

Quarterly Report to 31 January 2012

Luirigold Limited

ASX Code: LGM

www.luirigold.com

Corporate Structure

Shares on issue	127.43m
Options	10.1m
52 week high	A\$0.27
52 week low	A\$0.068

Cash (as at 31 Jan) A\$1.55m

Company Directors

Melissa Sturgess

Chairman

Evan Kirby

Director and Chief Executive Officer

Mike Langoulant

Executive Director

Robert Brown

Non-Executive Director

HIGHLIGHTS OF THE QUARTER

Luirigold Hill Gold Project, Zambia

- New resource estimate by Coffey Mining Pty Ltd (Coffey) on the Dunrobin and Matala gold deposits confirms the existence of a significant gold resource of 758,000 ounces at a 1.0g/t cut-off;
- Coffey concludes that the resource primarily consists of bulk mining open pit targets, whilst potential also exists for a consistent and continuous higher grade zone at Matala which may be an underground mining target;
- A two-pronged approach to project development is being considered; a fast track to early production, in parallel with exploration aimed at growing the resource beyond 1 million ounces;
- Trenching at Tanduma and RC holes at Matala West and Eclipse has identified additional Matala style mineralisation. These results indicate very significant potential additions to the existing Matala resource;
- Trenching at Chosa and Shadreck has identified shallow high-grade gold bearing gossanous material similar to Dunrobin. In both cases, mineralisation is open on-strike towards and away from Dunrobin. This may indicate very significant north-easterly and south-easterly extensions to the resources already identified around the Dunrobin open pit;
- Follow up work is planned with the aim to establish additional resources based on these results.

Corporate

- Delisting from TSX Venture Exchange completed on 20 January 2012.
- Cash on hand at end of Quarter: A\$1.55 million.

Luirigold Limited (ASX:LGM), (“Luirigold” or the “Company”) a gold exploration and development company, is pleased to announce its Quarterly Activities Report for the 3 months ended 31 January 2012.

LUIRI HILL GOLD PROJECT

New Resource Estimate by Coffey Mining

An updated resource estimate of 758,000 ounces of gold at a cut-off of 1.0 g/t at the Matala and Dunrobin deposits was received during the quarter from Coffey Mining Pty Ltd (Coffey) of Perth. (Refer to the announcement of 1 December 2012). Results at a range of (lower) cut-off grades are shown in Table One below.

The new resource was calculated in conjunction with the exploration database being reorganized and verified by Maxwell Geoservices.

Table One Luirigold Hill Gold Project, Resource Estimate at a Range of Cut Off Grades				
Matala Deposit				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Indicated	0.4	4,150	2.2	300
	0.5	4,015	2.3	298
	0.7	3,727	2.4	292
	1.0	3,204	2.7	278
	1.5	2,334	3.2	243
Inferred	0.4	7,649	1.5	360
	0.5	7,200	1.5	354
	0.7	6,108	1.7	333
	1.0	4,525	2.0	290
	1.5	2,600	2.6	213
Dunrobin Deposit				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Indicated	0.4	2,454	1.9	150
	0.5	2,416	1.9	149
	0.7	2,274	2.0	146
	1.0	1,851	2.3	134
	1.5	1,281	2.7	111
Inferred	0.4	1,801	1.3	76
	0.5	1,761	1.3	75
	0.7	1,567	1.4	71
	1.0	1,011	1.7	56
	1.5	461	2.3	35

Coffey consider a 1.0 g/t Au cut-off grade to be suitably conservative for the current stage of project definition. At a 1.0 g/t cut-off, the resource estimate can be summarized as shown in Table Two below.

Table Two Luri Hill Gold Project Summarized Resource Estimate 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)
Indicated	1.0	1,851	2.3	134
Inferred	1.0	1,011	1.7	56
Matala and Dunrobin Deposits Combined				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Indicated	1.0	5,055	2.5	412
Inferred	1.0	5,536	1.9	346

This gives a total combined (indicated plus inferred) resource of 10.591 million tonnes at 2.2 g/t Au, for 758,000 ounces of gold.

