QUARTERLY ACTIVITIES REPORT

MARCH 2015

HIGHLIGHTS

Lake Wells Potash Project

- The second sampling program at the Lake Wells Potash Project returned the highest grades of potassium (K) and Sulphate of Potash (SOP) yet generated at Lake Wells including:
  - **7.36 kg/m³ K**, equivalent to **16.41 kg/m³ SOP**
- The average across the 11 brine samples of 4.84 kg/m³ K, equivalent to 10.79 kg/m³ SOP, positions the Lake Wells Potash Project amongst the globe's highest grade SOP brine projects
- Resource definition work program finalised with commencement planned for June 2015

Corporate

- Discussions and due diligence completed on overseas precious metals opportunity
- Lake Wells Potash Project forward work program finalised

LAKE WELLS POTASH PROJECT

The Company received assay results from further brine sampling taken from pits dug across the Project area and adjoining tenure (*Table 1: All Potash Brine Sample Results*). These results further confirm the high-grade nature of the contained potassium (K) and equivalent sulphate of potash (SOP). Significantly, compared to the three projects producing brine SOP currently, the Lake Wells Potash Project's analysed K and SOP equivalent concentrations place it in the top tier of brine SOP deposits globally.

In addition to the sampling program conducted in 2014, this quarter's sampling program brings the total area sampled to in excess of 120km². This represents approximately 60% of the total potential Lake Wells Potash Project area.

Management continued expanding the network of technical consultants required to bring a brine hosted potash project to fruition, including engaging with hydrological, hydrochemical and engineering consultants, rail and road based freight providers, and end user industry groups and users. Management are implementing a forward work program developed with input from the respective technical professionals, with the aim of delineating a potash resource at the Lake Wells Potash Project.

