverse circulation (“RC”) drilling program (5 holes for 2,344m) on 24 October 2013 which was completed on 17 November 2013 and was reported in the December 2013 quarterly. The RC drilling program principally targeted varying geophysical characteristics of the large (1km wide by 3.5km long) open at 800m depth, IP geophysical anomaly. The majority of these holes were in part coincident within peak stream sediment Cu basin values in the encompassing stream sediment Cu anomaly, refer Figure 2. Broad comments on the results are;

- Strong alteration (argillisation, pervasive silicification), with disseminated dominant pyrite and some copper sulphide mineralisations, in part in classic quartz stockwork, has been noted over large drill widths in both the tuffs and andesites and in particular diorite porphyry intruding the tuffs and andesites; and
- Drilling has proved the geological and geophysical model of the presence of a copper mineralised sulphide system albeit at very low Cu grades intruding tuffs and andesites on Timon ridge. A supergene chalcocite blanket, targeted and an expected possibility, was encountered in holes RCT-02 and RCT-05 at the oxide/primary interface, with some spotty chalcocite in some of the other holes.

For example, hole RCT-05, from 152m to 168m, 20m @ 582ppm Cu with peak Cu over 156m to 160m, 4m @ 1007ppm Cu.

Overall, subtle geochemical Cu enrichment, has been noted in holes drilled to date. This would appear to support the premise that primary sulphides are Cu deficient in the observed mineralised system under the main lithocap ridge, which was an acknowledged pre-drill risk to testing the IP. It is suggested the immediate chargeability response is explained by the dominance of pyrite and the holes, besides testing for the presence of a chalcocite blanket, have tested the IP response. The drilled holes on the IP chargeability sections and levels plot well within the chargeability anomaly.

Both internal and external, independent evaluation of all drill results in relation to the geophysical, geochemical and surface sampling data gathered to date to ascertain a forward program is being undertaken. From the internal work questions have arisen pertaining to better targeting and a new target, namely;

- Is it worthwhile to look at relogging the holes with PIMA and using all data (geochemical, geophysical and alteration) generated to visualise in 3D some vectoring to possible Cu mineralisation within what appears to be a large pyritic mineralised system?
- Subject to Argali Geofisicia's final review and recommendations, on whether further infill IP is warranted or other geophysical methods may possibly assist more targeted drilling.
- In the geophysical data base, particularly the west flanking area to the current drilling, is a pronounced magnetic low interpreted as an intrusive separate and west of the main IP chargeability anomalies on the ridge. It corresponds to a 1,000m x 1,500m area of increasing intense, destructive rock alteration, with patches of prominent iron oxides which are very evident on colour photography as a colour anomaly. Some moderate IP chargeability at depth extending to the east also corresponds to the unusual magnetic low. This may represent a new valid target area for a Cu mineralisation at depth and some reconnaissance work is proposed.

An external, independent evaluation is also being undertaken by a major company as they have surrounding ground and may be interested in a joint venture. From discussions they appear to have interest in investigating the magnetic low area, and will carry out the fore mentioned reconnaissance in the field in April and report back to Oro Verde by the end of April with their formal conclusions on further prospectivity of Timon. In summary, the present status of Timon is still work in progress until all evaluations are completed.

Alma Project

The 18km² Alma Project, located 40km east of the coastal city of Taltal in Region 2 of Chile, comprises 7 Exploration Concessions. The immediate region is affected by the Atacama Fault Zone that contains significant IOCG deposits related to the development of the Jurassic-Lower Cretaceous magmatic arc coring of the cordillera, for example, Manto Verde, 620 million tonnes @ 0.56% Cu, 0.12 g/t Au, some 85km south of Alma. The project area itself lies within the central portion of the Lower Cretaceous Cerro del Pingo Batholith, a major igneous body, 110km long and up to 40km wide, composed of a number of

stocks of diverse composition, ranging from diorites to granites with associated copper-gold, copper-gold-iron and iron mineralisation.

The Alma Project area itself encompasses alluvium, colluvium and caliche covered granodiorites and diorites that hosts a northwest trending aeromagnetic anomaly, measuring 3km by 2km, that to date has not been explored for IOCG deposits. All of the project, has been recently detailed by a ground magnetic survey by Argali Geofisica (100m line spacing continuous profiling) which has broken down the aeromagnetic anomaly into a 2km by 1km southern magnetic high separated by a magnetic low from a smaller northern high. Copper oxides have been discovered in some pits in a NW trending shear in diorite on the western margin of the southern magnetic anomalies.

In the northern area of the project, subtle colour features on satellite imagery are present within calcrete covered diorites on the northern nose of the regional aeromagnetic anomaly. A geological examination of this area by Oro Verde staff has explained the colour anomalies by the location of copper mineralised float from concealed, altered felsic, porphyry intrusives into diorite. However, these are small ranging from 100x100m to 200x200m in size in surface area. First pass reconnaissance mapping and multi-elemental geochemical sampling programs (stream sediments and rock samples over the main magnetic anomaly) have been completed in the project area. Magnetic susceptibility measurements have also been taken on the rock samples to assist the consulting geophysicist's interpretation of the ground magnetic data base over the entire project area.

