

# 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

**SIGNATURE METALS LIMITED**

ABN

86 106 293 190

Quarter ended ("current quarter")

30 June 2012

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from gold sales	5,866	13,852
1.2 Payments for		
(a) exploration and evaluation	(336)	(1,731)
(b) development	(9,235)	(24,329)
(c) production	-	-
(d) administration	(117)	(625)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	25
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(3,821)</b>	<b>(12,808)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets		
- Plant and equipment / refurbishment	(279)	(2,020)
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)		
Security deposits (refundable)	-	-
Security deposits (refunded)	-	-
Tenement rehabilitation bonds (refundable)	-	-
<b>Net investing cash flows</b>	<b>(279)</b>	<b>(2,020)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(4,100)</b>	<b>(14,828)</b>

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1.13	Total operating and investing cash flows (brought forward)	(4,100)	(14,828)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	6,117
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	5,088	5,541
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	Fundraising costs	(50)	(162)
	<b>Net financing cash flows</b>	<b>5,038</b>	<b>11,496</b>
	<b>Net increase (decrease) in cash held</b>	<b>938</b>	<b>(3,332)</b>
1.20	Cash at beginning of quarter/year to date	368	4,794
1.21	Exchange rate adjustments to item 1.20	(309)	(465)
1.22	<b>Cash at end of quarter</b>	<b>997</b>	<b>997</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	\$258k
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors consulting fees and Directors fees - \$90k  
Management consulting, strategic advisory and accounting services fees - \$168k

**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

Nil

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

Nil

+ 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	830
4.2 Development (including plant and equipment / refurbishment)	5,500
4.3 Production	
4.4 Administration	125
<b>Total</b>	<b>6,455</b>

\* The Company anticipates that operating and development costs for the next quarter will be funded by revenue from gold sales as discussed in the Quarterly Activities Report, with any shortfalls being funded through the loan facility from Liongold as announced to the ASX on 27<sup>th</sup> July 2012.

### 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	997	368
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>997</b>	<b>368</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			

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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) (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>	2,759,575,214	2,759,575,214		
7.4 Changes during quarter (a) Increases through issues - Placement - Pursuant to a prospectus - Option conversion* - Acquisition of Property (b) Decreases through returns of capital, buy-backs				
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> - Shareholder	333,333 20,000,000 9,000,000 17,000,000		<i>Exercise price</i> \$0.65 \$0.03 \$0.03 \$0.02	<i>Expiry date</i> 14/04/13 28/09/12 14/11/12 31/12/13

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