



**Aceh gold-copper project, Indonesia**

Prosperity continues to focus on its Aceh project (figure 1) in Indonesia. Limited exploration activities were done during the quarter as we entered the wet season and capped by limited funding.

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45 St Georges Terrace  
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**Capital Structure:**  
ASX Listed Shares: 408.1M  
ASX Unlisted Options: 8.35M

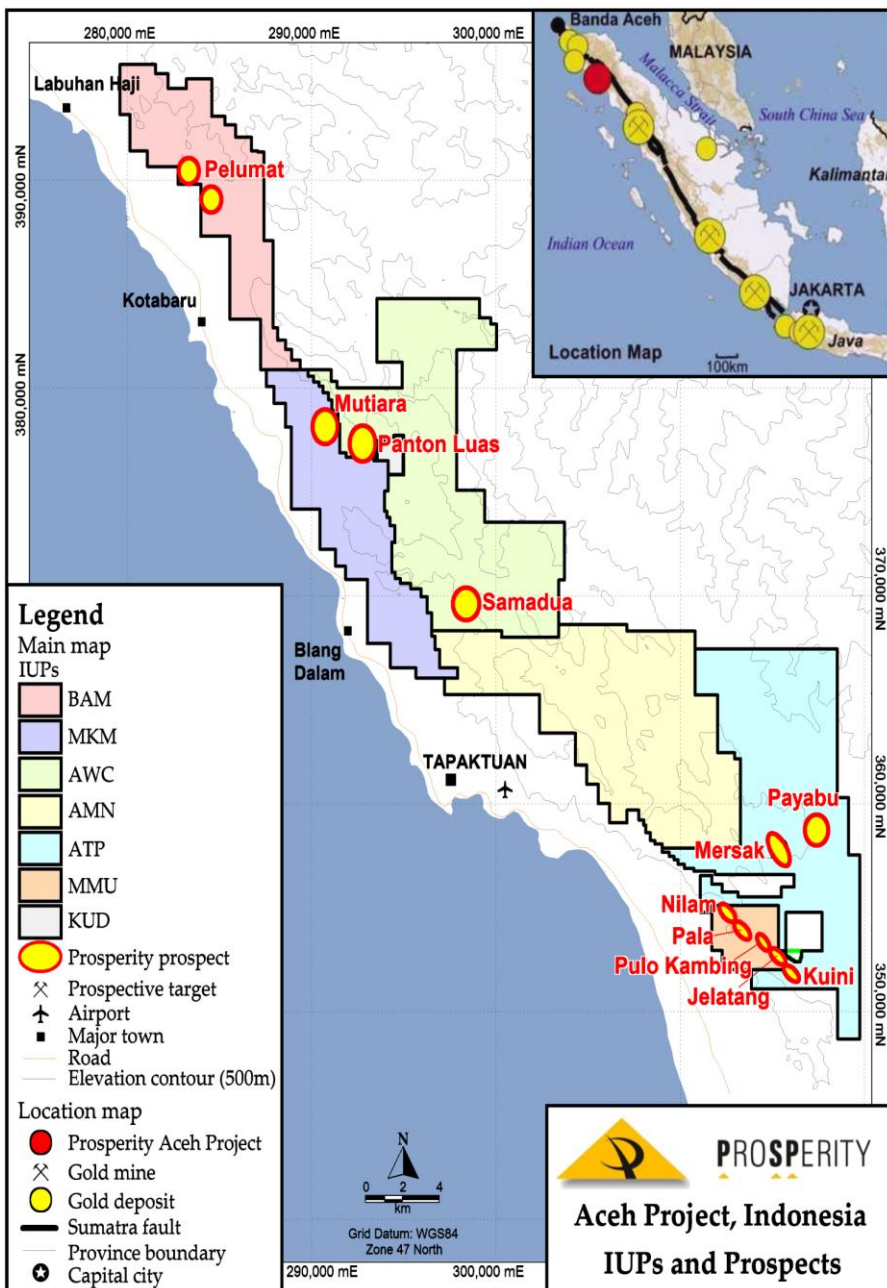
**ASX Code:**  
PSP – ordinary shares

**Directors:**  
Mo Munshi  
*Chairman/Managing Director*

John Arbuckle  
*Non-Executive Director*

Sebastian Hempel  
*Non-Executive Director*

Mufti Habriansyah  
*Non-Executive Director*



**Figure 1: Prosperity's land package in Aceh**



## **Corporate**

The Company held its Annual General Meeting (“AGM”) on 30 November 2012 with all resolutions passed by show of hands and by proxy. Details of the AGM results can be found at [www.prosperity.net.au](http://www.prosperity.net.au)

No exploration fieldwork was carried out at Tennant Creek and Mt Gibson project during the quarter.