Interpretation of the magnetic results over the large southwest anomaly, suggests a 400m thick, easterly dipping, magnetic body to be an intrusive with magnetite content similar to diorite. The interpreted intrusive has associated Cu (Au) litho-geochemical anomalies and appears to be bounded to the west by large, important faults that appear to either intersect or inflect sharply near the center of the magnetic body, refer Figure 3.

The magnetic intrusive has been confirmed by the location of relatively fresh diorites and granodiorites, with some disseminated pyrite-chalcopyrite mineralisation to explain the Cu litho-geochemical anomalies, especially on the northwestern portion of the southern magnetic anomaly. However, from a geophysical view point, the large magnetic intrusive is now not considered to be the primary target, but instead, the zone of alteration, mostly covered by colluvium and caliche, on the structurally disturbed western flank of the magnetic body. This prospective target for hosting copper mineralisation and the geochemically anomalous magnetic host will be evaluated with IP geophysical lines and Mobile Metal Ion ("MMI") soil geochemistry to detect buried sulphide mineralisation for possible drilling in the next 6 months.

B. New Project Development

On 19 March 2014, OVL announced to shareholders that it had entered into a Memorandum of Understanding ("MOU") with ASX listed Argentine Mining Ltd ("AVK") to acquire 100% of the outstanding shares in its Argentinean domiciled company, Entropy Resources SA ("Entropy") that holds options to acquire a suite of highly prospective copper, gold and silver projects in the Andean Cordillera of San Juan Province, on the Chilean border of Argentina. These projects lie in the same prospective

region as a number of large gold and base metal deposits in both Argentina and adjacent Chile. Importantly, San Juan Province has a strong mining culture and is pro-mining development. Post quarter (1 April 2014) a binding Heads of Agreement was executed after which Oro Verde will have until 13 May 2014 to complete Due Diligence on the Argentinean company and its assets and proceed with the purchase of Entropy. If all conditions precedent of the agreement are met Oro Verde will pay to AVK an aggregate amount of A\$200,000, payable in two equal tranches, the first tranche payable on 13 May 2014, and the second tranche payable on completion under the Heads of Agreement.

The projects range from the established and previously skeletally drilled copper-gold porphyry target at Cerro Blanco, to extensive and point source high grade epithermal gold-silver vein mineralisation at San Francisco and Amiches respectively, on which AVK has carried out considerable exploration work over the last 4 years, refer Figure 4. A brief summary of the projects is as follows.

Cerro Blanco Project

The Cerro Blanco Project contains the advanced Copper Hill Cu-Au-Mo porphyry target where previous drilling has intersected broad zones of sulphide mineralisation and hydrothermal alteration, characteristic of many large Andean porphyry copper deposits. The mineralisation includes both disseminated and veined chalcopyrite and other copper sulphide minerals hosted by intensely altered diorite porphyry and dacitic breccias. In addition to Copper Hill, a number of other copper and gold prospects within the project remain to be followed up.

San Francisco Project

The San Francisco Project is located 140km north of the Cerro Blanco Project. Previous exploration, including drilling, has established a number of porphyry and epithermal gold-silver targets. Drilling at the Las Lenas epithermal gold-silver prospect in 2013 returned promising results, such as 5m at 2.1g/t Au and 34.9g/t Ag, including 2m at 5.1g/t Au and 79g/t Ag. The bonanza grade “boiling zone” target of the 3.7km long reef system remains untested. Follow up drilling on this prospect will be considered a high priority.

Amiches Project

The Amiches Au-Ag Project is located about 190km north of Cerro Blanco in the central San Juan Province near other epithermal gold-copper projects, and within the Argentine extensions of the highly prospective El Indio Belt. This belt contains the famous El Indio, Tambo and Pascua-Lama gold deposits and is one of the world’s richest mineral provinces. The name is taken from the famous El Indio mine, situated just 50km northwest of Amiches in Chile. Surface sampling undertaken in February 2013 returned a number of highly encouraging results including; 1m at 18.9g/t Au + 389.5 g/t Ag, 2m at 12.4g/t Au + 200g/t Ag, 2m at 3.9g/t Au + 95g/t Ag, 2m at 2.8g/t Au + 49g/t Ag, 2m at 2.8g/t Au + 56g/t Ag and 2m at 2.7g/t Au + 56g/t Ag.

Oro Verde is continuing to evaluate further new mineral exploration and development opportunities in Chile. Details of further acquisitions will be released as they occur.

CORPORATE

At the end of the quarter the Company had 194,011,012 shares on issue and \$266,609 cash and realisable assets on hand.