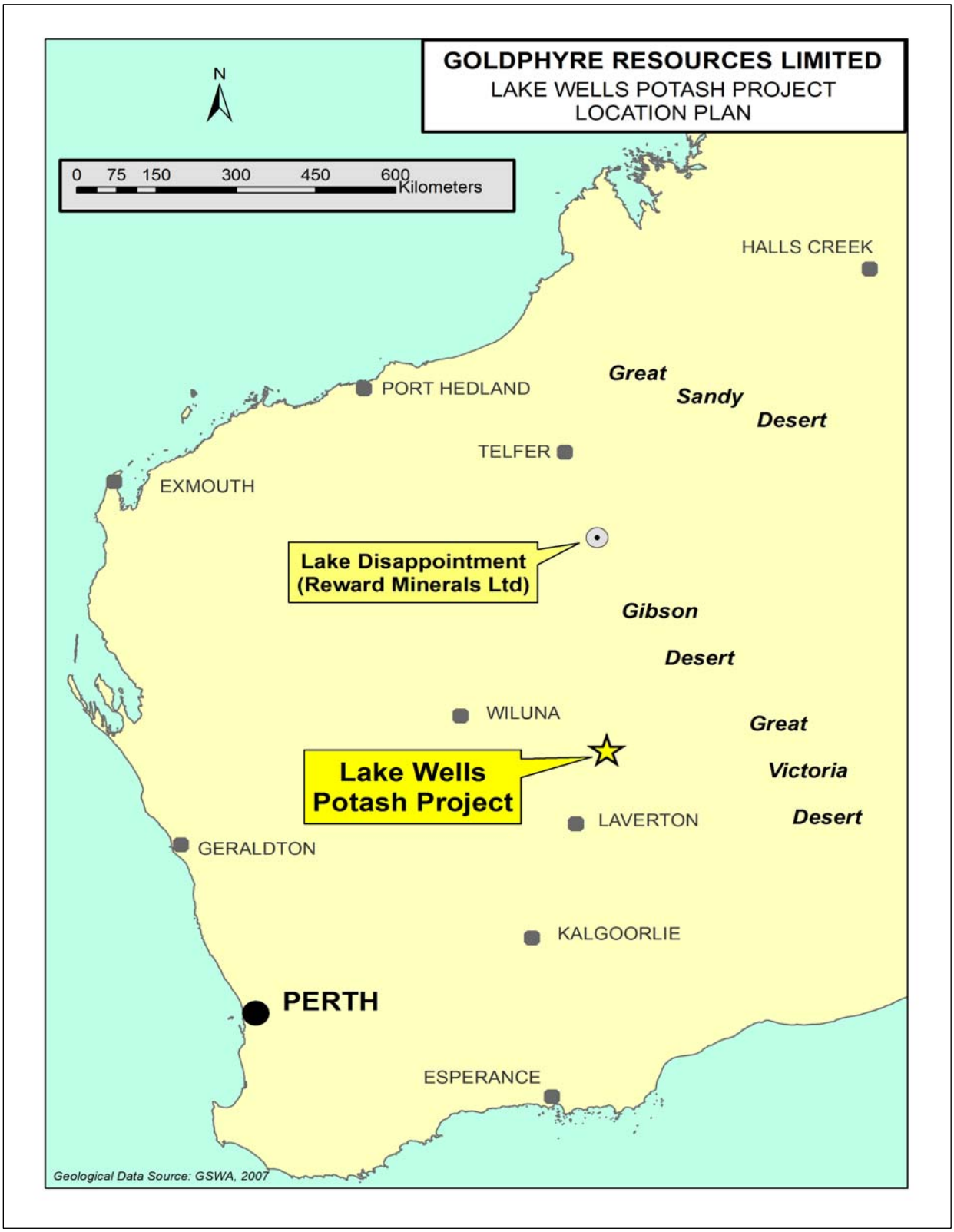

Figure 1. Lake Wells Potash Project Location Plan

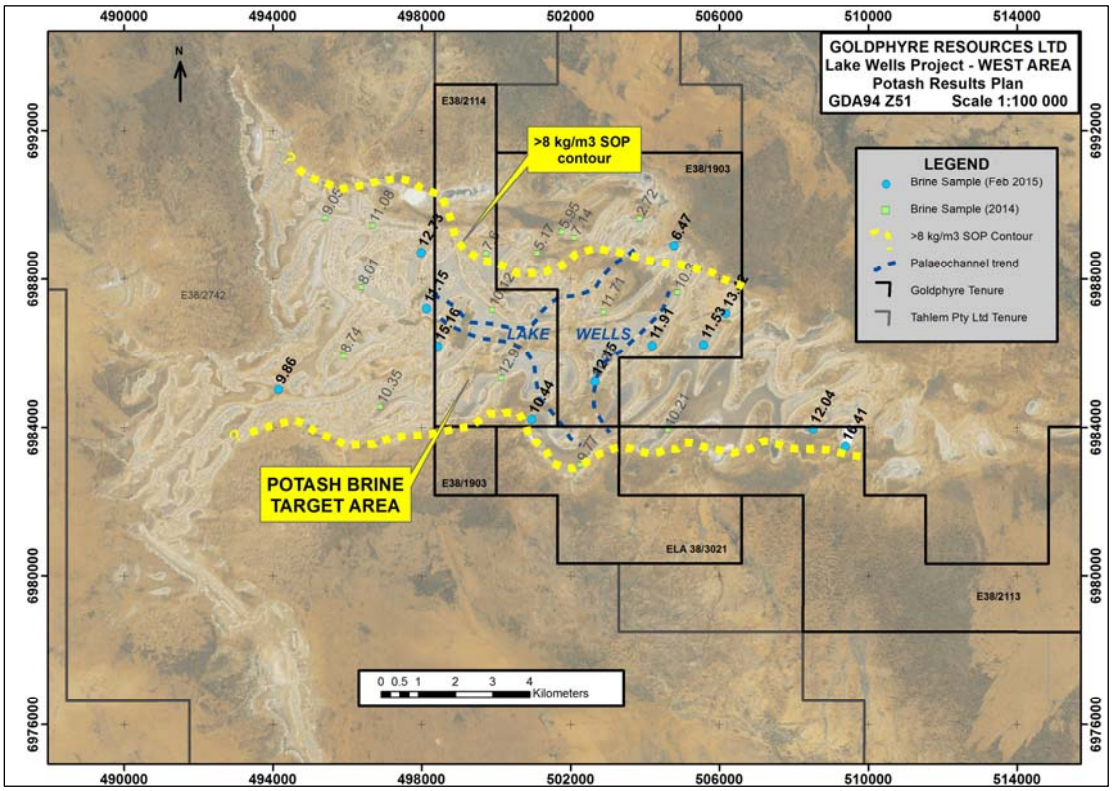

Figure 2. Lake Wells Potash Project sample locations

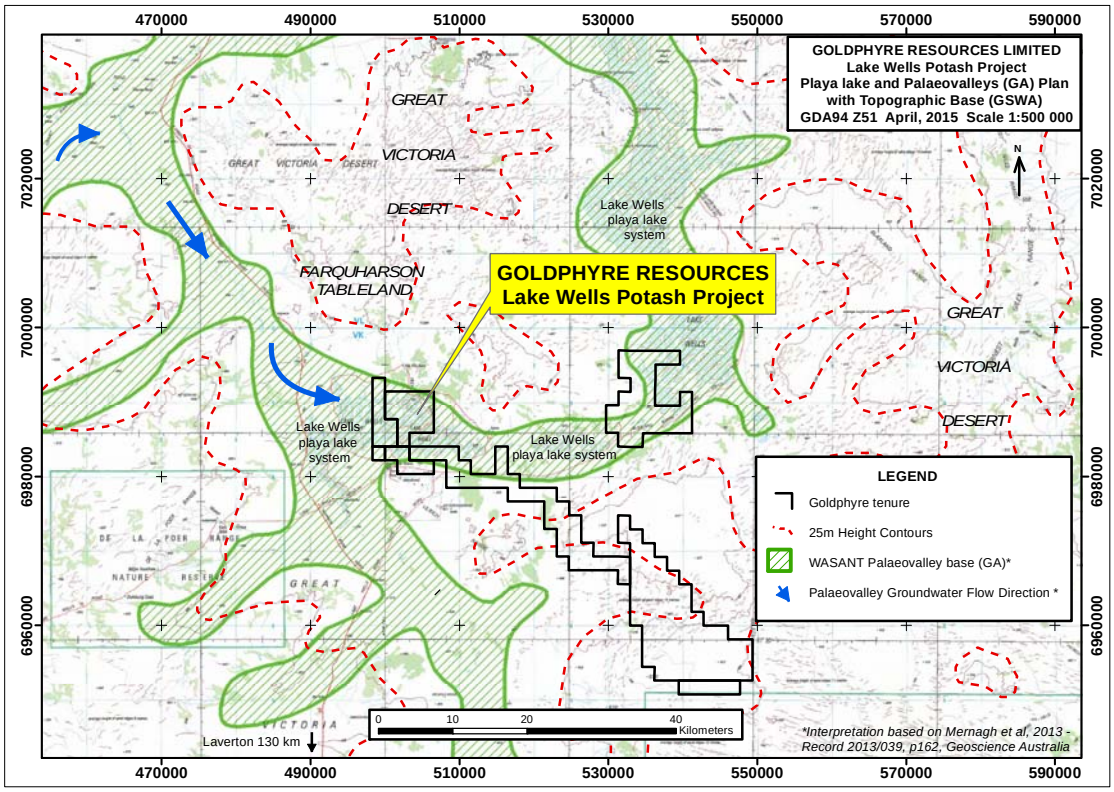

Figure 3. Lake Wells' playa system paleovalley groundwater flow

Grade, volume and recharge rates

Brine SOP resources are typically contained within reservoirs or ponds. Three essential technical parameters to address when considering these types of deposits are grade, volume and re-charge rates of the reservoir.

