

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

FeOre Limited

ABN

152 971 821

Quarter ended (öcurrent quarterö)

31 December 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter USDö000	Year to date (6 months) USDö000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) administration	(159)	(176)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	29	29
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	(130)	(147)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects		
(b) equity investments	(34,718)	(41,070)
(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	(34,718)	(41,070)
1.13 Total operating and investing cash flows (carried forward)	(34,848)	(41,217)

+ See chapter 19 for defined terms.

For personal use only

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(34,848)	(41,217)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	43,258	50,583
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	25,000	25,000
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (including shares and convertible bonds issuing costs of USD4,124,000 and USD152,000 respectively)	(4,271)	(4,271)
	Net financing cash flows	63,987	71,312
	Net increase (decrease) in cash held	29,139	30,095
1.20	Cash at beginning of quarter/year to date	956	-
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	30,095	30,095

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 USD'000
1.23	Aggregate amount of payments to the parties included in item 1.2	159
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL

1.25 Explanation necessary for an understanding of the transactions

Directors remuneration on item 1.23

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

The Company has issued 22,800,000 ordinary shares at A\$0.25 each as part of the consideration for acquisition of the interests in a subsidiary, Topone Star Investments Limited during the period.

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

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available USDø000	Amount used USDø000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

Estimated cash outflows for next quarter

	USDø000
4.1 Exploration and evaluation	102
4.2 Development	795
4.3 Production	-
4.4 Administration	300
Total	1,197

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 USDø000	Previous quarter USDø000
5.1 Cash on hand and at bank	30,095	956
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	30,095	956

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			

+ See chapter 19 for defined terms.

For personal use only

Appendix 5B
Mining exploration entity quarterly report

6.2	Interests in mining tenements acquired or increased	Ereeny Project (Mining License Number 9095A)	Indirect interest through its subsidiary, Topone Star Investments Limited	20%	80%
		Dartsagt Project (Exploration License Number 5930X)	Indirect interest through its subsidiary, Topone Star Investments Limited	20%	80%

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	529,110,001	200,009,997	<i>Fully paid</i>
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>	25,000 (These bonds are convertible into 123,301,156 ordinary shares at the conversion price of A\$0.204 each before 6 December 2014)	-	<i>US\$1,000 each</i>

+ See chapter 19 for defined terms.

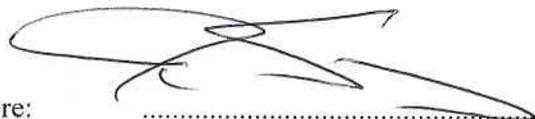
For personal use only

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	8,152,571	8,152,571	<i>Exercise price A\$0.25</i>	<i>Expiry date 9 December 2015</i>
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 5).
- 2 This statement does ~~does not~~* *(delete one)* give a true and fair view of the matters disclosed.

Sign here:



Date: 31 January 2012

(Director/Company secretary)

Print name:

Tim Sun

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.

+ See chapter 19 for defined terms.

For personal use only

Appendix 5B
Mining exploration entity quarterly 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.

== == == == ==

+ See chapter 19 for defined terms.

For personal use only