ENDS

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Brett Dickson
Company Secretary
61 8 9481 2555

Notes:

1. Any potential quantity and grade of Exploration Targets is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Competent Person Statements

The information in this report that relates to Exploration Results for the Timon Project is based on information compiled by Dr Brad Farrell, BSc Hons Eco Geol, MSc, PhD who is a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional Geologist of that body, a Member of the Mineral Industry Consultants Association and the Consultants Society of the Australian Institute of Mining and Metallurgy. Dr Farrell has sufficient experience which 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Farrell consents to the inclusion in the report of the foregoing matters based on his information in the form and context in which it appears. He is the Technical Director and a substantial shareholder of Oro Verde Limited.

The information in this report that relates to Exploration Results for the Alma, Cerro Blanco, San Francisco and Amiches projects, was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, and is based on information compiled Dr Brad Farrell, BSc Hons Eco Geol, MSc, PhD who is a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional Geologist of that body, a Member of the Mineral Industry Consultants Association and the Consultants Society of the Australian Institute of Mining and Metallurgy. Dr Farrell has sufficient experience which 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". Dr Farrell consents to the inclusion in the report of the foregoing matters based on his information in the form and context in which it appears. He is the Technical Director and a substantial shareholder of Oro Verde Limited.



Figure 1. Project Location Map

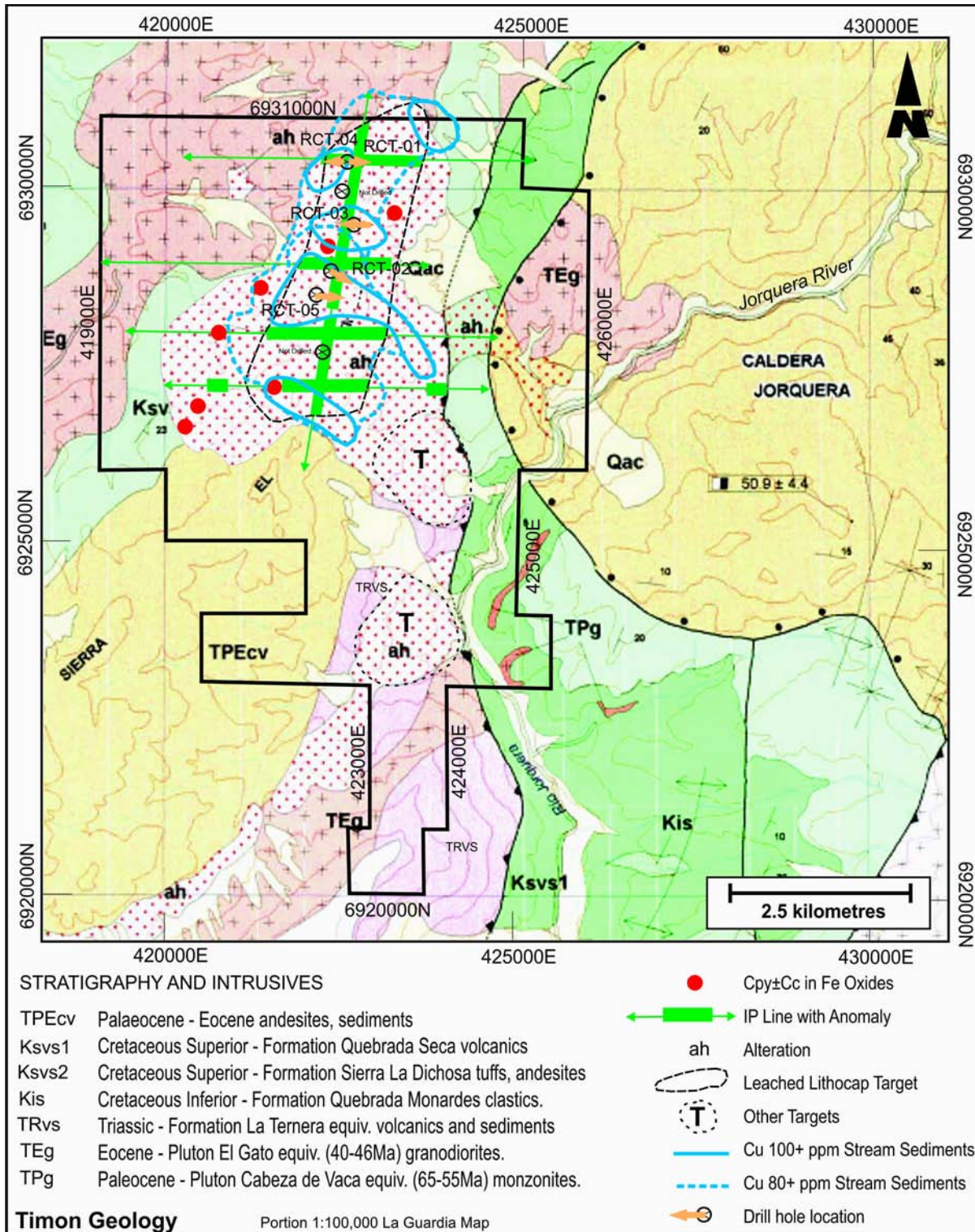


Figure 2. Timon Geology, IP Anomaly, Copper Stream Sediment Anomalies and Drill Holes

