

31 January 2013

Manager of Company Announcements
Australian Securities Exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

By E-Lodgement

QUARTERLY REPORT Period Ended 31 December 2012

December 2012 Quarter – Highlights

Sapes Gold Project - Greece

- The Environmental Impact Study relating to Glory's maiden Sapes Gold Project drilling program ("**Drilling Permit**") has received approvals and necessary signatures from all relevant central, local and regional Government departments.
- The Drilling Permit now awaits the signature from the Greek Minister of Environment, Energy and Climate Change ("**MOE**") Mr Evangelos Livieratos. Once this has been received Glory plans to immediately commence drilling at the Sapes Gold Project.
- On 20 December 2012 the Environmental Impact Study for the development and construction of the gold mining operation at Sapes was lodged with the MOE. The MOE will now submit the study to its Gold Committee to commence the approvals process.
- Application was made for "Invest in Greece Fast Track" approval for the Sapes Gold Project.

Annual General Meeting

Glory Resources Limited (ASX: GLY) ("**Glory**" or the "**Company**") held its Annual General Meeting on 23 November 2012 and all resolutions were passed on a show of hands.

BOARD

Jason Bontempo
Jeremy Wrathall
Bernard Aylward
Lui Giuliani

COMPANY SECRETARY

Pip Leverington

CORPORATE INFORMATION

Shares on issue	224m
Options on issue	29m
Cash	\$5.9m

SAPES GOLD PROJECT

Resources

830koz @ 10g/t Au

Reserves

637koz @ 15g/t

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ASX CODE

GLY



PROJECTS

GREECE - Sapes Gold Project

The Company's 100% owned Sapes Gold Project ("**Sapes**" or "**Sapes Project**") is a typical high-sulphidation epithermal gold deposit, which has a JORC Measured and Indicated Resource of 830koz at 9.8 g/t Au (Table 1) with identified JORC Proved and Probable Ore Reserve of 637koz at 15.1 g/t Au (Table 2). Recent geophysical and other exploration work has indicated the potential for the resource to grow once further drilling has been conducted.

Sapes Drilling Programme Approvals

In its quarterly report dated 30 October 2012, Glory reported that the Environmental Impact Study relating to its maiden Sapes Gold Project drilling program ("**Drilling Permit**") had received approvals from all relevant central, local and regional Government departments. This also included the signature of the MOE Alternate Minister, Mr Stavros Kalafatis. The Drilling Permit has subsequently been awaiting signature from the Greek Minister of Environment, Energy and Climate Change ("**MOE**") Mr Evangelos Livieratos.

On 1 November 2012, following an official request by the Company, Glory Executive Director Mr Jason Bontempo and in-country manager Mr Konstantinos Salonikis appeared before the Minister and Secretary General of the MOE in order to present the benefits of the Sapes Gold Project.

The presentation highlighted the estimated creation of over 200 jobs with associated salary and wages expenditure averaging US\$7m per annum, over US\$20m per annum in corporate taxes, royalties and social development payments at current gold prices. Additionally, it was highlighted that further exploration drilling may define more gold resources and reserves leading an increase the life of the project and associated social benefits.

Following several consultations through November 2012 with the Minister's office, on 14 December 2012, the Company was informed by the office of Minister Livieratos that further information was required. Consequently the Drilling Permit was returned to the relevant department of the MOE in order to include the additional information.

Glory now understands that the further information has been provided, all other necessary signatures have once again been received, and the Drilling Permit was re-presented for Minister Livieratos's signature in mid-January 2013.

The Board strongly believes that, as the Sapes Gold project is only one of handful of current inward investments in Greece and shows overwhelming positive economic and social benefits for the Thrace region in Greece, with the Company being a major employer in the town of Sapes, the Minister will soon expedite the signature of the Drilling Permit.

In the expectation that the signature by the Minister for the Drilling Permit will be shortly forthcoming, the Company has continued to maintain up to 30 employees in the Sapes area, renew its commitments to drilling rigs and crew and to continue its ongoing investment in the local Sapes community. Further, once the Drilling Permit is approved, Glory will be able to increase its overall workforce to service the increased activity at the project.



Project Development Update

Approval of the Sapes Gold Project Preliminary Environmental Impact Study by the Gold Committee of the MOE was received as expected on 16 July 2012.

During the quarter the Company finalised its project development Environmental Impact Study ("EIS"), which was lodged with the MOE on 20 December 2012. The lodgement of the EIS marks the second and key stage of the permitting process for the development of the Sapes Gold Project.

In December 2012, the Company held positive meetings for "Invest in Greece Fast Track" approval for the Sapes Gold Project. Glory has begun to prepare a file for an official submission early in 2013.