Goldphyre's Lake Wells Potash Project' analyses are summarised in Table 1 and sample locations in Figure 2.

Figure 3 demonstrates the paleochannel flow (and resultant potential brine recharge) into Goldphyre' Lake Wells playa lake system, interpreted from Geoscience Australia research (Mernagh et al, Record 2013/39). Historic and recent Goldphyre drilling has demonstrated significant palaeochannel flows in the central part of the Project (tenement E38/1903).

Management's forward work program, targeted to commence in the June 2015 quarter, has been designed to develop data that will be used to evaluate the volume and potash concentration of the brine, and to begin building the time data required to understand the re-charge rates of the Lake Wells playa system.

Logistics

Goldphyre's exploration base at the Lake Wells Potash Project is located approximately 300 kilometres from Leonora. Accessed by sealed roads for some 140 kilometres, with a further 160 kilometres of high quality, road train haulage capacity gravel roads, the Company has commenced a desktop study into the logistical solution to a potential development.

Figure 4. The Lake Wells Potash Project is the best placed part of the playa system to access vital freight infrastructure

Sulphate of Potash – SOP

SOP is prized as the premium source of potassium for fertiliser use, with its high potassium, accompanying sulphur and low chlorine content (typically 45% K, 18% S and < 1% Cl respectively).

Brine SOP deposits are relatively uncommon, with only 3 producing operations globally. Subject to location and access to infrastructure however, brine SOP projects typically occupy the lower end of the production cost curve. Currently there is not a brine SOP operation in Australia.

Potash brine exploration in Australia is growing strongly. Australia imports 100% of its annual SOP requirements, estimated at circa. 500,000 tonnes per annum, leaving Australian end users exposed to exchange rate fluctuations. In addition, the relatively slow development progress of high CAPEX potash projects, and global macro-economic circumstances more generally, provide strong incentives for the development of domestic potash supplies.