Luri notes that there are a number of areas where drilling has encountered interesting values but where the data is too sparse to form the basis of an indicated resource estimate. These places include deep drilling at Matala where high-grade intersections were obtained, and on-strike shallow intersections at Matala, Matala West and Eclipse. Drill out of these areas has the potential to add very significantly to the overall resource. The locations of the various prospect areas are shown below in Figure One.

Trenching and Drilling Results

During the quarter the Company's received assay results from the 2010 RC drill program (34 holes) and from samples obtained from a 28 trench program that commenced in the second half of 2011. (Refer announcement of 2 December 2012).

The results cover some 5 targets namely Matala West (15 RC holes), Eclipse (19 RC holes), Chosa (7 trenches), Tanduma (10 trenches), and Shadreck (11 trenches). All of the drill holes and trenches have recently been fully surveyed and the results included in the Company's exploration database.

RC drilling assays from Matala West and Eclipse indicate that gold mineralisation is present in two discrete structures to the west of the resources already identified in the Matala deposit. Trenching at Tanduma has identified gold bearing structures to the east of, and similar in terms of geological setting, structure and mineralogy to, those at Matala.

The drilling and trenching at the Matala West, Eclipse and Tanduma prospects clearly demonstrates the potential for very significant additions to the Matala style shear hosted mineralisation. Management believes that these prospects could represent several kilometres of additional strike length.

Trenching at Chosa has identified high grade gold bearing gossan striking back towards Dunrobin. This possibly represents a north easterly extension to resources already identified in and around the open pit. Trenching at Shadreck has exposed gossanous material similar to the gold bearing gossans at Chosa and Dunrobin. This may represent a further south easterly extension of the resources already identified around the Dunrobin open pit.

The trenching at Chosa and Shadreck opens up the exciting possibility of extensions of the Dunrobin mineralisation. These extensions could stretch for a total distance of circa 3.5km. At present both Chosa and Shadreck also remain open to the north-east and south-east respectively (away from Dunrobin).

Matala West RC Drilling

15 RC holes at Matala West were drilled during 2010, for a total of 1,866m, with the objective of identifying a discrete gold bearing structure 1,300m to the west of the Matala Mine. The programme covered about 1,000m of strike and, of the 15 holes drilled, 5 were successful in intersecting gold mineralisation above 1.0 g/t.

Highlights from the drilling program at Matala West are given below and confirm the presence of gold mineralisation to the west of resources already identified at the Matala Mine.

Matala West RC Drilling All intersections above 1.0 g/t			
Drill Hole ID	From	W (dth)	Au (g/t)
MTLWRC20	42.00	5.00	1.11
MTLWRC21	41.00	6.00	1.06
<i>Includes</i>	<i>44.00</i>	<i>3.00</i>	<i>1.86</i>
MTLWRC25	77.00	5.00	2.75
<i>Includes</i>	<i>77.00</i>	<i>2.00</i>	<i>6.53</i>
MTWRC031	119.00	5.00	1.74
<i>Includes</i>	<i>119.00</i>	<i>1.00</i>	<i>8.07</i>
MTWRC033	112.00	1.00	1.50

Eclipse RC Drilling

19 RC holes at Eclipse were drilled during 2010, for a total of 2,036m to confirm gold mineralisation some 3,000m to the west of the Matala deposit. The program covered circa 600m strike extent and of the 19 holes drilled, 5 holes contain intercepts with gold grades greater than 1.00 g/t.

Highlights from the drilling program at Eclipse are given below and confirm the presence of gold mineralisation to the west of resources identified at the Matala Mine.

Eclipse RC Drilling			
All intersections above 1.00 g/t Au			
Drill Hole ID	From	W (dth)	Au (g/t)
ECRC017	2.00	2.00	5.98
<i>Includes</i>	<i>2.00</i>	<i>1.00</i>	<i>9.50</i>
ECRC020	68.00	2.00	3.46
<i>Includes</i>	<i>68.00</i>	<i>1.00</i>	<i>4.27</i>
ECRC023	0.00	1.00	1.33
ECRC027	129.00	1.00	2.71
ECRC030	41.00	1.00	1.35

Tanduma Trenching

A total of 10 new and historical trenches were excavated during 2011 on the Matala Dome, approximately 1,800m to the east, north-east of the Matala Mine. The trenching successfully located, at surface, what appears to be an eastern extension to the Matala deposit and confirming the presence of a northern displacement to that mineralisation. Gold values were associated with quartz- tourmaline filled fissures and stockworks within the basement schist. This is typical of the structures which host resource grade mineralisation at Matala. Additional trenching is planned which will further assist in the orientation of future drill holes.