This fast track approval provides for the acceleration and transparency of implementation of "Strategic Investments" under Greek law.

Via "fast track", the Greek Government provides a stable and transparent set of investment rules, procedures and administrative structures for the implementation of large scale public and private projects such as the Sapes Gold Project.

"Fast track" approval is provided by an inter-ministerial committee comprising the Minister of Development, Competitiveness and Shipping, as the Chairman thereof, and Ministers of Finance, of Foreign Affairs, of Environment, Energy and Climate Change, of Infrastructure, Transport and Networks and of Culture and Tourism.

Glory's major shareholder (19.99%) Eldorado Gold Corp (TSX:ELD) ("**Eldorado**") is also owner of three major gold deposits in Greece. Eldorado is currently imminently awaiting the approval of its development EIS for its Perama Hill Gold Project located only 20kms away from the Sapes Gold Project. The Perama Hill Gold Project EIS was submitted in March 2012 and received "fast track" approval and Strategic Investment Status in March 2012.

CANADA - Onion Lake PGM-Cu-Ni Project

The Company currently holds a 60% interest in the Onion Lake Project, a prospective PGM-Cu-Ni project located approximately 50 km north of Thunder Bay, Ontario, Canada. The Onion Lake Project is adjacent to Panoramic Resources PGM's (formerly Magma Metals (Canada) Limited) Thunder Bay North Polymetallic Property which is host to an Indicated NI 43-101 and JORC compliant resource of 741,000 Pt equivalent ounces.

Between June 2012 and December 2012, Glory Resources contracted Clark Exploration Consulting Inc. to conduct an extensive ground mapping, sampling and geophysical target examination program on the Onion Lake Property.

The ground mapping, sampling and geophysical target examination program comprised the first exploration phase of 2012. The goals of this phase were to: 1) conduct broad-scale geological mapping throughout the entire property; and 2) perform detailed mapping and prospecting on 103 geophysical targets to determine their access and potential as drill targets.

Broad-scale, property-wide geological mapping was completed to better aid in the interpretation of aeromagnetic surveys flown prior to 2012. As the Onion Lake Property contains an extensive network of both active and older logging roads, most of the property-scale mapping was done on road-side outcrop. Detailed mapping and prospecting was carried out on 57 target areas that encompassed



prospective geophysical anomalies on the property. This was undertaken by traverse and by shoreline mapping of targets underlying water bodies. Mapping was also done while ground-truthing the pre-2012 geophysical targets and assessing their drill access.

Exploration on the Onion Lake Project during this phase has led the discovery of a number of prospective narrow dykes, however the more interesting magnetic features on the property are buried under glacial till. Geophysical interpretation and modelling to date has provided an abundance of potential diamond drill targets of which all will be ranked in preparation for a diamond drilling program.

Clark Exploration believe that although significant ground was covered during the 2012 mapping, sampling and geophysical target examination program, the Onion Lake Property remains underexplored and contains significant potential to host mineralization similar to - and even potentially an extension of - that found on Panoramic Resources' bordering property to the east.

This exploration program met the first exploration expenditure commitment on the second phase of the earn-in on the Project moving Glory to a 60% interest in the Project.

Jason Bontempo

Executive Director

Background Information

The Company is an Australian listed precious metal development & exploration company. The Company's flagship project is the Sapes Gold Project, an advanced high-grade gold development project located in north-eastern Greece approximately 30 km northwest of the Aegean Sea port city of Alexandroupolis. Key details are:

- A feasibility study conducted in 2001 and updated in December 2010 shows JORC Measured and Indicated Resource of 830koz at 9.8g/t Au (Measured 647koz at 8.9g/t Au and Indicated 183koz at 14.9g/t Au) with identified JORC Proved and Probable Ore Reserve of 637koz at 15.1g/t Au (Proved 23koz at 3.5g/t Au and Probable 614koz at 17.2g/t Au).*
- The feasibility study reports gold production of 510,000oz, total capex of US\$100m and cash opex cost of US\$297/oz over a seven-year mine life.*
- Substantial opportunity for further exploration upside as no systematic exploration on the Sapes Project lease for 12 years.*

The Company is also exploring the Onion Lake Project, which is prospective for Copper-Nickel-Platinum Group Elements and is comprised of approximately 190 km² of contiguous mining claims which are adjacent to Magma Metals Ltd (ASX:MMW) Thunder Bay North Polymetallic Property (732,000oz Pt equivalent resource). GLY holds the right to earn a 75% interest in the Onion Lake Project pursuant to a joint venture with TSX listed Benton Resources Limited. GLY has earned a 30% interest to date.

