



# Padang

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## ASX ANNOUNCEMENT

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The directors of Padang Resources Ltd (“Padang”, “PXR” or the “Company”) have pleasure in presenting their quarterly report for the period ended 31 March 2012.

### **Operations Report March Quarter 2012**

#### **Company Profile**

Padang is an Australian based Resources Company focused on the acquisition of exploration and near production assets across the international resources sector, in particular coal in Indonesia.

Padang is strategically aligned to secure advanced projects that are located in close proximity to all key infrastructure and support services. This presents Padang with the opportunity to take advantage of both the internal markets of South-East Asia and the export markets.

#### **West Sumatra**

On 6 October 2011, PXR announced that it had executed an agreement, subject to certain conditions, to acquire all the issued shares in the capital of Lumpo Resources Pte Ltd (Lumpo), which has entered into a binding MOU with PT Tambang Batubara Lumpo (TBL), to acquire a 65% joint venture interest in its coal project in Western Sumatra, Indonesia (Lumpo Project).

The Company held numerous discussions with the permit owner in early January and February 2012 and was successful in obtaining a verbal agreement to allow the Company additional time to complete the technical due diligence. Whilst discussions were being held with the permit owner, the Company actively sourced additional advanced high quality coal projects near term to production (ie the Paser Project) and also prospective early stage coal exploration projects in Indonesia. The Company is close to making a decision on the Lumpo Project and will update the shareholders with any material developments.

#### **West Papua**

In 2010, Padang announced the proposed acquisition of a 75% interest in 1,970 km<sup>2</sup> of tenements in West Papua province of Indonesia. Padang is still not comfortable with the Due Diligence on this project and Padang is carefully and concisely establishing its next steps on West Papua.

## **Tanami Project**

Padang currently holds a granted exploration licence and has applications for other licences between Browns and Supplejack Ranges, 70 kilometres north of Tanami and 700 kilometres northwest of Alice Springs in the Northern Territory.

## **Material developments post end of the March Quarter 2012**

On 16 April 2012, PXR announced that it had executed an agreement, subject to certain conditions, to acquire 70% the issued shares in the capital of Paser Pte Ltd (Paser), which has entered into a binding MOU with PT Gunung Mentari Mining (PT GMM), a company incorporated in Indonesia, to acquire a 100% joint venture interest (JV Interest) in a coal project in East Kalimantan, Indonesia (Paser Project).

A market research report regarding the Paser Project was released on 30 April, 2012.

Guy Le Page  
**Chairman**

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

PADANG RESOURCES LIMITED

ABN

74 106 240 475

Quarter ended ("current quarter")

31 March 2012

### Consolidated statement of cash flows

		Current quarter	Year to date (9 months)
		\$A'000	\$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	(144)	(456)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(229)	(862)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	19	59
1.5	Interest and other costs of finance paid	-	(1)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>		<b>(354)</b>	<b>(1,260)</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)	(1)
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	-	19
1.12	Other (Unsecured Loans)	-	-
<b>Net investing cash flows</b>		<b>(1)</b>	<b>18</b>
1.13	<b>Total operating and investing cash flows (carried forward)</b>	<b>(355)</b>	<b>(1,242)</b>

1.13	Total operating and investing cash flows (brought forward)	(355)	(1,242)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	1,338
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)	(5)	(31)
	<b>Net financing cash flows</b>	(5)	1,307
	<b>Net increase (decrease) in cash held</b>	(360)	65
1.20	Cash at beginning of quarter/year to date	1,953	1,527
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1,593	1,593

### 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	24
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Payment of directors' fees, salaries and superannuation during the quarter – 1.2

### 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

## 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	120
4.2 Development	-
4.3 Production	-
4.4 Administration	350
<b>Total</b>	<b>470</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	126	1,953
5.2 Deposits at call	1,467	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,593</b>	<b>1,953</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			

## 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> (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	346,691,669	346,691,669		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)	37,283,858 123,057,896	37,283,858 123,057,896	Exercise price 20 cents 6 cents	Expiry date 30/06/2012 30/06/2012
7.8 Issued during quarter				
.9 Exercised during quarter				
7.10 Expired during quarter				