Three of the ten trenches intersected gold values over 1.00 g/t as tabulated below.

Tanduma Trenching 2011 All intervals over 0.5 g/t			
Location	From (m)	Width (m)	Au (g/t)
TANTR01	7.00	1.00	1.43
TANTR04	4.20	1.10	2.04
TANTR07	6.00	1.00	1.48
TANTR07	12.30	1.70	0.96

In addition to the samples acquired from trenching, rock chip samples of float material have also returned high gold assays of up to 6.95 g/t with 6 samples giving results of >2 g/t.

Chosa Trenching

Chosa is located some 800m to the north, north-east of the Dunrobin open pit and occupies a similar stratigraphic setting, comprising Katanga carbonates overlying basement schist. A total of 7 new and historic trenches were excavated in 2011, some back towards Dunrobin. These trenches, along with previous trench work, have confirmed gold mineralised gossan over a strike length of about 700m giving a potential total strike extension to Dunrobin of circa 1,500m. The gossan appears to be striking back towards Dunrobin open pit but deepening alluvial cover means drilling will be required to prove a postulated extension. The gossan remains open to the north-east, away from Dunrobin.

Highlights from the latest trenching, and sampling are given below and clearly identify this as a viable target for follow-up drilling.

Chosa Trenching 2011			
All Intersections over 1.00 g/t Au			
Location	From (m)	Width (m)	Au (g/t)
CHTR12R	20.00	3.00	3.43
<i>includes</i>	<i>21.00</i>	<i>1.00</i>	<i>8.45</i>
CHTR13R	30.00	3.00	2.28
CHTR13R	38.00	3.70	1.46
CHTR13R	56.00	6.00	1.33
CHTR13R	64.80	3.20	0.98
CHTR13R	71.00	2.40	2.54
<i>includes</i>	<i>71.00</i>	<i>1.00</i>	<i>4.52</i>
CHTR13R	82.00	1.00	5.25
CHTR13R	86.00	11.00	9.25
<i>includes</i>	<i>94.00</i>	<i>1.00</i>	<i>9.35</i>
<i>includes</i>	<i>95.00</i>	<i>1.00</i>	<i>82.10</i>
CHTR20	0.00	3.00	1.67
CHTR20	7.00	3.00	2.14
CHTR20	11.00	6.00	1.18
CHTR37	15.00	1.00	1.01

