GOLDPHYRE RESOURCES LIMITED

ACTIVITIES REPORT - FOR THE PERIOD ENDING 30 JUNE 2012

THE COMPANY and PROJECTS

- **A Western Australian minerals explorer searching for precious and base metals in overlooked and underexplored greenstone belts of the Eastern Goldfields of Western Australia**
- **Experienced Directors with strong and diverse backgrounds in company management, leadership and mineral exploration management**
- **Exploration Manager with 24 years experience including 7 years in the Leonora and Lake Wells - Yamarna areas**

SUMMARY and HIGHLIGHTS

- **A regional Rotary Air Blast (RAB) - Air core (AC) drill program completed on Lake Wells Project tenements E38/1903, E38/2113 and E38/2505 returned encouraging shallow gold anomalies**
- **Reverse circulation (RC) drilling completed at the Iron Tank and Venus prospects, Mailman Hill with broad gold anomalies and a base-metal anomaly recorded**
- **Reverse circulation (RC) drilling and (AC) drilling planned to commence in the September 2012 quarter on the Axford Prospect at Lake Wells**

EXPLORATION ACTIVITIES

LAKE WELLS PROJECT

E38/1903, E38/2113, E38/2114 and E38/2505 – 100% Goldphyre Resources Limited

A reconnaissance RAB-AC drilling program was completed on the Lake Wells Project, located 160 kilometres north of Laverton. The drilling program tested regional target areas on tenements E38/1903, E38/2113 and E38/2505 (Table 1).

Table 1. Drill Status Table

Hole_ID	Tenement	Drill_Type	Prospect	Holes	Metres
LGAC001-009	E38/1903	AC	Yilly	9	381
LGAC053-055	E38/1903	AC	Reconnaissance	3	8
LGAC043-052	E38/2113	AC	Reconnaissance	10	361
LGAC010-042	E38/2505	AC	Reconnaissance	33	1,426
LGRB001-039	E38/2505	RAB	Reconnaissance	39	890
			TOTAL	**94**	**3,066**

YILLY AREA

Scout drilling on the Yilly area consisted of nine reconnaissance holes (LGAC001-009, 381m) and tested magnetic features and low, elevated soil sampling (maximum 3ppb gold) on the eastern portion of E38/1903. Composite assay results have been received for these nine drill holes.

The first hole of the line, LGAC001, returned encouraging composite gold anomalous intercepts: 12m @ 73 ppb Au from 4m depth (recorded in laterite and sandy grit) and 4m @ 129 ppb Au from 36m depth (logged in weathered granitic and gabbroic rocks) (Table 2, Figure 1).

Table 2. Lake Wells – Yilly Area - Anomalous Gold Results

Hole	Northing(m)	Easting(m)	Dip	Azimuth	Interval		Width(m)	Gold (ppb)	Hole Depth(m)
					From (m)	To(m)			
LGAC001	6988140	505570	-90	-	4	16	12	73	40
					32	36	4	129	
LGAC004	6989208	505297	-90	-	28	32	4	70	52

Datum: GDA94 Co-ordinate system with collar pickup by hand-held GPS Garmin 60
Note: All composite samples (maximum 4m interval) were collected by scoop or spear from Air-core drill chips and delivered to Bureau Veritas Kalassay Lab, Kalgoorlie for 40g Fire Assay Digest with ICPMS Finish (FA40_ICPMS). (Detection Limit – 1ppb Au)

Although considered low tenor, the gold anomaly recorded in LGAC001 is believed to be of particular significance, as LGAC001 is located at the start of the reconnaissance drill line and the closest historic drilling is approximately 1km to the south.

Follow up AC drill testing is planned in the area around LGAC001 and will also focus on an adjacent, strong north-south trending structure interpreted from aeromagnetics. Another elevated gold anomalous zone in LGAC004 (4m @ 70 ppb Au from 28m) also requires further AC drill testing. It is planned to further investigate this prospective area when a track-mounted drill rig is scheduled to test the Axford Prospect in late June 2012.

Field logging of these drill-holes revealed a variably weathered sequence of laterite, sands and clay overlying weathered gneiss and schist with volcanics and gabbroic rocks.

Three scout AC holes (LGAC053-055) were also completed on E38/1903 and recorded very shallow weathered dolerite. Results are currently pending.