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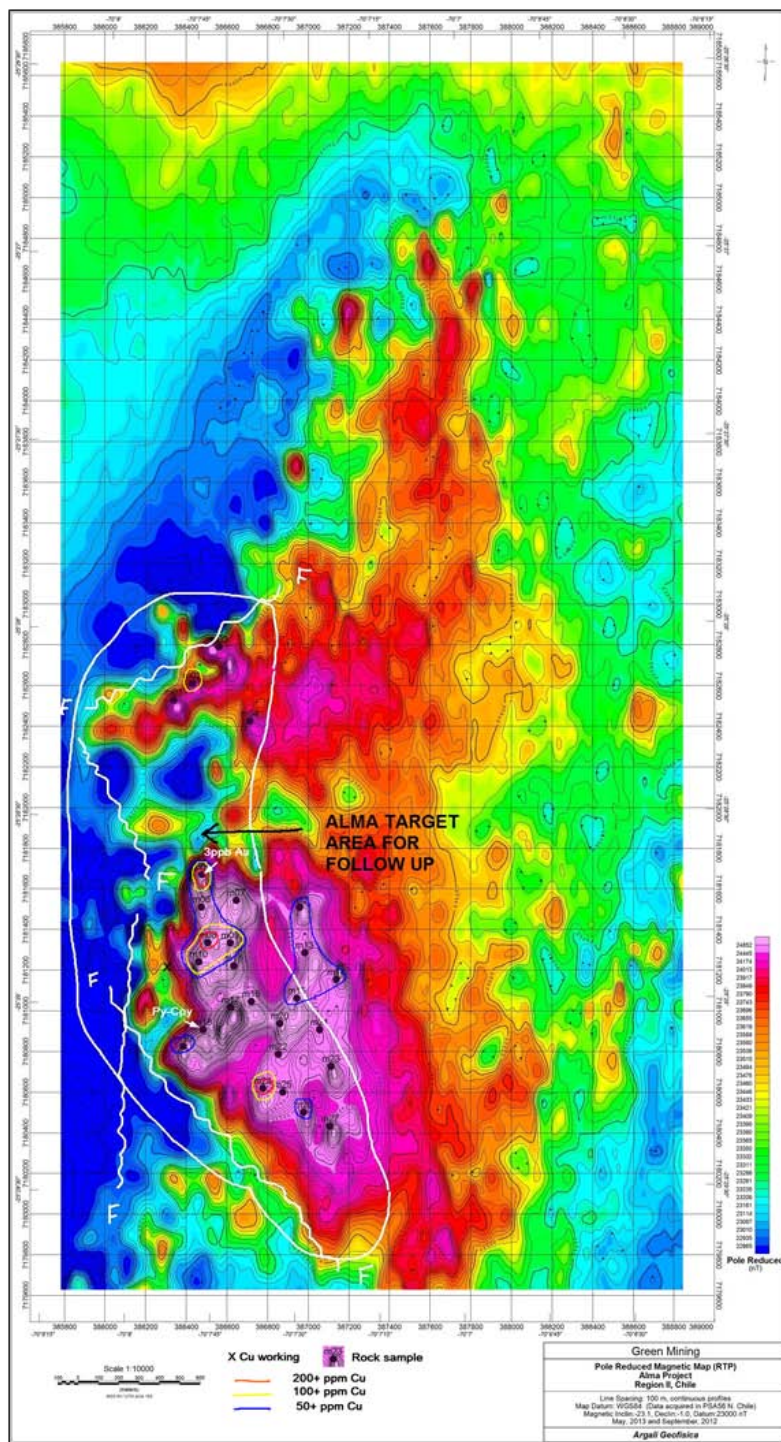


Figure 3. Alma Magnetic Target and Lithochemical Cu(Au) anomalies .