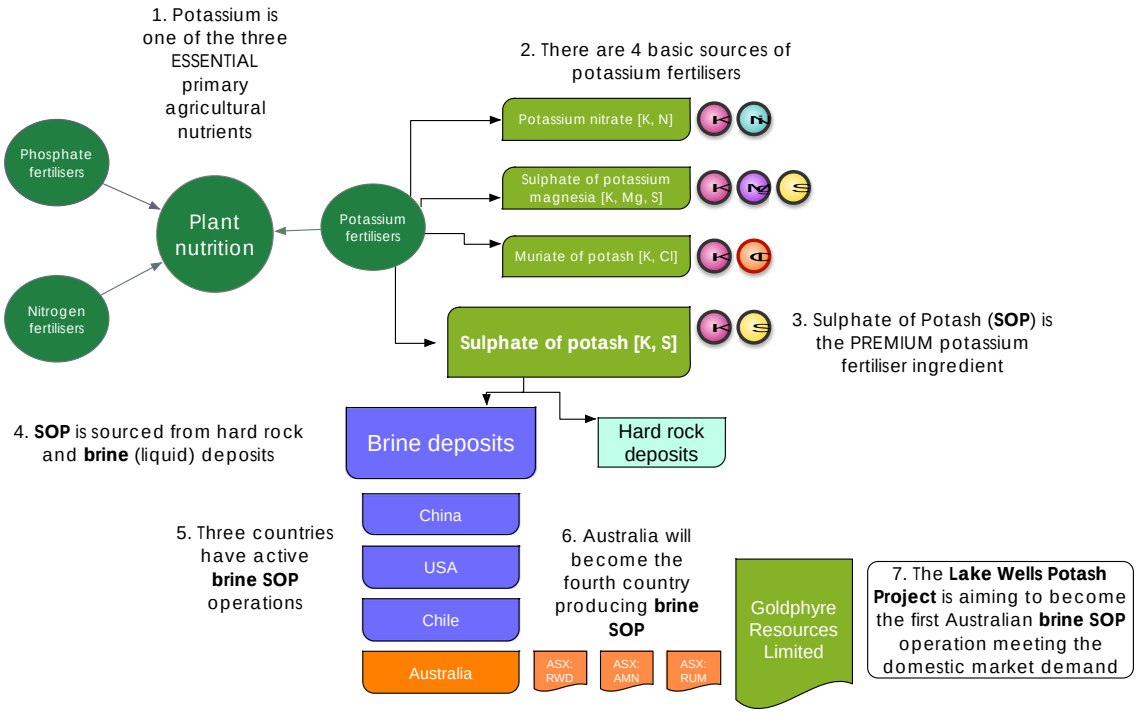

Figure 5. Potash essentials

CORPORATE

The Company has been actively engaged in conducting due diligence on a transaction around a precious metals deposit in Africa, an accompanying exploration and executive team, and coincident funding. Whilst the discussions have been very positive to date, there were challenges identified that proved ultimately that the transaction was not in the best interests of shareholders. At this stage there is no agreement, however management have concluded that should this or any other opportunity present itself that is value accretive to shareholders, then that opportunity will be pursued.

Notwithstanding the attention the Company's board and advisors necessarily apply to reviewing opportunities presented, Goldphyre has been able to successfully progress the Lake Wells Potash Project. To that end, discussions are ongoing with regional land and stakeholders with the aim of creating a larger footprint on the highly prospective Lake Wells playa system.

CASH POSITION

At 31 March 2015, the Company had cash reserves of $304,000.

FUTURE ACTIVITIES

The Lake Wells Potash Project is understood to be unique in that it is the only Australian potash project with extensive gold-base metals drill coverage over the central portion of the target area. Detailed logs, including the drill area around the high grade Axford gold prospect on the northern margin of the +8 kg/m^3 SOP contour, has water inflow and detailed lithological information which will assist forward work campaigns.

The Company's management team will over the next quarter implement the finalised forward work program at the Lake Wells Potash Project. It is anticipated that this work will lead to the Company being able to announce to shareholders an exploration target at the Project in the June 2015 quarter, and ultimately define a potash resource.

CONTACT

Matt Shackleton
Executive Chairman
m.shackleton@goldphyre.com.au
+61 (0) 438 319 841

Brenton Siggs
Technical Director
b.siggs@goldphyre.com.au
+61 8 9389 2111

Competent Person's 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 2012 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 the matters based on his information in the form and context in which it appears. Mr Siggs is a shareholder and director of Goldphyre WA Pty Ltd, a company that holds ordinary shares and options in the capital of Goldphyre Resources Limited (Goldphyre Resources Limited, Annual Report 2014).

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

GOLDPHYRE RESOURCES LIMITED

TENEMENT SCHEDULE – 31 MARCH 2015

Project	Tenement	Location	Interest at beginning of quarter (%)	Acquired / Disposed	Interest at end of quarter (%)
Beretta	ELA28/2501	Fraser Range	100	NA	100
Hack Well	ELA38/2945	Laverton, WA	100	NA	100
Iguana	E16/447	Ora Banda, WA	100	NA	100
Kilkenny	P39/5472	Leonora, WA	100	NA	100
Kilkenny	P39/5473	Leonora, WA	100	NA	100
Kilkenny	P39/5474	Leonora, WA	100	NA	100
Lake Wells	E38/1903	Laverton, WA	100	NA	100
Lake Wells	E38/2113	Laverton, WA	100	NA	100
Lake Wells	E38/2114	Laverton, WA	100	NA	100
Lake Wells	E38/2505	Laverton, WA	100	NA	100
Lake Wells	E38/2901	Laverton, WA	100	NA	100
Lake Wells	ELA38/3021	Laverton, WA	100	NA	100
Lake Wells	ELA38/3039	Laverton, WA	0	NA	100
Laverton Downs	E38/2724	Laverton, WA	100	NA	100
Laverton Downs	ELA38/2941	Laverton, WA	100	NA	100
Laverton Downs	ELA38/3014	Laverton, WA	100	NA	100
Mailman Hill	E37/990	Leonora, WA	100	NA	100