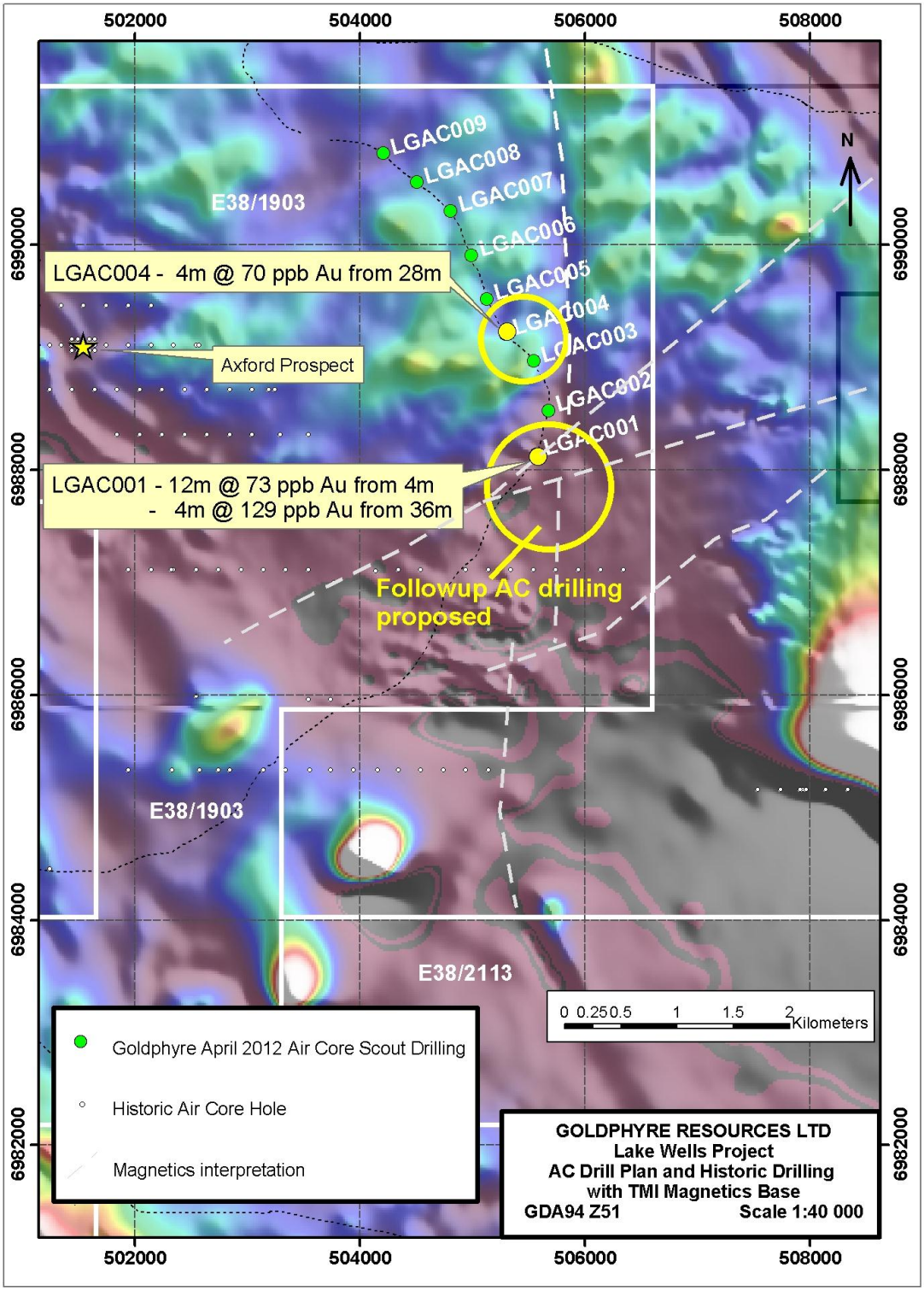

Figure 1. Yilly Area - Drill Collar Plan with TMI Magnetics base map showing gold anomalies.

A track-mounted drilling rig has been secured to test the Axford Prospect. This drilling rig will conduct follow up testing on gold anomalies recorded in the first pass AC drilling program.