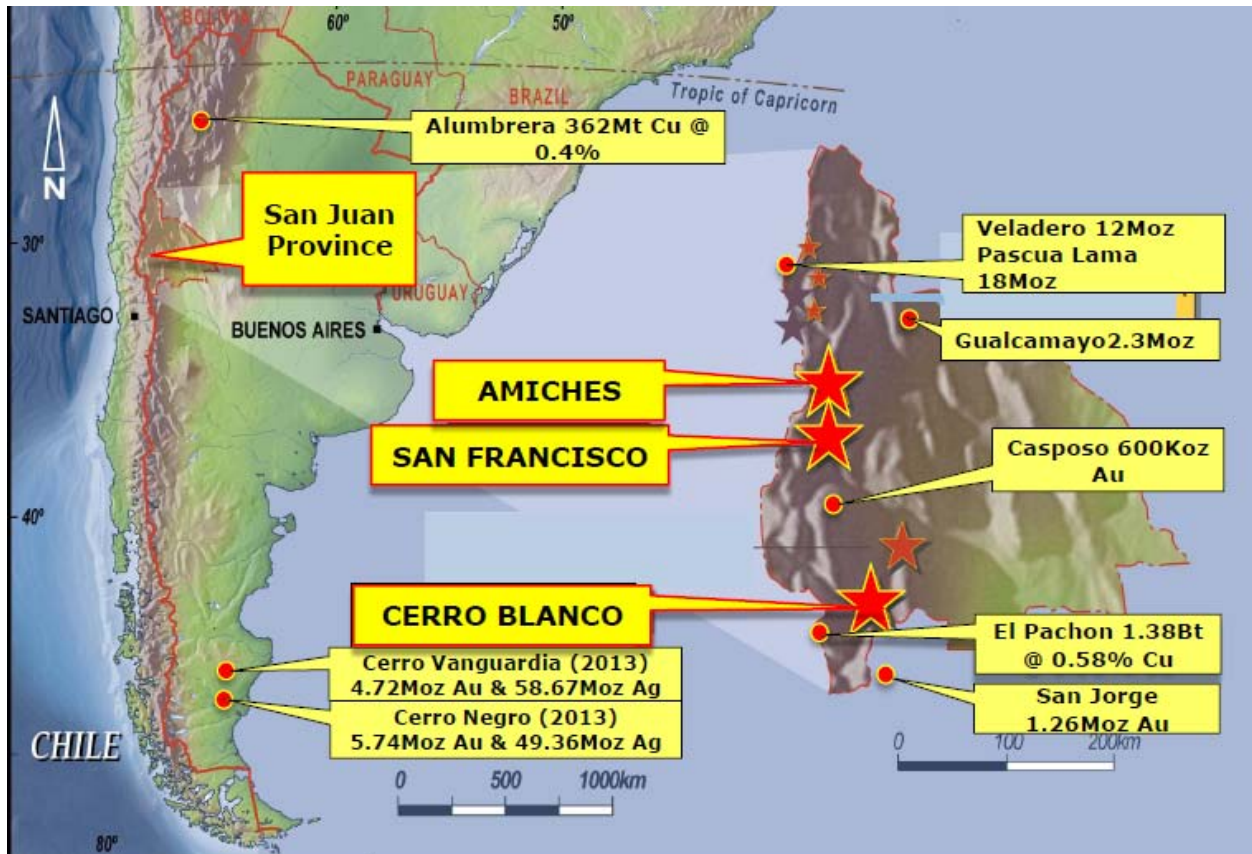


Figure 4. San Juan Province - Cerro Blanco, San Francisco and Amiches projects.

Table 1. Schedule of Mining Tenements Held at 31 March 2014

- All mining tenements are located in Chile.
- The beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter are tabulated below.

| Project | Tenement Name | Concession | Concession No. | Percentage Held |
|---------|-----------------------|--------------|----------------|---------------------|
| Alma | Encuentro 1 to 3 | Exploration | V-100-2013 | 100% |
| | Alma Norte | Exploration | V-994-2013 | 100% |
| | Alma Norte 1 to 3 | Exploration | V-1182-2013 | 100% |
| | Alma 1 | Exploration | V-688-2011 | Option to earn 100% |
| | Alma 2 | Exploration | V-689-2011 | Option to earn 100% |
| | Alma 3 | Exploration | V-690-2011 | Option to earn 100% |
| | Alma 4 | Exploration | V-691-2011 | Option to earn 100% |
| Timon | Timon VI, 1 al 10 | Exploitation | V-6962-1988 | Option to earn 100% |
| | El Timon X, 1 al 30 | Exploitation | V-52625-1997 | Option to earn 100% |
| | El Timon XI, 1 al 20 | Exploitation | V-52626-1997 | Option to earn 100% |
| | El Timon XII, 1 al 30 | Exploitation | V-52627-1997 | Option to earn 100% |
| | El Timon XIV, 1 al 10 | Exploitation | V-52629-1997 | Option to earn 100% |
| | Espinaca 4, 1 al 10 | Exploitation | V-72-2008 | Option to earn 100% |
| | Espinaca 5, 1 al 10 | Exploitation | V-73-2008 | Option to earn 100% |
| | Espinaca 8, 1 al 10 | Exploitation | V-74-2008 | Option to earn 100% |
| | Verdura 1, 1 al 10 | Exploitation | V-70-2008 | Option to earn 100% |
| | Espinaca 3, 1 al 10 | Exploitation | V-71-2008 | Option to earn 100% |
| | Espiritu 20, 1 al 20 | Exploitation | V-578-2010 | Option to earn 100% |
| | Fonda 20, 1 al 40 | Exploitation | V-2184-2012 | Option to earn 100% |
| | Fonda 20 | Exploration | V-47-2010 | Option to earn 100% |
| | Bigote 2 | Exploration | V-304-2011 | Option to earn 100% |
| | Caiman 1 | Exploration | V-1763-2013 | Option to earn 100% |
| | Caiman 2 | Exploration | V-1764-2013 | Option to earn 100% |
| | Caiman 3 | Exploration | V-1765-2013 | Option to earn 100% |
| | Caiman 4 | Exploration | V-1766-2013 | Option to earn 100% |
| | Caiman 5 | Exploration | V-1767-2013 | Option to earn 100% |
| | Caiman 6 | Exploration | V-1768-2013 | Option to earn 100% |

