

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

HEMISPHERE RESOURCES LIMITED

ABN

96 122 074 006

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A '000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	6	22
1.2 Payments for		
(a) exploration and evaluation	(202)	(1,206)
(b) development	-	-
(c) production	-	-
(d) administration	(347)	(997)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	186	368
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 i GST received/(paid)	(7)	(31)
1.7 ii R&D tax concession 2010	-	78
1.7 iii Refunds of tenement rents received	131	131
Net Operating Cash Flows	(233)	(1,635)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	(70)
(b) equity investments	(1)	(1)
(c) other fixed assets	(13)	(20)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Payment for exploration licences	-	-
1.11	-	-
Net investing cash flows	(14)	(91)
1.13 Total operating and investing cash flows (carried forward)	(247)	(1,726)

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1.13	Total operating and investing cash flows (brought forward)	(247)	(1,726)
1.14	Cash flows related to financing activities		
	Proceeds from issues of shares, exercise of 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 – costs of capital raising	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(247)	(1,726)
1.20	Cash at beginning of quarter/year to date**	8,527	10,006
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter*	8,280	8,280

* The Company holds 50.44% of Aruma Resources Limited (ASX: AAJ). The cash flows of Aruma Resources Limited have not been consolidated with those of Hemisphere Resources and its wholly owned subsidiaries.

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'ooo	
1.23	Aggregate amount of payments to the parties included in item 1.2	197
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 salary to managing director and payment of directors' fees including PAYG tax and superannuation.	

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
- Not applicable
- 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
- Not applicable

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	400
4.2 Development	-
4.3 Acquisition of interests	-
4.4 Administration	300
Total	700

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	1,830	2,259
5.2 3 month term deposits	20	20
5.3 6 month term deposits	4,303	4,248
5.4 12 month term deposit	2,127	2,000
Total: cash at end of quarter (item 1.22)	8,280	8,527

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	E08/2203	Direct	100%	-
	E08/2204	Direct	100%	-
	E57/719	Direct	100%	-
	E57/762	Direct	100%	-
	E57/763	Direct	100%	-
6.2 Interests in mining tenements acquired or increased	E27/384	Direct	-	100%
	E47/2432	Direct	-	100%
	E47/2473	Direct	-	100%
	E47/2474	Direct	-	100%
	E47/2482	Direct	-	100%

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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)	Amount paid up per security (see note 3)
7.1 Preference securities				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, etc.				
7.3 +Ordinary securities	70,383,575	70,383,575		
7.4 Changes during quarter (a) Increases through issues (b) Shares released from escrow (c) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities	-	-		
7.6 Changes during quarter (a) Increases (b) Decreases				
7.7 Options <i>(description and conversion factor)</i>	700,000	-	Exercise price 19.5 cents	Expiry date 6 March 2015
7.8 Issued during quarter	700,000	-	19.5 cents	6 March 2015
7.9 Exercised during quarter	-	-		
7.10 Expired/lapsed during quarter	-	-		
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 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Phillip MacLeod Date: 27 April 2012
 Company Secretary

Print name: Phillip MacLeod

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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