



CONDOTO PLATINUM

28 April 2014

QUARTERLY ACTIVITY REPORT – March 2014

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

Nicholas Raffan
Non-Executive Director

Mr Andrew Johnstone
Executive Director

Mr Jay Stephenson
Company Secretary

ISSUED CAPITAL

| | |
|-------------------|------------|
| Shares on Issue: | 56,155,004 |
| Unlisted Options: | 12,710,000 |

HIGHLIGHTS

- **Colombian based Australian Geologist engaged part time to assist with project assessment, exploration, development and bulk sampling activities in Colombia.**
- **The Company is continuing to proceed carefully and prudently as Choco security situation is monitored leading up to Colombian National Elections in late May.**

CORPORATE

During the quarter to March 31, 2014, Condoto Platinum NL (ASX: CPD, the Company) continued to carefully monitor the security situation in the Choco Region of Colombia where its operations are focused. A skeleton Colombian team are stationed onsite at Novita, looking after equipment and maintaining the established Novita Exploration Camp.

Exploration, particularly sampling at Cerro El Tambito ceased in late 2013. However, the results are compelling and the company hopes to be able to both re-establish bulk sampling activities at Novita and re-commence exploration at Cerro El Tambito along with other exploration targets in the region, once the elections are complete and security improves.

The gold endowment in the Choco and Novita regions of Colombia are well known, and with the addition of significant platinum endowment, makes this a world class exploration and development address. CPD currently remains committed to the region and the operations it has established over the past 2 years. However, the Company's shareholders must be aware the Company will continue operations only once management is satisfied that the local situation is conducive to safety for its employees and the local community. If security post-election does not improve then the Company will need to look at other opportunities both in Colombia and the region to provide a pathway to success.

The Colombian government continues to engage in peace talks with the rebel groups and any resolution to this long-standing dispute, along with national elections on May 25, 2014, may stabilise the situation.

CORPORATE cont.

During quarter there were some changes to the Company's Board of Directors with the departure of Mr Phil O'Neill and addition of Mr Nicholas Raffan. All the CPD board members of the Company now reside in Sydney, further reducing costs and improving communication and interaction of board members.

The Company's prudent fiscal approach has significantly reduced the cash burn both in Colombia and Australia over the quarter. All areas of the Company have been, or are under review. This has resulted in a substantial reduction in costs over the quarter and means the companies valuable cash reserves will last well beyond the election date and into early 2015 if necessary.

OPERATIONS

With the addition of a Spanish speaking Australian Geologist to the Colombian Team, the Company has begun a thorough review of Colombian operations and past exploration to rank targets across its entire and exclusive 105,000 ha community lands and exploration tenements. If activities can be re-established later in the year, this work will allow CPD to quickly focus in on the best areas for exploration and development.

In addition, CPD has also begun looking at other more stable regions of Colombia and neighbouring countries for opportunities that may reduce CPD's sovereign risk to Colombia. CPD's local team has vast experience in the region and opportunities are emerging as commodity prices have fallen, and access to capital has become more difficult in recent years. We are seeing many competitors exit the region or reduce their project portfolios, creating possible acquisition opportunities for CPD.

The Company's capital equipment in Choco is stored at the Novita camp and the Martinez mine. Currently, all capital equipment in Choco is secure and further security measures along with an audit are being undertaken in an attempt to ensure that the Company's capital equipment remains secure going forward, and ready for re-deployment once security improves in Colombia.



Competent Person Statement

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 2012 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")

31 March 2014

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 | - | - |
| 1.2 Payments for: | | |
| (a) exploration & evaluation | (66) | (529) |
| (b) development | - | - |
| (c) production | - | - |
| (d) administration | (72) | (336) |
| 1.3 Dividends received | - | |
| 1.4 Interest and other items of a similar nature received | 6 | 25 |
| 1.5 Interest and other costs of finance paid | - | |
| 1.6 Income taxes paid | - | |
| 1.7 Other | - | - |
| Net Operating Cash Flows | (132) | (840) |
| 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 (reimbursement of deposit paid) | 25 | 25 |
| Net Investing Cash Flows | 25 | 25 |
| 1.13 Total operating and investing cash flows (carried forward) | (107) | (815) |

Appendix 5B
Mining exploration entity quarterly report

| | | | |
|------|--|-------|-------|
| 1.13 | Total operating and investing cash flows (brought forward) | (107) | (815) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issues of shares, options, etc. net of costs | - | (9) |
| 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) | - | - |
| | Net financing cash flows | - | (9) |
| | Net increase (decrease) in cash held | (107) | (824) |
| 1.20 | Cash at beginning of quarter/year to date | 1,104 | 1,821 |
| 1.21 | Exchange rate adjustments to item 1.20 | - | - |
| 1.22 | Cash at end of quarter | 997 | 997 |

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 | 29 |
| 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, Superannuation and reimbursement for travel expenses.

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 | 200 |
| 4.2 Development | - |
| 4.3 Production | - |
| 4.4 Administration | 115 |
| Total | 315 |

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 | 997 | 1,104 |
| 5.2 Deposits at call | - | - |
| 5.3 Bank overdraft | - | - |
| 5.4 Other (provide details) | - | - |
| Total: cash at end of quarter (item 1.22) | 997 | 1,104 |

Interests in Mining Tenements

Disclosure in accordance with ASX Listing Rule 5.3.3

| 6.1 | Project/ Tenements | Location | Held at end of quarter | Acquired during the quarter | Disposed during the quarter |
|-----|-----------------------|----------|---------------------------|-----------------------------------|--------------------------------|
| | JAL 16261 | Colombia | 100% | - | - |
| | JAL 16301 | Colombia | 100% | - | - |
| | JAL 14162 | Colombia | 100% | - | - |

| 6.2 | Farm-in Agreements / Tenements | Location | Held at end of quarter | Acquired during the quarter | Disposed during the quarter |
|-----|--------------------------------------|----------|---------------------------|-----------------------------------|--------------------------------|
| | | | | | |
| | | | | | |
| | | | | | |

| 6.3 | Farm-out Agreements / Tenements | Location | Held at end of quarter | Acquired during the quarter | Disposed during the quarter |
|-----|---------------------------------------|----------|---------------------------|-----------------------------------|--------------------------------|
| | | | | | |
| | | | | | |
| | | | | | |

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 | 56,155,004 | 56,155,004 | | |

Appendix 5B
Mining exploration entity quarterly report

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|--------------|---------------|---|--|
| 7.4 Changes during quarter (a) Increases through release from escrow (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) | | | <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 |
| | 350,000 | | \$0.10 | 01.12.2016 |
| 7.8 Issued during quarter | Nil | | | |
| 7.9 Exercised during quarter | Nil | | | |
| 7.10 Expired during quarter | Nil | | | |
| 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 does give a true and fair view of the matters disclosed.



Sign here: Date: 28 April 2014
(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.

====