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| Project | Tenement Name | Concession | Concession No. | Percentage Held |
|------------------|--------------------|--------------|---------------------|---------------------|
| Timon (con) | Caiman 7 | Exploration | V-1769-2013 | Option to earn 100% |
| | Caiman 8 | Exploration | V-1770-2013 | Option to earn 100% |
| | Caiman 9 | Exploration | V-1771-2013 | Option to earn 100% |
| | Caiman 10 | Exploration | V-1772-2013 | Option to earn 100% |
| | Caiman 11 | Exploration | V-1773-2013 | Option to earn 100% |
| | Caiman 12 | Exploration | V-1774-2013 | Option to earn 100% |
| | Caiman 13 | Exploration | V-1775-2013 | Option to earn 100% |
| | Caiman 14 | Exploration | V-1776-2013 | Option to earn 100% |
| | Caiman 15 | Exploration | V-1777-2013 | Option to earn 100% |
| | Caiman 16 | Exploration | V-1778-2013 | Option to earn 100% |
| | Caiman 17 | Exploration | V-1779-2013 | Option to earn 100% |
| | Caiman 18 | Exploration | V-1780-2013 | Option to earn 100% |
| | Caiman 19 | Exploration | V-1781-2013 | Option to earn 100% |
| | Caiman 20 | Exploration | V-1782-2013 | Option to earn 100% |
| | Caiman 21 | Exploration | V-1783-2013 | Option to earn 100% |
| | Caiman 22 | Exploration | V-1784-2013 | Option to earn 100% |
| | Caiman 23 | Exploration | V-1785-2013 | Option to earn 100% |
| | Caiman 24 | Exploration | V-1786-2013 | Option to earn 100% |
| | Caiman 25 | Exploration | V-1787-2013 | Option to earn 100% |
| | Caiman 26 | Exploration | V-1788-2013 | Option to earn 100% |
| | Caiman 27 | Exploration | V-1789-2013 | Option to earn 100% |
| | Caiman 28 | Exploration | V-1790-2013 | Option to earn 100% |
| | Caiman 29 | Exploration | V-1791-2013 | Option to earn 100% |
| | Elefante 1 | Exploration | V-1759-2013 | Option to earn 100% |
| | Elefante 6 | Exploration | V-1761-2013 | Option to earn 100% |
| | Elefante 7 | Exploration | V-1762-2013 | Option to earn 100% |
| | Elefante 12 | Exploration | V-1760-2013 | Option to earn 100% |
| | Bigote 1, 1 al 30 | Exploitation | V-1053-2013 | Option to earn 100% |
| | Bigote 3, 1 al 30 | Exploitation | V-1054-2013 | Option to earn 100% |
| | Bigote 6, 1 al 20 | Exploitation | V-1055-2013 | Option to earn 100% |
| | Bigote 7, 1 al 30 | Exploitation | V-1056-2013 | Option to earn 100% |
| | Bigote 9, 1 al 30 | Exploitation | V-1057-2013 | Option to earn 100% |
| | Bigote 13, 1 al 20 | Exploitation | V-1058-2013 | Option to earn 100% |
| | Bigote 15, 1 al 20 | Exploitation | V-1059-2013 | Option to earn 100% |
| | Bigote 16, 1 al 20 | Exploitation | V-1060-2013 | Option to earn 100% |
| | Bigote 17, 1 al 20 | Exploitation | V-1061-2013 | Option to earn 100% |
| | Bigote 18, 1 al 10 | Exploitation | V-1062-2013 | Option to earn 100% |
| | Bigote 28, 1 al 30 | Exploitation | V-1063-2013 | Option to earn 100% |
| | Bigote 29, 1 al 20 | Exploitation | V-1064-2013 | Option to earn 100% |
| | Clima 1, 1 al 20 | Exploitation | V-1065-2013 | Option to earn 100% |
| Clima 6, 1 al 10 | Exploitation | V-1066-2013 | Option to earn 100% | |

Appendix 5B

Mining Exploration Entity Quarterly Report

Name of entity

Oro Verde Limited

ABN

84 083 646 477

Period ended ("current quarter")