LAKE WELLS – CENTRAL AREA E38/2113 – 100% Goldphyre Resources Limited

Scout AC drilling (10 holes, 361m) was completed on E38/2113. Logging revealed weathered mafic, gneissic and granite-porphyry rock types.

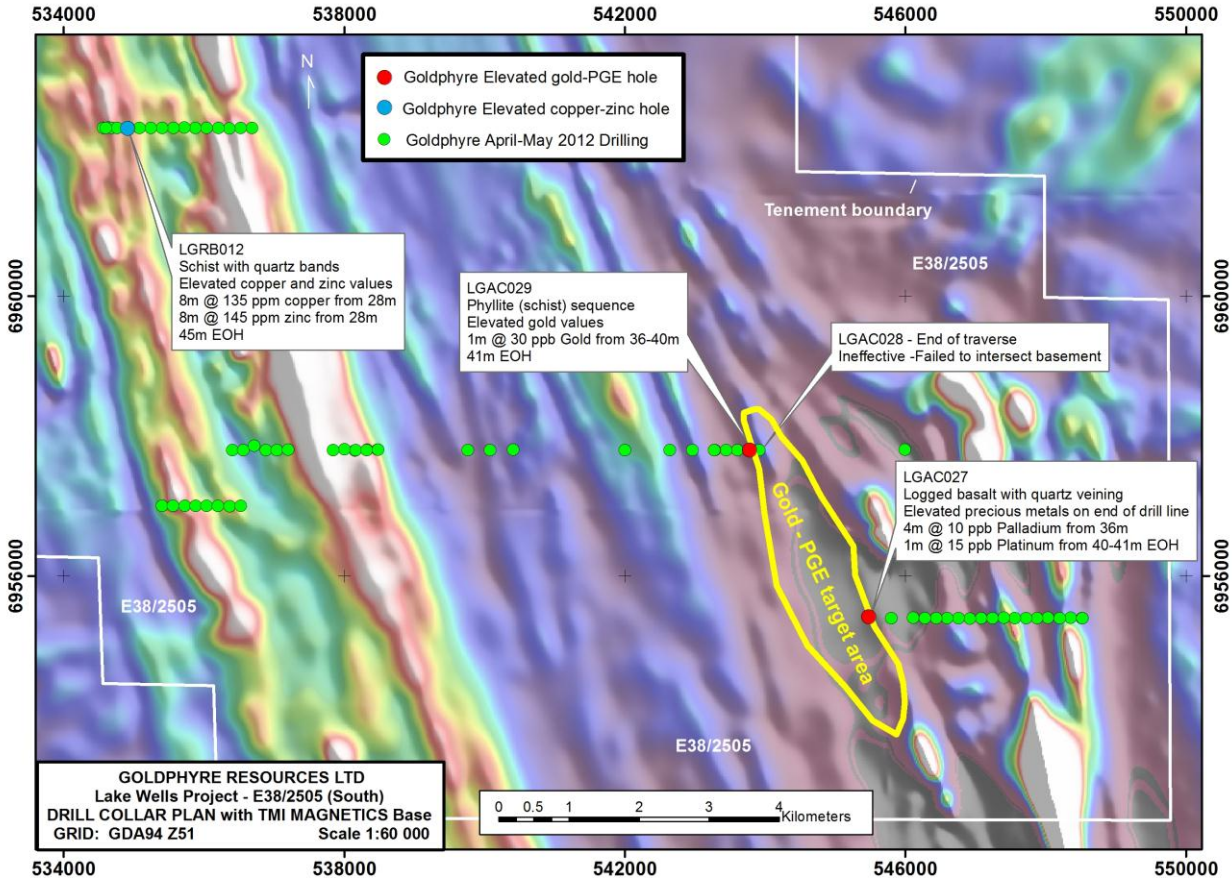

Figure 2. Lake Wells East Area (E38/2505) - Drill Collar Plan with TMI Magnetics base map showing elevated gold, PGE, copper and zinc values.

LAKE WELLS – EAST AREA E38/2505 – 100% Goldphyre Resources Limited

A regional RAB/AC drilling program was completed on E38/2505 (Table 3, Figure 2). Drilling was carried out on selective east-west traverses with hole centres ranging from 160-320m apart and the reconnaissance program was successful in evaluating major structural and lithological features, including the interpreted northern extension of the Yamarna Shear and the dislocated Mt Gill Greenstone Belt.