For further information please contact:

**Mo Munshi**  
**Chairman/Managing Director**  
**Prosperity Resources Limited**  
**+86 139 1017 5192**

or visit [www.prosperity.net.au](http://www.prosperity.net.au)

*Competent Person Statement: Information in this announcement that relates to Exploration Results is based on information compiled by Dr. Neil F. Rutherford. Dr. Rutherford is a Fellow of The Australian Institute of Geoscientists and is a full time employee of Rutherford Mineral Resource Consultants, mineral industry consultants. He 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 JORC Code. Dr. Neil Rutherford has consented to the inclusion in this report of the matters based on this information in the form and context in which it appears.*



## 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

<b>Prosperity Resources Limited</b>
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ABN

<b>60 103 280 235</b>
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Quarter ended ("current quarter")

<b>31 December 2012</b>
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#### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date ( 6 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(63)	(566)
1.3 Dividends received		(119)
1.4 Interest and other items of a similar nature received		1
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>(85)</b>	<b>(684)</b>
<b>Cash flows related to investing activities</b>		
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)		
<b>Net investing cash flows</b>		
1.13 Total operating and investing cash flows (carried forward)	<b>(85)</b>	<b>(684)</b>

+ See chapter 19 for defined terms.

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Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(85)	(684)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.		
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)		
	<b>Net financing cash flows</b>		
	<b>Net increase (decrease) in cash held</b>	(85)	(684)
1.20	Cash at beginning of quarter/year to date	138	737
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	53	53

**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
1.2	Aggregate amount of payments to the parties included in item 1.2	3
3		
1.2	Aggregate amount of loans to the parties included in item 1.10	
4		

1.2 Explanation necessary for an understanding of the transactions

5

Director salary
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**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

NA
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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

NA
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Mining exploration entity quarterly report

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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	984	492
3.2 Credit standby arrangements		

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	25
4.2 Development	
4.3 Production	
4.4 Administration	25
<b>Total</b>	50

### 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	53	138
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Loan facilities available	492	492
<b>Total: cash at end of quarter</b> (item 1.22)	545	630

### Changes in interests in mining tenements

Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter

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6.1	Interests in mining tenements relinquished, reduced or lapsed	EL26756	Reduced	100%	80%
6.2	Interests in mining tenements acquired or increased				

**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>	408,104,180	408,104,180		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	8,412,000 17,000,000	8,412,000 17,000,000		
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				

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7.7	<b>Options</b>	<i>Total number</i>	<i>Number quoted</i>	<i>Exercise price</i>	<i>Expiry date</i>
		<i>Unlisted options</i>			
		100,000	-	5 cents	28 Feb 2013
		500,000	-	5 cents	28 Feb 2013
		500,000	-	10 cents	28 Feb 2013
		500,000	-	10 cents	28 Feb 2013
		1,250,000	-	20 cents	31 Mar 2013
		2,500,000	-	25 cents	30 Jun 2013
		500,000	-	30 cents	30 Jun 2013
		1,000,000	-	30 cents	30 Nov 2013
1,500,000	-	30 cents	30 Nov 2014		
	<i>Performance Rights</i>		<i>Market Cap Hurdle</i>	<i>Expiry date</i>	
	4,750,000		\$25,000,000	30 Nov 2013	
	4,750,000		\$30,000,000	30 Jun 2014	
	1,000,000		\$40,000,000	30 Nov 2015	
7.8	Issued during quarter	<i>Unlisted options</i>	<i>Number quoted</i>	<i>Exercise price</i>	<i>Expiry date</i>
		2,000,000	-	3 cents	31 Dec 2012
		<i>Performance Rights</i>		<i>Market Cap Hurdle</i>	<i>Expiry date</i>
		4,750,000	-	\$25,000,000	30 Nov 2013
	4,750,000	-	\$30,000,000	30 Jun 2014	
	1,000,000	-	\$40,000,000	30 Nov 2015	
7.9	Exercised during quarter				
7.10	Expired during quarter	<i>Unlisted options</i>		<i>Exercise price</i>	<i>Expiry date</i>
		500,000	-	12 cents	31 Oct 2012
		500,000	-	15 cents	31 Oct 2012
		3,000,000	-	20 cents	30 Nov 2012
		100,000	-	15 cents	31 Dec 2012
		2,000,000	-	4 cents	31 Dec 2012
2,000,000	-	3 cents	31 Dec 2012		
7.11	<b>Debentures</b> <i>(totals only)</i>				
7.12	<b>Unsecured notes</b> <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 give a true and fair view of the matters disclosed.

Sign here: .....

Date: 25 January 2013

(Company secretary)

Print name: G Taylor

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## **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 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.

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