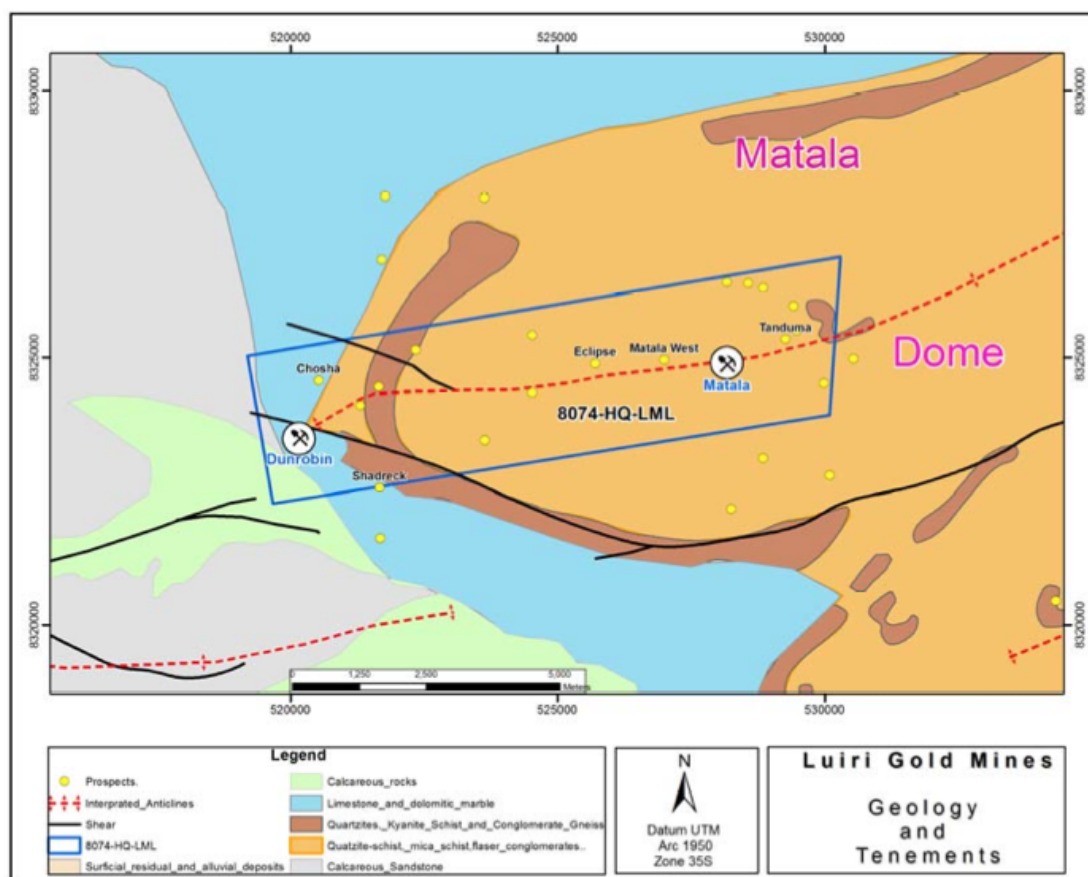
Shadreck Trenching

In 2011, a total of 11 new and historical trenches have been excavated. The area investigated is approximately 1,500m to the south-east of Dunrobin, possibly represents an extension of that orebody and, occupies a similar stratigraphic setting to that of Chosa and the open pit. Significant widths of gold bearing gossanous material very similar in appearance to those mineralised gossans intersected in Dunrobin and at Chosa were also identified.

These trenches have confirmed the gossan material extends over a strike length of approximately 500m giving a total potential south easterly strike extension to Dunrobin of circa 2,000m. The very encouraging assay results returned from the 2011 trenching identifies Shadreck as a priority target for future exploration drilling.

Shadreck Trenching 2011, Intersections over 1.00 g/t Au			
Location	From (m)	Width (m)	Au (g/t)
SHTR01	14.00	10.00	2.34
<i>Includes</i>	17.00	2.00	4.95
<i>Includes</i>	22.00	1.00	3.32
SHTR01R	22.00	7.00	2.29
<i>Includes</i>	25.00	1.00	4.24
<i>Includes</i>	27.00	1.00	8.96
SHTR01	44.00	9.00	1.67
<i>Includes</i>	45.00	1.00	5.89
<i>Includes</i>	47.00	1.00	4.78
SHTR02R	10.00	2.00	0.98
SHTR03	1.00	11.00	3.46
<i>Includes</i>	1.50	0.50	5.55
<i>Includes</i>	8.50	2.50	12.13
SHTR05	30.00	2.00	2.56
SHTR06	13.00	1.00	1.07
SHTR06	17.00	3.00	1.35
SHTR08	2.00	6.00	10.76
<i>Includes</i>	3.00	1.00	7.33
<i>Includes</i>	4.00	1.00	17.00
<i>Includes</i>	5.00	1.00	18.10
<i>Includes</i>	6.00	1.00	5.51
<i>Includes</i>	7.00	1.00	15.90
SHTR08	14.00	5.00	4.79
<i>Includes</i>	14.00	2.00	8.84
SHTR09	4.00	6.00	5.06
<i>Includes</i>	4.00	2.00	10.97
<i>Includes</i>	6.00	2.00	2.85
SHTR10	9.00	1.00	18.90
SHTR11	15.00	15.00	2.67
<i>Includes</i>	20.00	1.00	20.10
<i>Includes</i>	24.00	1.00	5.23
<i>Includes</i>	29.00	1.00	3.48

Figure One – Location of prospect areas



Project Development and Exploration

The Company has an overall objective of boosting the resource to well over a million ounces and then constructing a world-class mining and processing operation. Further consideration of all factors suggests that a staged approach to development may best meet the interests of both shareholders and stakeholders.