The drilling has confirmed the Mt Gill Greenstone Belt lies beneath relatively shallow sand cover (approximately 5m-40m thick) and a variety of rock types were recorded. Field logging revealed a 5m-30m thick sand horizon overlying a variably weathered sequence of sedimentary rocks, gneiss, basalt, granite and mica schists with hole depths ranging from 6m-74m.

An encouraging gold value of 1m @ 30 ppb Au was received from drill-hole LGAC029 (Table 3). Although considered low tenor, this gold result is believed to be significant in this under-explored region, taking into account the wide-spaced nature of first pass, shallow drilling and elevated gold values recorded at the end of the hole. Furthermore, the drill-hole LGAC029 is the last effective hole (that is, the drill-hole penetrated successfully through sand and clay to basement rock) on the traverse line (Figure 1).

Approximately three kilometres south-east of hole LGAC029, elevated platinum and palladium values were recorded in hole LGAC027. Again, the platinum and palladium values were recorded near the end of hole and LGAC027 is located on the western end of the drill traverse.

Table 3. Lake Wells East Area - E38/2505 Elevated Results Table.

Hole	Northing (m)	Easting (m)	Dip	Azimuth	Interval		Width (m)	Gold (ppb)	Pt (ppb)	Pd (ppb)	Hole Depth(m)
					From (m)	To(m)					
LGAC027	6955398	545477	-90	-	36	40	4	2	8	10	41
					40	41*	1	1	15	6	
LGAC029	6957797	543763	-90	-	44	45	1	30	<1	<1	46
					45	46*		17	<1	<1	

Datum: GDA94 Co-ordinate system with collar pickup by hand-held GPS Garmin 60, Hole Inclination by clinometer.
Note: All composite samples (maximum 4m interval) were collected by scoop or spear from Air-core drill chips and delivered to Bureau Veritas Kalassay Lab, Kalgoorlie for 40g Fire Assay Digest with ICPMS Finish (FA40_ICPMS). (Detection Limit – 1ppb Au,Pt,Pd)

Interpretation of magnetics and the location of the holes with elevated gold, platinum and palladium have revealed a priority target area, requiring further AC drill testing.

Low level copper and zinc values were also recorded from RAB drilling on the western margin of the project area. Drilling in this location tested strong magnetic, linear features interpreted to be mafic and ultramafic rock units. The elevated copper and zinc values were recorded in schist bedrock and reflect base metal potential. Further infill AC drilling is planned to evaluate this base metal target area

MAILMAN HILL

E37/990 and P37/7877 – 100% Goldphyre Resources Limited

A Reverse Circulation (RC) drilling program was completed in the reporting period on the Iron Tank and Venus prospects at the Mailman Hill Project (Table 4, Figure 3).

Table 4. Mailman Hill Drill Status Table.

Hole_ID	Tenement	Drill_Type	Prospect	Holes	Metres
MHRC001-014	E37/990	RC	Iron Tank	14	958
MHRC015-017	E37/990	RC	Venus	3	243
			TOTAL	**17**	**1,201**

The RC drill program at the Iron Tank Prospect was successful in testing along strike to the north and south of the broad gold anomaly (28m @ 0.50 g/t Au from 17m*) in historic RC hole ITRC001 (Iron Tank Prospect), located in the western part of E37/990 (Figure 2). (*Reference Jindalee Resources Limited ASX release dated 28 October 2004, Quarterly Report to Shareholders for 3 months ended 30 September 2004). This drilling also tested beneath shallow AC gold anomalies (previously reported in the Goldphyre Resources Limited Quarterly Activities Report for the Period Ending 31 March 2012).

Logging of the Iron Tank RC drilling recorded sandstone and siltstone rock types with irregular silica, iron oxide and biotite alteration and minor quartz veining. Rare to minor very fine-grained pyrite was logged in eight of the fourteen holes completed.

Reconnaissance RC drilling was also completed at the Venus Prospect, located in the central part of the Mailman Hill project and consists of historic air-core (AC) drill-holes with anomalous zinc and copper values (zinc up to 2108 ppm Zn and copper up to 660 ppm Cu*). Three holes (MHRC015-017) were drilled to test beneath the anomalous copper and zinc values encountered in the weathering profile of historic drill-holes. (*Reference Goldstream Mining NL, Exploration Licence 37/264 Dingo Well Annual Report dated June 1995, page 22).