Table 1: All Potash Brine Sample Results, Lake Wells Potash Project

SampleID	Easting	Northing	RL	Ca	K	K	SOP	SO4	Na	Cl	Mg	TDS
	m	m	m	mg/l	mg/l	kg/m3	kg/m3	mg/l	mg/l	mg/l	mg/l	mg/l
LGW005	6987170	499890	447	579	4540	4.54	10.12	22700	68700	101000	9840	NA
LGW006	6987109	502892	446	712	5250	5.25	11.71	17400	73200	115000	7540	237000
LGW007	6987643	504878	444	922	4620	4.62	10.30	14800	65700	101000	6270	NA
LGW008	6985230	502650	449	573	5080	5.08	11.33	16200	76100	122000	8530	NA
LGW009	6985320	500131	449	463	5790	5.79	12.91	23000	79700	135000	12600	287000
LGW011	6989270	501770	447	1090	2670	2.67	5.95	12200	42500	68600	4680	NA
LGW013	6989439	496680	447	858	4970	4.97	11.08	19200	60400	98000	8780	
LGW014	6989653	495402	446	851	4060	4.06	9.05	19300	54500	90800	8930	175000
LGW015	6987778	496371	446	970	3590	3.59	8.01	17000	47300	81400	7890	150000
LGW016	6985919	495900	447	987	3920	3.92	8.74	18000	51500	84800	8560	
LGW017	6984554	496886	445	816	4640	4.64	10.35	18200	64100	106000	9930	199000
LGW019	6983940	504612	447	814	4580	4.58	10.21	21200	68300	99700	9370	190000
LGW020	6982994	502261	450	510	4380	4.38	9.77	19900	67700	119000	10300	
LGW027	528854	6983607	440	880	4230	4.23	9.43	15200	69800	126000	6760	220000
LGW028	527636	6984176	444	788	2720	2.72	6.07	17100	50400	97400	5450	178000
LGW029	526288	6984010	443	480	6100	6.10	13.60	21400	111000	166000	9140	296000
LGW030	525044	6984810	447	932	3470	3.47	7.74	15600	65300	102000	5900	192000
LGW031	524176	6983712	444	550	4390	4.39	9.79	17900	78800	146000	9600	275000
LGW032	524196	6985312	440	385	5290	5.29	11.80	19800	84400	161000	8890	291000
LGW040	508511	6983949	447	488	5400	5.40	12.04	19600	91800	146000	9360	283000
LGW041	509378	6983480	448	479	7360	7.36	16.41	21200	97600	171000	9530	318000
LGW043	505573	6986212	448	650	5170	5.17	11.53	16600	74600	131000	8610	236000
LGW044	506164	6987064	445	552	6020	6.02	13.42	18900	90200	161000	7730	298000
LGW045	497981	6988711	448	416	5710	5.71	12.73	24600	73700	142000	10700	276000
LGW046	498131	6987191	450	510	5000	5.00	11.15	23600	66500	127000	11000	262000
LGW047	498426	6986168	449	436	6800	6.80	15.16	21200	84400	156000	15500	134000
LGW048	504776	6988893	447	1070	2900	2.90	6.47	15300	43200	67500	4170	151000
LGW049	504185	6986188	452	443	5340	5.34	11.91	23300	79400	142000	7720	279000
LGW050	502645	6985228	449	542	5450	5.45	12.15	5030	85400	135000	9740	230000
LGW051	500949	6984208	451	535	4680	4.68	10.44	26600	70000	124000	10900	210000
LGW054	494145	6985011	453	833	4420	4.42	9.86	18800	56800	107000	9550	209000
AVERAGE				**638**	**4933**	**4.93**	**11.00**	**18668**	**74133**	**127104**	**8738**	**243100**