

# Appendix 5B

## Mining exploration entity quarterly report

Name of entity

**GALAXY RESOURCES LIMITED**

ABN

11 071 976 442

Quarter ended ("current quarter")

30 June 2007

### Consolidated statement of cash flows

		Current Quarter \$A'000	Year to date (12 Months) \$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 and evaluation	(786)	(1170)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(147)	(396)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	37	71
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material) - GST refunded	136	136
<b>Net operating cash flows</b>		<b>(760)</b>	<b>(1359)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of		
	(a) prospects	-	(730)
	(b) equity investments	-	-
	(c) other fixed assets	(51)	(55)
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)	-	-
<b>Net investing cash flows</b>		<b>(51)</b>	<b>(785)</b>
1.13	<b>Total operating and investing cash flows (carried forward)</b>	<b>(811)</b>	<b>(2144)</b>

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1.13	Total operating and investing cash flows (brought forward)	(811)	(2144)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	3600
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	165	165
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – costs of issues	-	(388)
	<b>Net Financing Cash Flows</b>	165	3377
	<b>Net increase (decrease) in cash held</b>	(646)	1233
1.20	Cash at beginning of quarter/year to date	2394	515
1.21	Exchange rate adjustments to Item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1748	1748

**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	116
1.24	Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Includes directors' fees and also fees paid to directors or director related entities for professional and technical services and for office services (including occupancy costs)

**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

N/A

- 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

N/A

**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 outlays for next quarter**

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	-
<b>TOTAL</b>	<b>500</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	195	30
5.2 Deposits at call	369	2,364
5.3 Bank overdraft		
5.4 Other – investment commercial bills of 6 months or less	1,184	
<b>Total: cash at end of quarter (item1.22)</b>	<b>1,748</b>	<b>2,394</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	E(A) 74/406	Equity (application)	0%	25%

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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) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preferences securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks, redemptions				
7.3 <b>Ordinary securities</b>	44,662,297	36,420,819		
7.4 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks	1,575,000	825,000	20	20
7.5 <b>Convertible debt securities</b>				
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted				
7.7 <b>Options</b>			<i>Exercise price</i>	<i>Expiry date</i>
GXYAM	5,975,000	-	20	30/09/08
GXYAM	1,500,000	-	20	06/02/09
GXYAO	1,500,000	-	30	06/02/10
GXYAQ	1,500,000	-	40	06/02/11
GXYAS	750,000	-	30	30/01/10
7.8 Issued during quarter Unlisted options	750,000	-	30	30/01/10
7.9 Exercised during quarter Unlisted options	825,000	-	20	30/09/08
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