For the first stage, Luirigold will pursue a two-pronged approach:

- Investigating the possibility of a fast track development of a small, economically robust project based largely on existing knowledge of the geology and mineral resources.

In parallel with:

- Exploration aimed at expanding known gold occurrences with the objective of growing the resource to over a million ounces of gold in all categories.

The Company believes it is possible that a small, economically robust project could be brought on line on a fast track basis. Such a project could be sufficiently cash positive to finance an ongoing exploration and study program to unlock the full potential of the Luirigold Hill Gold Project. When sufficient project definition has been achieved, an expansion project could then be initiated to achieve the overall objective of a minimum 80,000 oz per year project. With this objective in mind the Company has initiated scoping level studies for development of an 8,000 oz per year (10,000 tons per month of ore) project.

Whilst the work is nominally scoping level, experienced consultants are being used and it is expected that the results will closely reflect reality. Full results of the study work are expected during the second quarter of 2012.

In parallel with this fast track development assessment Luirigold will continue with its formal exploration program, consisting of drilling, trenching, pitting, aerial magnetic and isotope survey work, to increase the resource beyond 1 million ounces.

CORPORATE ACTIVITY

Voluntary Delisting from the TSX Venture Exchange (TSXV)

Luirigold's common shares were delisted from the TSXV at the close of trading on Friday, 20 January 2012. Notwithstanding the delisting from the TSXV, the Company's common shares continue to trade on the ASX in the form of CDIs.

In addition, when the Company meets the requirements to cease reporting to the British Columbia Securities Commission ("BCSC") and Alberta Securities Commission ("ASC"), it intends to apply to the BCSC and ASC to cease to be a reporting issuer in the provinces of British Columbia and Alberta (the Canadian jurisdictions in which the Company is a reporting issuer).

Implications of the TSXV Delisting for Shareholders on the Canadian Register

As a consequence of the TSXV delisting, the Canadian register shareholders and/or CDS participants currently on the Canadian register will need to request to have their shareholdings transferred to the Australian CDI branch register.

Canadian registered shareholders and/or CDS participants will be unable to trade their shares on ASX until they have lodged a request through Computershare to issue CDIs on the Australian CDI branch register.

On behalf of the Board of Directors of the Company,

"Evan Kirby"
Director and CEO

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Competent Person

The information in this report that relates to Mineral Resources is based on information compiled by Mr Brian Wolfe, B.Sc Hons (Geol), MAIG an employee of Coffey Mining Limited. Mr Wolfe has sufficient experience that is relevant to the style of mineralization 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 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Wolfe consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The technical exploration and mining information contained in this Announcement has been reviewed and approved by Mr C White B Sc (Hons) in Applied Geology, General Manager for Luirigold 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 a contractor to Luirigold Limited and is a Member of the Institute of Materials, Minerals and Mining. Mr White consents to the inclusion in this Announcement of such 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

Luri Gold Limited

ACN

139 588 926

Quarter ended ("current quarter")

31 January 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(532)	(532)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	31	31
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	(790)	(790)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(330)	(330)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	(59)	(59)
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(389)	(389)
1.13 Total operating and investing cash flows (carried forward)	(1,179)	(1,179)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,179)	(1,179)
	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		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other - capital raising costs		
	Net financing cash flows		
	Net increase (decrease) in cash held	(1,179)	(1,179)
1.20	Cash at beginning of quarter/year to date	2,727	2,727
1.21	Exchange rate adjustments to item 1.20	(3)	(3)
1.22	Cash at end of quarter	1,545	1,545

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	122
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

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

+ 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	100
Total	400

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	251	977
5.2 Deposits at call	1,294	1,750
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,545	2,727

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 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital				
7.3 +Ordinary securities	127,431,905	127,431,905		
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>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases				
7.7 Options <i>(description and conversion factor)</i>	1,000,000 100,000 100,000 100,000 8,800,000		<i>Exercise price</i> AUD\$0.20 AUD\$0.45 AUD\$0.60 AUD\$0.85 AUD\$0.17	<i>Expiry date</i> 13/05/2012 01/04/2015 01/04/2015 01/04/2015 30/06/2015
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>				

+ 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 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:Date: .28 February 2012.....
Director

Print name: 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 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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+ See chapter 19 for defined terms.