



CONDOTO PLATINUM

28 October 2013

QUARTERLY ACTIVITY REPORT – September 2013

ASX Symbol: **CPD**

Level 4, 66 Kings Park Road
West Perth WA 6005
Phone: +61 8 6141 3500
Fax: +61 8 6141 3599
www.condotoplatinum.com.au

BOARD OF DIRECTORS AND MANAGEMENT

Mr William Hayden
Non-Executive Chairman

Mr Philip O'Neill
Managing Director

Mr Andrew Johnstone
Non-Executive Director

Mr Jay Stephenson
Company Secretary

ISSUED CAPITAL

Shares on Issue:	56,155,004
Unlisted Options:	12,360,000

HIGHLIGHTS

- **Discovery of previously-unknown 'Cerro El Tambito' high-grade primary gold mineralisation on the Company's Novita Agreement Lands**
- **Cerro El Tambito surface samples returned impressive average grade of 63.25 g/t Au over 9.8 metres across primary hard rock shear zone.**
- **Disruption of bulk sampling activities at the Martinez Mine**

CORPORATE

During the quarter to September 30, 2013, Condoto Platinum continued to investigate previously-unexplored areas of its 105,975 hectare land position held under the Novita Agreement, in Choco Department, western Colombia.

Investigations have been proceeding outward from the Company's base of operations in the town of Novita. Most recently, exploration teams have targeted areas upstream along the Tamana River. Detailed discussion of mineralisation discovered by these programs follows under the Operations section of this report.

During the quarter, Condoto continued taking steps to reduce its corporate expenditures, in light of the current state of global capital markets for the mining sector.

Reduction of expenditures was aided during the quarter by the temporary cessation of bulk sampling activity at the Company's Martinez Mine operation, due to country-wide mine worker strikes as well as ground instability caused by heavy rains. More details on these works are related in the Operations section.

Management continues to focus on advancing its operations in an efficient and capially-prudent manner. Regional mine worker strikes in Colombia have now been largely resolved, with operations and supply chains returning to normal activity levels.

QUARTERLY ACTIVITY REPORT – September 2013

The Colombian government continues to intensify its campaign against unlicensed mining activity in the Department of Choco. Condoto is investigating partnership proposals by numerous groups on new producing and near-producing projects and hopes to execute additional mining ventures in the near future.

OPERATIONS

During the quarter to September 30, 2013, Condoto Platinum continued to investigate previously-unexplored areas of its 105,975 hectare land position held under the Novita Agreement, in Choco Department, western Colombia (see Figure 1 below).



Investigations have been proceeding outward from the Company's base of operations in the town of Novita. Most recently, exploration teams conducted sampling in areas upstream along the Tamana River, east of Novita.

As reported in the Company's press release dated September 9, 2013, the sampling program was successful in discovering a high-grade zone of mineralisation, consisting of quartz veins developed within shear zones cutting schists and intrusive rocks. Surface sampling across the mineralisation returned an average grade of 63.25 g/t Au over a 9.8 metre zone. This is the first report of primary shear-hosted gold in Choco Department.



QUARTERLY ACTIVITY REPORT – September 2013

The Company is now conducting follow-up sampling on this new target to determine the full extent and tenor of mineralisation in the area.

During the quarter, operation of the gold-platinum gravity circuit at the Novita bulk sampling operations (Martinez Mine) were disrupted initially by a national mine worker strike that affected much of Colombia, and then by instability and collapse of the active face being worked by Condoto in the Martinez pit caused by unusually heavy rains in the region. The Company is now investigating methods for remediating the operation, while waiting for activity levels and supply chains to the local mining industry to return to normal levels.

The Colombian government has recently increased its efforts to combat illegal and unlicensed mining throughout the country, and particularly in Choco Department. This has led to a desire amongst local, unlicensed operators to obtain proper permitting and rights for their numerous existing gold and platinum mining operations in the region. As such, Condoto has been approached by numerous mining groups seeking joint venture agreements that would legitimize operations through application of the Company's Novita Agreement rights.

Management is evaluating the various operations and deposit types tabled to determine where Condoto's fleet of modern mining equipment can create the most significant enhancements to production through the implementation of a full bulk sampling program. The Company intends to use its treasury judiciously to pursue profitable opportunities with potential to generate cash flow sufficient to fund the Company's bulk sampling and exploration work over its large land package.

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Johnstone, who is a Member of the Australian Institute of Geoscientists. Mr Andrew Johnstone 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 Andrew Johnstone who is an Director of the Company, consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This release may contain forward-looking statements. Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information. Actual values, results or events could differ materially from any conclusion, forecast or projection expressed or implied in the forward-looking information.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

CONDOTO PLATINUM NL (CPD)

ABN

42 131 213 824

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 Months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for:		
(a) exploration & evaluation	(289)	(289)
(b) development	-	-
(c) production	-	-
(d) administration	(152)	(152)
1.3 Dividends received	-	
1.4 Interest and other items of a similar nature received	11	11
1.5 Interest and other costs of finance paid	-	
1.6 Income taxes paid	-	
1.7 Other	-	-
Net Operating Cash Flows	(430)	(430)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
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)	-	-
Net Investing Cash Flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(430)	(430)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(430)	(430)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc. net of costs	-	-
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 (provide details if material)	(9)	(9)
	Net financing cash flows	(9)	(9)
	Net increase (decrease) in cash held	(439)	(439)
1.20	Cash at beginning of quarter/year to date	1,821	1,821
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,382	1,382

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	52
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors Fees 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

NIL

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

NIL

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	260
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	410

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	69
5.2 Deposits at call	1,381	1,752
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,382	1,821

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		

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 Preference +securities <i>(description)</i>	-	-		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-		
7.3 +Ordinary securities	56,155,004	56,155,004		
7.4 Changes during quarter (a) Increases through release from escrow (b) Decreases through returns of capital, buy-backs		4,500,000		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<u>Exercise price \$</u>	<u>Expiry date</u>
	910,000		\$0.80	18.04.2016
	3,000,000		\$0.20	01.07.2015
	5,250,000		\$1.50	30.11.2014
	1,000,000		\$1.01	30.11.2014
	500,000		\$0.47	31.10.2015
	1,000,000		\$0.70	16.11.2015
	700,000		\$0.70	31.10.2015
7.8 Issued during quarter	Nil			
7.9 Exercised during quarter	Nil			
7.10 Expired during quarter	Nil			
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 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 28 October 2013
(Company secretary)

Print name: Jay Stephenson

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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