31 March 2014

Consolidated statement of cash flows

| Cash flows related to operating activities | | Current quarter | Year to date (9 months) |
|---|--|-----------------|----------------------------|
| | | \$A'000 | \$A'000 |
| 1.1 | Receipts from product sales and related debtors | - | - |
| 1.2 | Payments for | (314) | (718) |
| | (a) exploration and evaluation | - | - |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) administration | (248) | (1,139) |
| 1.3 | Dividends received | - | - |
| 1.4 | Interest and other items of a similar nature received | 1 | 10 |
| 1.5 | Interest and other costs of finance paid | - | - |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Other | - | - |
| | Net Operating Cash Flows | (561) | (1,847) |
| 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) | (561) | (1,847) |

Appendix 5B
Mining Exploration Entity Quarterly Report

| | | | |
|---|--|-------|---------|
| 1.13 | Total operating and investing cash flows (brought forward) | (561) | (1,847) |
| Cash flows related to financing activities | | | |
| 1.14 | Proceeds from issues of shares, options, etc. | - | 1,385 |
| 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 – security deposits | - | - |
| | Net financing cash flows | - | 1,385 |
| | Net increase (decrease) in cash held | (561) | (462) |
| 1.20 | Cash at beginning of quarter/year to date | 792 | 720 |
| 1.21 | Exchange rate adjustments to item 1.20 | - | (27) |
| 1.22 | Cash at end of quarter | 231 | 231 |

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Curent quarter \$A'000 |
|------|--|---------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | - |
| 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 includes aggregate amounts paid to directors including salary, consulting fees, directors' fees and superannuation.

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

N/A

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

N/A

Appendix 5B
Mining Exploration Entity Quarterly Report

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 | NIL | NIL |
| 3.2 Credit standby arrangements | NIL | NIL |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|---------|
| 4.1 Exploration and evaluation | - |
| 4.2 Development | - |
| 4.3 Production | - |
| 4.4 Administration | 100 |
| Total | 100 |

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 period \$A'000 | Previous period \$A'000 |
|--|---------------------------|----------------------------|
| 5.1 Cash on hand and at bank | 198 | 759 |
| 5.2 Deposits at call | 33 | 33 |
| 5.3 Bank overdraft | | |
| 5.4 Other (provide details) | | |
| Total: cash at end of quarter (item 1.22) | 231 | 792 |

Changes in interests in mining tenements- refer to Table 1 for full list

| | 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 | - | | |

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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 | 194,011,012 | 194,011,012 | | |
| 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> | 24,364,459 2,500,000 5,250,000 | - - - | <i>Exercise price</i> \$0.27 \$0.20 \$0.04 | <i>Expiry date</i> 31 December 2014 10 January 2016 31 March 2016 |
| 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> | | | | |

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: 11 April 2014
Company Secretary

Print name: Brett Dickson

Notes

- 1 The report provides a basis for informing the market how the entity's activities have been financed for the past period 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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Attachment 1 - Schedule of Mining Tenements Held

All concessions are located in the Republic of Chile

| Project | Common Name | Type of | | Percentage Held |
|-----------|-----------------------|--------------|---------------------|---------------------|
| | | Concession | Concession No. | |
| Alma | Encuentro 1 | Exploration | V-100-2013 | 100% |
| | Encuentro 2 | Exploration | V-101-2013 | 100% |
| | Encuentro 3 | Exploration | V-102-2013 | 100% |
| | Alma Norte | Exploration | V-994-2013 | 100% |
| | Alma Norte 1 | Exploration | V-1182-2013 | 100% |
| | Alma Norte 2 | Exploration | V-1183-2013 | 100% |
| | Alma 1 | Exploration | V-688-2011 | Option to earn 100% |
| | Alma 2 | Exploration | V-689-2011 | Option to earn 100% |
| | Alma 3 | Exploration | V-690-2011 | Option to earn 100% |
| | Alma 4 | Exploration | V-691-2011 | Option to earn 100% |
| Timón | Timon VI, 1 al 10 | Exploitation | V-6962-1988 | Option to earn 100% |
| | El Timon X, 1 al 30 | Exploitation | V-52625-1997 | Option to earn 100% |
| | El Timon XI, 1 al 20 | Exploitation | V-52626-1997 | Option to earn 100% |
| | El Timon XII, 1 al 30 | Exploitation | V-52627-1997 | Option to earn 100% |
| | El Timon XIV, 1 al 10 | Exploitation | V-52629-1997 | Option to earn 100% |
| | Espinaca 4, 1 al 10 | Exploitation | V-72-2008 | Option to earn 100% |
| | Espinaca 5, 1 al 10 | Exploitation | V-73-2008 | Option to earn 100% |
| | Espinaca 8, 1 al 10 | Exploitation | V-74-2008 | Option to earn 100% |
| | Verdura 1, 1 al 10 | Exploitation | V-70-2008 | Option to earn 100% |
| | Espinaca 3, 1 al 10 | Exploitation | V-71-2008 | Option to earn 100% |
| | Espirito 20, 1 al 20 | Exploitation | V-578-2010 | Option to earn 100% |
| | Fonda 20, 1 al 40 | Exploitation | V-2184-2012 | Option to earn 100% |
| | Fonda 20 | Exploration | V-47-2010 | Option to earn 100% |
| | Bigote 2 | Exploration | V-304-2011 | Option to earn 100% |
| | Caiman 1 | Exploration | V-1763-2013 | Option to earn 100% |
| Caiman 2 | Exploration | V-1764-2013 | Option to earn 100% | |
| Caiman 3 | Exploration | V-1765-2013 | Option to earn 100% | |
| Caiman 4 | Exploration | V-1766-2013 | Option to earn 100% | |
| Caiman 5 | Exploration | V-1767-2013 | Option to earn 100% | |
| Caiman 6 | Exploration | V-1768-2013 | Option to earn 100% | |
| Caiman 7 | Exploration | V-1769-2013 | Option to earn 100% | |
| Caiman 8 | Exploration | V-1770-2013 | Option to earn 100% | |
| Caiman 9 | Exploration | V-1771-2013 | Option to earn 100% | |
| Caiman 10 | Exploration | V-1772-2013 | Option to earn 100% | |
| Caiman 11 | Exploration | V-1773-2013 | Option to earn 100% | |
| Caiman 12 | Exploration | V-1774-2013 | Option to earn 100% | |
| Caiman 13 | Exploration | V-1775-2013 | Option to earn 100% | |
| Caiman 14 | Exploration | V-1776-2013 | Option to earn 100% | |
| Caiman 15 | Exploration | V-1777-2013 | Option to earn 100% | |

