

## QUARTERLY REPORT TO 30 APRIL 2013

### Luirigold Limited

ASX Code: LGM

[www.luirigold.com](http://www.luirigold.com)

### Corporate Structure

Shares on issue	256.04m
Options	21.1m
52 week high	A\$0.078
52 week low	A\$0.013

Cash (as at 30 April) **A\$1.9m**

### Company Directors

**Melissa Sturgess**  
Executive Chairman

**Evan Kirby**  
Technical Director

**Mike Langoulant**  
Executive Director

**Robert Brown**  
Non-Executive Director

### HIGHLIGHTS OF THE QUARTER

#### Dunrobin Gold Project, Zambia

- Preliminary geo-metallurgical interpretation of the Dunrobin mineral resource completed using Geosoft Target Software and the detailed analytical results from infill drilling samples
- Work confirms most of the mineral resource has excellent gold recovery potential
- Interpretation of data from Fugro's airborne survey indicate several areas that are prospective for gold mineralisation

#### Corporate

- Funding negotiations progressing with four potential financiers
- Completion of a placement and rights issue to raise A\$1,765,000 (after costs) from a range of Australian and international shareholders
- Cash on hand at quarter end was A\$1.9 million.

For further information please contact:

Luirigold

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**Luirigold Limited (ASX:LGM)**, (“Luirigold” or the “Company”) a Zambia located gold exploration and development company, is pleased to announce its Quarterly Activities Report for the 3 months ended 30 April 2013.

## **LUIRI HILL GOLD PROJECT**

### **Dunrobin Feasibility Study**

During the quarter the Company continued feasibility and development studies of the Dunrobin project. Significant work has been undertaken to increase the certainty of all aspects of the feasibility study with a particular focus on gaining a much greater degree of comfort around the predicted recovery levels. As a result certain essential up front development expenditure has been incurred.

#### **Sampling and Analysis Work Associated with the Dunrobin Infill Drilling**

During the Quarter, one metre interval samples from the entire 3,300 metres of the 2012 infill drilling at Dunrobin were sent to Genalysis Intertek Laboratory in Johannesburg for gold determination by fire assay. All samples with greater than 0.5 g/t gold content were then sent to Genalysis Perth for additional detailed analysis. The Geo-metallurgical interpretation, based on this additional data have been entered into the geological database so that each item of data was associated with a three dimensional position within the mineral resource.

This comprehensive analytical work has provided useful information regarding the metallurgical treatment characteristics of the Dunrobin ore body through all levels of the proposed development. The overall conclusion was that the ore is free milling (i.e. non refractory), even though it does contain significant levels of cyanide soluble copper and that an average gold recovery of 95% can be expected over the life of the project.

#### **New Exploration Targets Identified**

During the Quarter Fugro Airborne Surveys Pty Ltd completed its integrated geological interpretation of the data compiled last year following the low altitude airborne high resolution magnetic and radiometric survey. The survey was undertaken across the Company’s entire Zambian tenement holding and comprised a total of 6,148 line km flown on an 100m line spacing at 60m altitude giving coverage of 554km<sup>2</sup>.

The results of the interpretation are encouraging and indicate several areas that could be prospective for gold mineralisation; at least two of which are considered significant priority one target zones. Based on observations at Dunrobin and Matala, two major structural-geological features appear to influence the distribution of the mineralisation: (1) the unconformity surface and; (2) faults. Interpretation of similar geological features within the data has led to the identification of new potentially prospective areas within the company’s mining license.

Follow-up ground works, targeting the areas identified by the aerial interpretation, will take place with trenching and subsequent drilling preceded by ground magnetic survey.

## CORPORATE

During the quarter the Company completed a placement and rights issue raising A\$1,765,000 after costs.

The annual general meeting of shareholders was held on 22 May 2013 with all resolutions being passed.

The Company has advanced its negotiations with a number of different funding institutions aimed at providing a minimum of US\$10 million of funding for the Dunrobin project. These negotiations are ongoing and the Company is hopeful of making a more definitive announcement in the near future.