Reconnaissance RC drill logs at the Venus Prospect recorded weathered to fresh siltstone and silicified felsic volcanic rock types with minor quartz veining. A three metre wide, dark brown, weathered ferruginous interval encountered in hole MHRC015 may represent a gossanous zone.

Composite results were received in July and reported to the ASX on the 3rd July and are included in this report for reference only

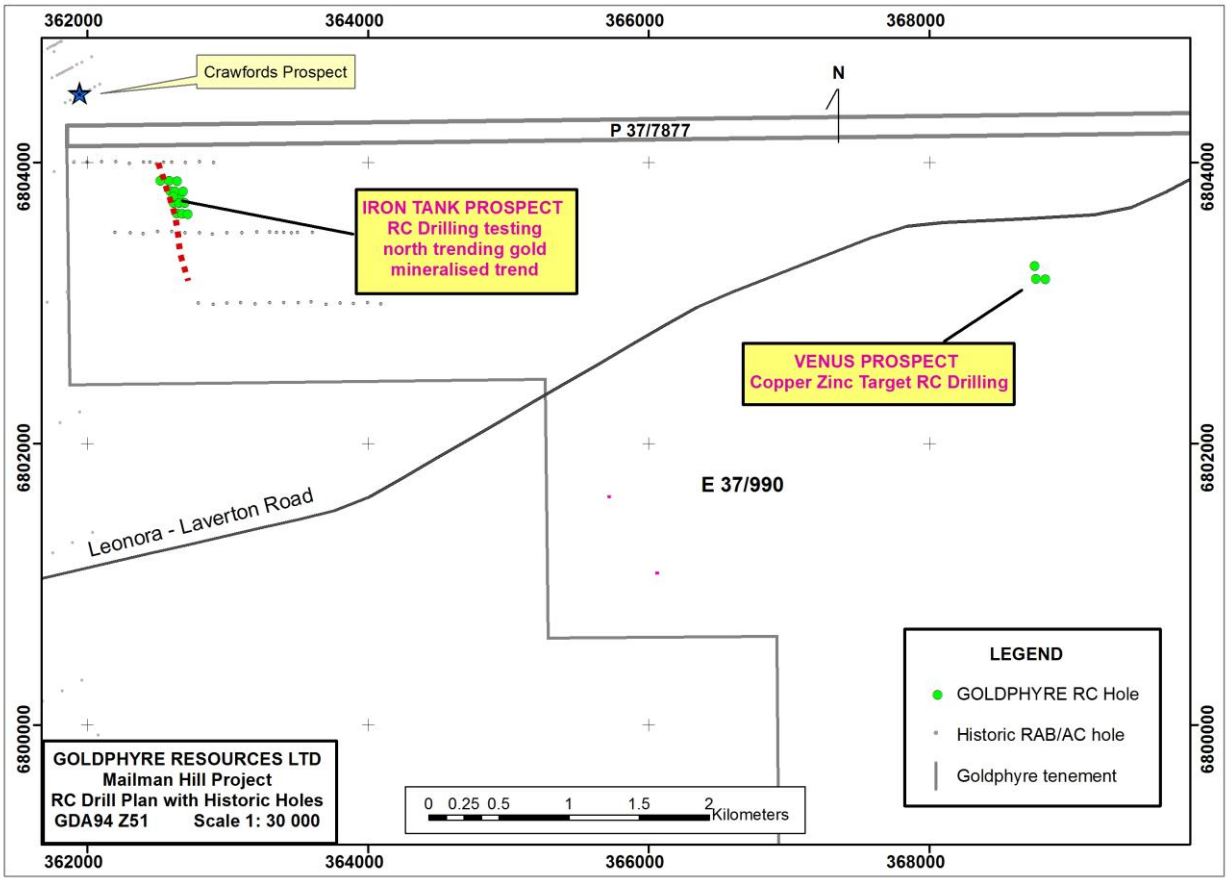

Figure 3. Mailman Hill Project showing Iron Tank and Venus RC drill hole locations

The Venus Prospect is located in the central part of the Mailman Hill project and consists of historic air-core (AC) drill-holes with anomalous zinc and copper values (zinc up to 2,108 ppm Zn and copper up to 660 ppm Cu*)

(*Reference Goldstream Mining NL, Exploration Licence 37/264 Dingo Well Annual Report dated June 1995, page 22).

