

# Appendix 5B

## Mining exploration entity quarterly report

Name of entity

**GALAXY RESOURCES LIMITED**

ABN

11 071 976 442

Quarter ended ("current quarter")

31 March 2007

### Consolidated statement of cash flows

			Current Quarter \$A'000	Year to date (9 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	(224)	(384)
		(b) development	-	-
		(c) production	-	-
		(d) administration	(123)	(249)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		21	34
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other (provide details if material)		-	-
<b>Net operating cash flows</b>			(326)	(599)
<b>Cash flows related to investing activities</b>				
1.8	Payment for purchases of	(a) prospects	-	(730)
		(b) equity investments	-	-
		(c) other fixed assets	(4)	(4)
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>			(4)	(734)
1.13	Total operating and investing cash flows (carried forward)		(330)	(1333)

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1.13	Total operating and investing cash flows (brought forward)	(330)	(1333)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	3000	3600
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 issues	(297)	(388)
	<b>Net Financing Cash Flows</b>	2703	3212
	<b>Net increase (decrease) in cash held</b>	2373	1879
1.20	Cash at beginning of quarter/year to date	21	515
1.21	Exchange rate adjustments to Item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	2394	2394

**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	150
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, fees paid to Managing Director for geological, management and office services (including occupancy costs) and fees paid to a firm related to a director for professional legal services

**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	300
4.2 Development	-
<b>TOTAL</b>	<b>300</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	30	21
5.2 Deposits at call	2,364	
5.3 Bank overdraft		
5.4 Other – investment commercial bills of 6 months or less		
<b>Total: cash at end of quarter (item1.22)</b>	<b>2,394</b>	<b>21</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	E(A) 74/406	Equity (application)	0%	25%

**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 <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>	43,087,297	35,595,819		
7.4 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks	15,000,000	15,000,000	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
GXYA0	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				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <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/~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: [signed] ..... Date: 30/04/2007.....  
(Director/Company Secretary)

Print name: L A Colless.....

## 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 the topic, the Australian standard on that topic (if any)  
must be complied with.