Cash on hand at the quarter end was A\$1.89 million.

## About Luiri Gold Ltd

Luiri Gold Limited is a gold exploration and development company that holds 2 mining licences in Zambia that cover the historic Dunrobin and Matala gold deposits. Coffey Mining Pty Ltd of Perth have estimated the current Multiple Indicator Kriging derived open pit gold resource at the Matala and Dunrobin deposits to be a combined (Measured, Indicated plus Inferred) resource of 10.53 million tonnes at 2.2 g/t Au, for 761,000 ounces of gold reported at a cut-off of 1.0 g/t. Refer to the table below.

Luiri Hill Gold Project				
Summarized Resource Estimate Reported at 1 g/t Gold Cut-Off				
Matala Deposit				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Indicated	1.0	3,204	2.7	278
Inferred	1.0	4,525	2.0	290
Dunrobin Deposit				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Measured	1.0	978	2.6	81
Indicated	1.0	1,063	2.0	69
Inferred	1.0	763	1.8	43
Matala and Dunrobin Deposits Combined				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Measured	1.0	978	2.6	81
Indicated	1.0	4,267	2.5	347
Inferred	1.0	5,288	2.0	332

### Competent Persons

*The information in this report that relates to both the Dunrobin and Matala Mineral Resources is based on information compiled or supervised by Mr Ingvar Kirchner who is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Kirchner is employed by Coffey Mining and has reviewed this report and consents to the inclusion, form and context of the relevant information herein as derived from the original resource reports. Mr Kirchner has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as Competent Persons as defined in the 2004 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.*

*The technical exploration and mining information contained in this report has been reviewed and approved by Mr C White B Sc (Hons) in Applied Geology, General Manager for Luiri Gold Limited. Mr White has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to 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. Mr White is an Employee of Luiri Gold Limited and is a Member of the Institute of Materials, Minerals and Mining. Mr White consents to the inclusion in this report of such information in the form and context in which it appears.*

# 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

LUIRI GOLD LIMITED

ACN

139 588 926

Quarter ended ("current quarter")

30 April 2013

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(611)	(1,536)
(b) development	-	-
(c) production	-	-
(d) administration	(475)	(802)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	10	30
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>(1,076)</b>	<b>(2,308)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(6)	(6)
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)	-	-
Tenement Expenditure Guarantee (refundable)	-	-
<b>Net investing cash flows</b>	<b>(6)</b>	<b>(6)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(1,082)</b>	<b>(2,314)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,082)	(2,314)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc. <i>*Placement subscriptions of \$200,000 have been received into the Company bank account but the relevant shares have not yet been issued</i>	1,228*	1,958*
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 (share issue costs)	(193)	(193)
<b>Net financing cash flows</b>		1,035	1,765
<b>Net increase (decrease) in cash held</b>		(47)	(549)
1.20	Cash at beginning of quarter/year to date	1,945	2,450
1.21	Exchange rate adjustments to item 1.20	1	(2)
1.22	<b>Cash at end of quarter</b>	1,899	1,899

**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	191
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 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

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	300
4.2 Development	-
4.3 Production	-
4.4 Administration	250
<b>Total</b>	<b>550</b>

### 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	60	175
5.2 Deposits at call	1,839	1,770
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter</b> (item 1.22)	<b>1,899</b>	<b>1,945</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	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

+ See chapter 19 for defined terms.

**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 <b>Preference +securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases				
7.3 <b>+Ordinary securities</b>	256,035,904	256,035,904		Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	58,603,999	58,603,999	0.03	Fully Paid
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>	100,000 100,000 100,000 8,800,000 12,000,000		<i>Exercise price</i> AUD\$0.45 AUD\$0.60 AUD\$0.85 AUD\$0.17 AUD\$0.10	<i>Expiry date</i> 01/04/2015 01/04/2015 01/04/2015 30/06/2015 30/06/2015
7.8 Issued during quarter:				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

## 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: 31 May 2013

(Company Secretary)

Michael Langoulant

## 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 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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