



Aceh gold-copper project, Indonesia

Prosperity continues to seek funding for our Aceh project (figure 1) in Indonesia. Limited work was done this quarter.

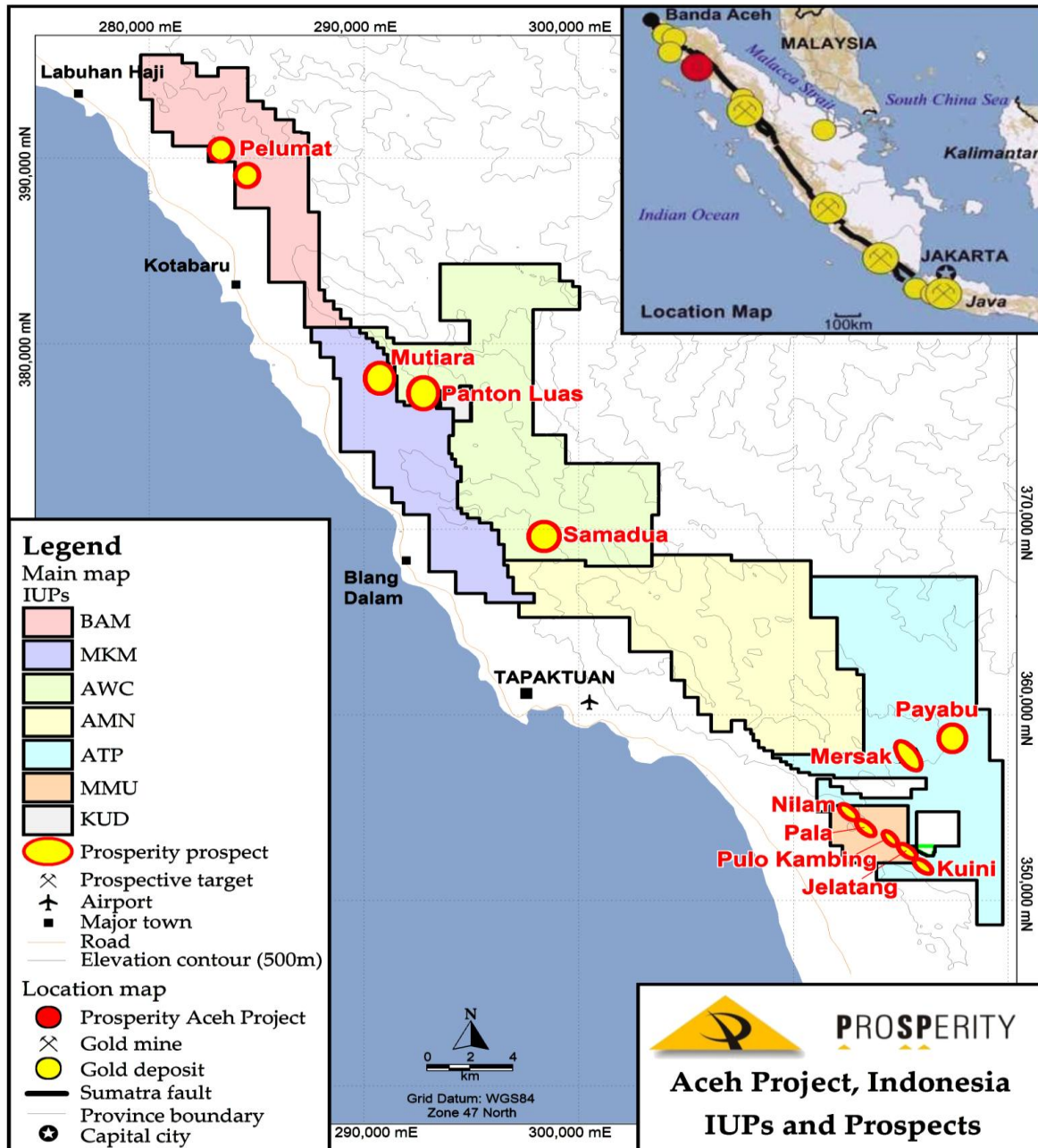


Figure 1: Prosperity's land package in Aceh



Corporate

The Mt Gibson project in Western Australia has been relinquished during the quarter to focus on our Tennant Creek project in the Northern Territory and Aceh project in Indonesia. No fieldwork was carried out 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

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

Prosperity Resources Limited

ABN

60 103 280 235

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(37)	(657)
1.3 Dividends received		
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 Rental income	6	10
Net Operating Cash Flows	(72)	(868)
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	25	25
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	25	25
1.13 Total operating and investing cash flows (carried forward)	(47)	(843)

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(47)	(843)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	35	35
1.17	Repayment of borrowings		75
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	35	110
	Net increase (decrease) in cash held	(12)	(733)
1.20	Cash at beginning of quarter/year to date	16	737
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	4	4

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

1.2
5 Explanation necessary for an understanding of the transactions

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

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

+ See chapter 19 for defined terms.

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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	482
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
Total	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	4	16
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Loan facilities available	502	502
Total: cash at end of quarter (item 1.22)	506	518

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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	E59/1102	Relinquished	100%	0%
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	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	408,104,180	408,104,180	
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>			

+ See chapter 19 for defined terms.

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options	<i>Total number</i>	<i>Number quoted</i>	<i>Exercise price</i>	<i>Expiry date</i>
		<i>Unlisted options</i>			
		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				
7.9	Exercised during quarter				
7.10	Expired during quarter	<i>Unlisted options</i>		<i>Exercise price</i>	<i>Expiry date</i>
		2,500,000	-	25 cents	30 Jun 2013
		500,000	-	30 cents	30 Jun 2013
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 give a true and fair view of the matters disclosed.

Sign here: Date: 31 July 2013
(Company secretary)

Print name: G Taylor

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.

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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