Table 2. Mailman Hill Gold Results Table

Hole	Northing (m)	Easting (m)	Dip	Azimuth	Interval		Width (m)	Gold (ppb)	Hole Depth (m)
					From (m)	To(m)			
MHRC001	6803795	362589	-60	270	24	28	4	100	68
MHRC002	6803753	362655	-60	270	20	40	20	186	83
				incl	**36**	**40**	**4**	**407**	
					48	60	12	233	
MHRC003	6803709	362613	-60	270	24	28	4	176	65
					44	48	4	129	
MHRC004	6803710	362654	-60	270	16	44	28	167	65
MHRC005	6803709	362694	-60	270	24	28	4	290	68
					52	64	12	366	
				incl	**56**	**60**	**4**	**570**	
MHRC008	6803629	362715	-60	270	44	48	4	136	71
					60	68	8	161	
MHRC009	6803790	362624	-60	270	20	40	20	209	62
MHRC012	6803866	362580	-60	270	16	36	20	158	62
MHRC013	6803865	362637	-60	270	84	86	2	119*	86
MHRC014	6803755	362611	-60	270	16	44	28	237	65
				incl	**20**	**24**	**4**	**462**	
								*End of hole intercept	

Datum: GDA94 Zone 51 Co-ordinate system with collar pickup by hand-held GPS Garmin 60, Hole Inclination by clinometer.
Note: All composite samples (maximum 4m interval) were collected by scoop or spear from Reverse Circulation drill chips and delivered to Bureau Veritas Kalassay Lab, Kalgoorlie for 40g Fire Assay Digest with ICPMS Finish (FA40_ICPMS). (Detection Limit – 1ppb Au,Pt,Pd)