Competent person statement

The information in this release that relates to exploration results is based on information compiled by Mr Bernard Aylward. Mr Aylward is director of and a consulting geologist to Glory Resources Limited. Mr Aylward is a member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation 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 Aylward consents to the inclusion in the report of the matters based on information in the form and context in which it appears



Table 1: Sapes Project Resources Statement							
Orebody	Category	Cut-Off Grade (g/t)	Tonnes	Grades			Ounces of Gold
				Au Gold (g/t)	Ag (g/t)	Cu (%)	
Viper	Measured	4.0	710,000	22.2	11.5	0.4	507,000
St. Demetrios	Measured	1.0	730,000	3.5	3.2		82,000
Scarp	Measured	1.0	820,000	2.2	1.5		58,000
	sub-total		2,260,000	8.9	5.2	0.2	647,000
Viper	Indicated	4.0	280,000	19.5	9.0	0.4	176,000
St. Demetrios	Indicated	1.0	50,000	2.6	2.8		4,000
Scarp	Indicated	1.0	50,000	1.7	1.1		3,000
	sub-total		380,000	14.9	7.1	0.3	183,000
Rounded	Total		2,640,000	9.8	5.5	0.1	830,000

Resource Statement

The Mineral Resource statement in this ASX Release has been compiled by Dr Mike Armitage of SRK Consulting (UK) Ltd. Dr Mike Armitage is a member of the Institute of Materials, Minerals and Mining which is a "Recognised Overseas Professional Organisation" (ROPO) included in a list promulgated by the Australian Stock Exchange (ASX) from time to time and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration 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.

Table 2: Sapes Project Reserves Statement							
Orebody	Category	Cut-Off Grade (g/t)	Tonnes	Grades			Ounces of Gold
				Au Gold (g/t)	Ag (g/t)	Cu (%)	
St. Demetrios	Proved	1.0	200,000	3.5	5.2		23,000
	sub-total		200,000	3.5	5.2		23,000
Viper	Probable	4.0	1,109,000	17.2	8.8	0.3	613,000
St. Demetrios	Probable	1.0	10,000	3.6	4.4		1,000
	sub-total		1,119,000	17.2	8.8	0.3	614,000
Rounded	Total		1,319,000	15.1	8.2	0.3	637,000

Reserve Statements

The Viper Ore Reserve statement in this ASX Release has been compiled by Mr Malcolm Dorricott of AMC Consultants Pty Ltd. Mr Malcolm Dorricott is a member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration 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. The St Demetrious Ore Reserve statement in this presentation has been compiled by Dr Mike Armitage of SRK Consulting (UK) Ltd. Dr Mike Armitage is a member of the Institute of Materials, Minerals and Mining which is a "Recognised Overseas Professional Organisation" (ROPO) included in a list promulgated by the Australian Stock Exchange (ASX) from time to time and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of

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

GLORY RESOURCES LIMITED

ABN

38 142 870 102

Quarter ended ("current quarter")

31 December 2012

Consolidated statement of cash flows

Cash flows related to operating activities		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 & evaluation, permitting	(1,264)	(2,460)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(204)	(560)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	84	274
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		(1,384)	(2,746)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	(50)
	(c) other fixed assets	(61)	(147)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	15	94
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(46)	(103)
1.13	Total operating and investing cash flows (carried forward)	(1,430)	(2,849)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,430)	(2,849)
	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	-	(100)
	Net financing cash flows	-	(100)
	Net increase / (decrease) in cash held	(1,430)	(2,949)
1.20	Cash at beginning of quarter/year to date	7,320	8,840
1.21	Exchange rate adjustments to item 1.20	-	(1)
1.22	Cash at end of quarter	5,890	5,890

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	(141)
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 and consulting fees.

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	Nil	
3.2 Credit standby arrangements	Nil	

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	850
4.2 Development	-
4.3 Production	-
4.4 Administration	350
Total	1,200

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	388	820
5.2 Deposits at call	5,502	6,500
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	5,890	7,320

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.

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 (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	⁺Ordinary securities	224,100,099	221,100,099		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	⁺Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)			Exercise price	Expiry date
		200,000	-	\$0.30	31 Mar 2013
		10,000,000	-	\$0.17	15 Aug 2016
		5,000,000	-	\$0.17	27 Jul 2016
		11,285,000	-	\$0.25	31 Oct 2014
		1,350,000	-	\$0.25	28 Fe 2014
		1,000,000	-	\$0.25	30 Jun 2014
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

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 gives a true and fair view of the matters disclosed.

Sign here:
(Company secretary)

Date: 31 January 2013

Print name: Pip Leverington

+ See chapter 19 for defined terms.

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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