Appendix 5B
Mining Exploration Entity Quarterly Report

Schedule of Mining Tenements Held (continued)

| Project | Common Name | Type of Concession | Concession No. | Percentage Held |
|----------------|--------------------|---------------------------|-----------------------|------------------------|
| Timón | Caiman 16 | Exploration | V-1778-2013 | Option to earn 100% |
| | Caiman 17 | Exploration | V-1779-2013 | Option to earn 100% |
| | Caiman 18 | Exploration | V-1780-2013 | Option to earn 100% |
| | Caiman 19 | Exploration | V-1781-2013 | Option to earn 100% |
| | Caiman 20 | Exploration | V-1782-2013 | Option to earn 100% |
| | Caiman 21 | Exploration | V-1783-2013 | Option to earn 100% |
| | Caiman 22 | Exploration | V-1784-2013 | Option to earn 100% |
| | Caiman 23 | Exploration | V-1785-2013 | Option to earn 100% |
| | Caiman 24 | Exploration | V-1786-2013 | Option to earn 100% |
| | Caiman 25 | Exploration | V-1787-2013 | Option to earn 100% |
| | Caiman 26 | Exploration | V-1788-2013 | Option to earn 100% |
| | Caiman 27 | Exploration | V-1789-2013 | Option to earn 100% |
| | Caiman 28 | Exploration | V-1790-2013 | Option to earn 100% |
| | Caiman 29 | Exploration | V-1791-2013 | Option to earn 100% |
| | Elefante 1 | Exploration | V-1759-2013 | Option to earn 100% |
| | Elefante 6 | Exploration | V-1761-2013 | Option to earn 100% |
| | Elefante 7 | Exploration | V1762-2013 | Option to earn 100% |
| | Elefante 12 | Exploration | V-1760-2013 | Option to earn 100% |
| | Bigote 1, 1 al 30 | Exploitation | V-1053-2013 | Option to earn 100% |
| | Bigote 3, 1 al 30 | Exploitation | V-1054-2013 | Option to earn 100% |
| | Bigote 6, 1 al 20 | Exploitation | V-1055-2013 | Option to earn 100% |
| | Bigote 7, 1 al 30 | Exploitation | V-1056-2013 | Option to earn 100% |
| | Bigote 9, 1 al 30 | Exploitation | V-1057-2013 | Option to earn 100% |
| | Bigote 13, 1 al 20 | Exploitation | V-1058-2013 | Option to earn 100% |
| | Bigote 15, 1 al 20 | Exploitation | V-1059-2013 | Option to earn 100% |
| | Bigote 16, 1 al 20 | Exploitation | V-1060-2013 | Option to earn 100% |
| | Bigote 17, 1 al 20 | Exploitation | V-1061-2013 | Option to earn 100% |
| | Bigote 18, 1 al 10 | Exploitation | V-1062-2013 | Option to earn 100% |
| | Bigote 28, 1 al 30 | Exploitation | V-1063-2013 | Option to earn 100% |
| | Bigote 29, 1 al 20 | Exploitation | V-1064-2013 | Option to earn 100% |
| | Clima 1, 1 al 20 | Exploitation | V-1065-2013 | Option to earn 100% |
| | Clima 6, 1 al 10 | Exploitation | V-1066-2013 | Option to earn 100% |
| | Clima 12, 1 al 20 | Exploitation | V-1067-2013 | Option to earn 100% |