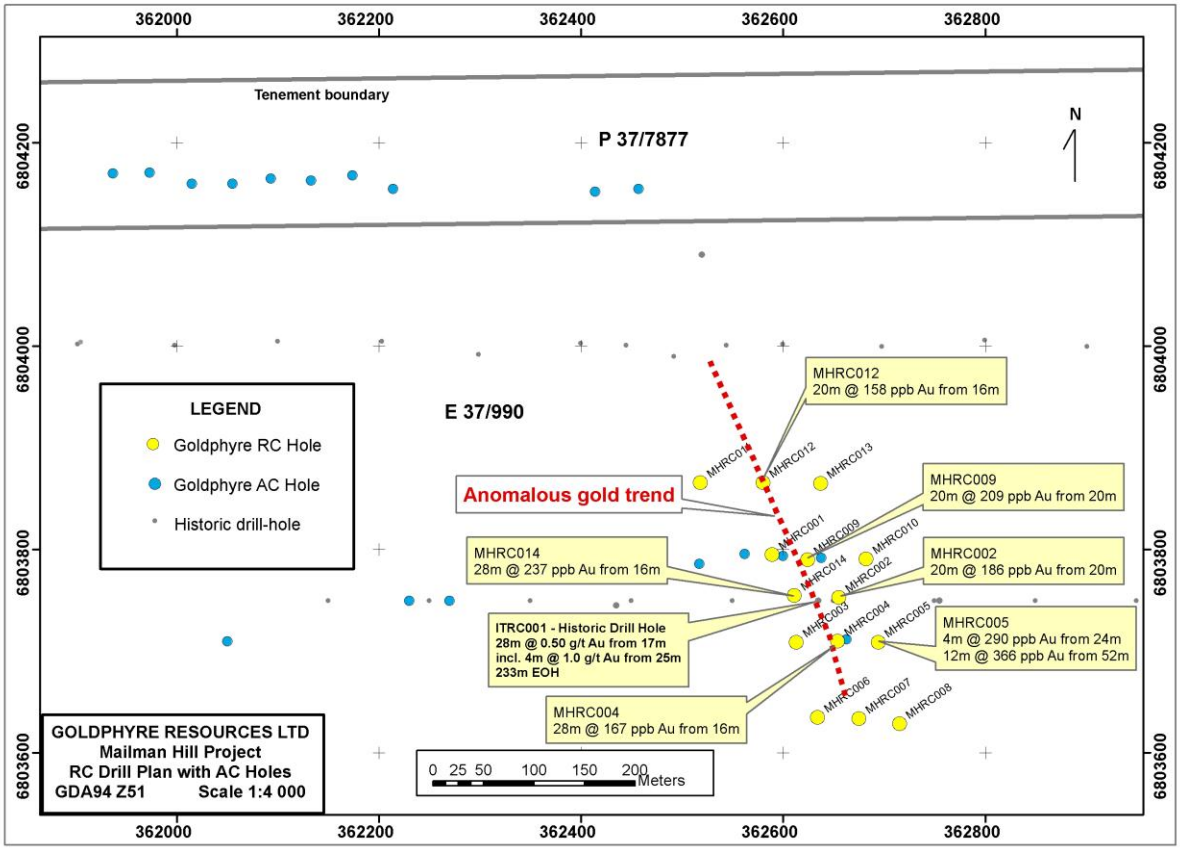

Figure 2. Mailman Hill Project showing Iron Tank RC Drilling

YAMARNA PROJECT

E38/1949 – 100% Goldphyre Resources Limited

Evaluation work is proceeding and the company will advise when specific drill targets have been identified.

The company has been engaged in continuing negotiations with the Yilka claimant group for the purposes of meeting heritage clearance obligations for exploration access to the project area.

ISLAND VIEW PROJECT

E15/1049 and E15/1050 – 100% Goldphyre Resources Limited

Historic data compilation, target assessment and evaluation work is proceeding and the company will advise when specific drill targets have been identified.

APPENDIX 1 - LAKE WELLS RAB/AC COLLARS

Hole_ID	GDA_Northing	GDA_Easting	Depth
LGAC001	6988140	505570	40
LGAC002	6988526	505677	36
LGAC003	6988965	505544	34
LGAC004	6989208	505297	52
LGAC005	6989516	505128	40
LGAC006	6989907	504993	33
LGAC007	6990299	504808	49
LGAC008	6990555	504506	74
LGAC009	6990811	504205	23
LGAC010	6955399	548514	45
LGAC011	6955404	548357	21
LGAC012	6955400	548202	59
LGAC013	6955402	548033	37
LGAC014	6955398	547879	40
LGAC015	6955396	547720	39
LGAC016	6955398	547556	49
LGAC017	6955401	547402	49
LGAC018	6955398	547239	30
LGAC019	6955395	547077	30
LGAC020	6955394	546920	35
LGAC021	6955397	546758	48
LGAC022	6955399	546593	63
LGAC023	6955398	546439	39
LGAC024	6955396	546275	41
LGAC025	6955402	546111	42
LGAC026	6955400	545799	47
LGAC027	6955398	545477	41
LGAC028	6957796	543918	20
LGAC029	6957797	543763	46
LGAC030	6957797	543602	45
LGAC031	6957800	543444	36
LGAC032	6957801	543277	45
LGAC033	6957797	542963	51
LGAC034	6957796	542642	43
LGAC035	6957806	538472	24
LGAC036	6957804	538327	48
LGAC037	6957792	538148	66
LGAC038	6957811	538001	27
LGAC039	6957800	537841	53
LGAC040	6962402	534562	61
LGAC041	6962403	534640	55
LGAC042	6962402	534680	52
LGAC043	6982425	504880	102
LGAC044	6981000	516590	16
LGAC045	6981350	516300	30
LGAC046	6981690	516050	28
LGAC047	6982006	515825	83

Hole_ID	GDA_Northing	GDA_Easting	Depth
LGAC048	6980357	517613	20
LGAC049	6980357	517394	22
LGAC050	6980370	517151	12
LGAC051	6980654	510310	25
LGAC052	6980680	510408	23
LGAC053	6981270	503893	4
LGAC054	6981410	502531	3
LGAC055	6982927	501221	1
LGRB001	6962399	536682	27
LGRB002	6962400	536525	21
LGRB003	6962394	536361	47
LGRB004	6962398	536206	57
LGRB005	6962400	536040	24
LGRB006	6962400	535878	18
LGRB007	6962403	535722	23
LGRB008	6962402	535562	13
LGRB009	6962400	535404	15
LGRB010	6962400	535241	22
LGRB011	6962398	535079	10
LGRB012	6962403	534923	45
LGRB013	6962399	534764	59
LGRB014	6962398	534602	51
LGRB015	6957002	535400	21
LGRB016	6957001	535561	12
LGRB017	6957002	535726	40
LGRB018	6957003	535879	17
LGRB019	6957004	536037	17
LGRB020	6957003	536200	15
LGRB021	6956998	536364	17
LGRB022	6957002	536523	17
LGRB023	6957799	536401	12
LGRB024	6957798	536559	17
LGRB025	6957860	536717	48
LGRB026	6957800	536880	18
LGRB027	6957801	537041	15
LGRB028	6957803	537201	19
LGRB029	6957799	538161	12
LGRB030	6957800	538320	20
LGRB031	6957804	538482	12
LGRB032	6957798	539759	21
LGRB033	6957801	540079	21
LGRB034	6957803	540408	18
LGRB035	6957800	541998	15
LGRB036	6957797	543278	6
LGRB037	6957797	543276	6
LGRB038	6957802	545990	18
LGRB039	6955396	548522	11

All holes -90, RAB/AC Blade method. Datum: GDA94
Co-ordinate system

APPENDIX 2 - MAILMAN HILL RC COLLARS

Hole_ID	GDA_Northing	GDA_Easting	Depth
MHRC001	6803795	362589	68
MHRC002	6803753	362655	83
MHRC003	6803709	362613	65
MHRC004	6803710	362654	65
MHRC005	6803709	362694	68
MHRC006	6803635	362634	68
MHRC007	6803634	362675	65
MHRC008	6803629	362715	71
MHRC009	6803790	362624	62
MHRC010	6803791	362682	65
MHRC011	6803866	362518	65
MHRC012	6803866	362580	62
MHRC013	6803865	362637	86
MHRC014	6803755	362611	65
MHRC015	6803261	368750	86
MHRC016	6803169	368759	89
MHRC017	6803168	368826	68

All holes -60/270 (magnetic), RC Blade Face Sampling
Hammer method. Datum: GDA94 Zone 51 Co-ordinate system

ABOUT GOLDPHYRE RESOURCES LIMITED

Goldphyre Resources Limited is a gold exploration company with strategic ground holdings in the Leonora/Laverton region and Higginsville region in Western Australia. It has acquired 9 granted tenements over four projects which it considers prospective and underexplored.

The Lake Wells project is located 160 km north north east of Laverton and consists of a significant area of deformed greenstone-granitoid in the northeast part of the Yilgarn Craton, Western Australia. The project includes a range of underexplored geological settings including the interpreted northern extension of the gold prospective Yamarna Shear Zone. Shallow, historic drill-hole gold and nickel anomalism provides immediate drill targets prospective for gold, nickel, platinum group elements (PGE), base metals and uranium.

The Yamarna project is located 140 km north east of Laverton and lies adjacent to significant gold resources and uranium mineralisation, including the Attila-Alaric gold deposit, the recently discovered high-grade Central Bore gold deposit and the calcrete-hosted Thatcher Soak uranium prospect. The project is concealed by sand and calcrete and is highly prospective for gold, uranium and PGE.

The Mailman Hill project is located 25 km east of Leonora. It includes a significant section of the Keith Kilkenny Fault Zone and a structurally complex mafic-felsic-sedimentary package considered highly prospective for gold and base metals. It captures the potential of the Crawfords gold prospect, located near the northern boundary of the project and historic drilling has returned broad, anomalous drill-hole gold intercepts within the project area.

The Island View project is proximal to several significant gold deposits and mineralisation styles, including the Higginsville gold operation (approximately 12 km to the west) and a series of shallow, palaeochannel gold deposits to the east which have been previously exploited and at which a neighboring company is preparing to recommence mining operations.

As a mineral explorer, the Company will look to general capital growth by exploration success and acquisition of any complementary projects that have the potential to add value for Shareholders.

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COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Brenton Siggs who is a member of the Australasian Institute of Geoscientists. Mr Siggs is contracted to the company through Reefus Geology Services and is a Non-Executive Director (Exploration Manager) of Goldphyre Resources Limited. Mr Siggs has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2004 edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Siggs consents to the inclusion in this report of this information in the form and context in which it appears.