ASX ANNOUNCEMENT

Goldphyre Resources Limited

ACN: 149 390 394

ASX: GPH
Shares on Issue: 26,712,010
Total Shares Quoted on ASX: 18,212,000
Unlisted Options on Issue: 20,389,800

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Projects:

Lake Wells: gold, nickel, base metals, PGM, uranium
Yamarna: gold, PGM, uranium
Mailman Hill: gold, base metals
Island View: gold, base metals

"A new company targeting overlooked and underexplored greenstone belts in the Eastern Goldfields of Western Australia"

QUARTERLY ACTIVITIES REPORT - FOR THE PERIOD ENDING 30 SEPTEMBER 2012

SUMMARY and HIGHLIGHTS

- **First Reverse Circulation (RC) - Air core (AC) drill program on the Axford Prospect, Lake Wells Project (E38/1903) returned significant and high-grade gold results**

- **Exciting high-grade and significant gold intercepts confirmed with one metre split results from composite sampling of RC and AC drilling at the Axford Prospect:**

  6m @ 3.46 g/t Au (LGRC011)
  including 1m @ 19.73 g/t Au from 99m (EOH)

  1m @ 4.51 g/t Au from 41m (LGRC003)

- **Underexplored area at Axford with wide-spaced drilling and anomalous gold trends open to the north, west and down-dip**

- **Follow-up RC and AC drilling to commence in the December 2012 quarter at Axford**

- **Exciting new gold and base metal exploration projects acquired (Laverton Downs, Gambier Lass, Kilkenny and Iguana)**

EXPLORATION ACTIVITIES

LAKE WELLS PROJECT

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

Goldphyre Resources Limited (the 'Company', ASX: GPH) completed a combined Reverse Circulation (RC) and Air Core (AC) drilling program on the Axford and Yilly prospects at the Lake Wells Project, 160 kilometres north of Laverton, Western Australia (Table 1, Figure 1). An aeromagnetic 'bulls-eye' target was also tested with AC drilling.

Encouraging composite gold intercepts were recorded (Table 2) and high-grade and significant gold intercepts were confirmed with follow-up one metre split assay results from RC and AC drilling (Table 3).

Table 1. Lake Wells - RC and AC Results Summary

Hole ID	Drill Type	Prospect	Holes
LGRC001-012	RC	Axford	12
LGAC056-107	AC	Axford, Yilly, Reconnaissance	52
		TOTAL	**64**

Table 2. Lake Wells - RC Drill-Hole Results (Composite samples)

Hole	Northing (m)	Easting (m)	Dip	Azimuth	Interval		Width (m)	Gold (ppb)	Hole Depth (m)
					From (m)	To (m)			
LGRC001	6989450	501895	-60	270	45	53	8	162	80
LGRC002	6989451	501936	-60	270	68	76	8	227	80
LGRC003	6989449	501970	-60	270	**40**	**44**	**4**	**1575**	**108**
					64	68	4	145	
LGRC004	6989452	502017	-60	270	24	28	4	124	81

Datum: GDA94 Zone 51 Co-ordinate system with collar pickup by hand-held GPS Garmin 60, Hole Inclination by clinometer and azimuth by compass.
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)

RC drilling (LGRC001-LGRC012) tested beneath shallow, historic drill-hole gold anomalies at the Axford Prospect. Until now, gold anomalism in historic drill holes had never been followed up adequately at depth or along strike and no historic RC drilling had been completed on the project area (Figure 1-2).

A significant four metre composite result of 4m @ 4.71 g/t Au from 96-100m EOH in LGRC011 was reported on 29th August, 2012. One metre RC split samples were then collected and an intercept of **6m @ 3.46 g/t Au from 94m to 100m EOH** in LGRC011 was recorded (Table 3). Of particular interest was a high-grade gold assay of **1m @ 19.73 g/t Au** recorded from 99m to 100m EOH. Other gold anomalous zones in LGRC011 were recorded from 65m depth.

The high-grade gold mineralisation in LGRC011 appears to be associated with a medium-grained silicified granitic intrusive with disseminated fine-grained pyrite and minor quartz veining. This zone is interpreted to be open along trend to the north, to the south and at depth.

Goldphyre's Technical Director Brenton Siggs said 'this high-grade gold intercept recorded in the very first RC drill program at Axford is very encouraging and provides confidence in our strategic exploration targeting, not only at Lake Wells, but over all of Goldphyre's underexplored projects areas' (GPH ASX Release 28th September, 2012).

Table 3. Lake Wells - RC and AC Drill-Hole Results (1m Split samples)

Hole	Hole Type	Northing (m)	Easting (m)	Dip	Azimuth	Interval		Width (m)	Gold (g/t)	Hole Depth (m)
						From (m)	To (m)			
LGRC002	RC	6989451	501936	-60	270	72	73	1	0.26	80
LGRC003	RC	6989449	501970	-60	270	**41**	**42**	**1**	**4.51**	**108**
						42	44	2	0.15	
LGRC010	RC	6989114	501537	-60	270	28	30	2	0.54	90
						36	41	5	0.27	
						43	44	1	0.10	
						54	56	2	0.15	
						59	60	1	0.26	
						75	76	1	0.25	
LGRC011	RC	6989111	501597	-60	270	65	66	1	0.16	100
						88	92	4	0.35	
						94	100	6	3.46	
					incl.	**96**	**97**	**1**	**1.72**	
					incl.	**99**	**100**	**1***	**19.73**	
LGAC074	AC	6989307	501602	90	-	27	30	3	0.45	32
					incl.	**29**	**30**	**1**	**1.10**	
LGAC075	AC	6989299	501516	90	-	16	21	5	0.29	28
						24	25	1	0.19	
						27	28	1	0.11	
LGAC088	AC	6989361	502210	90	-	33	34	1	0.11	36

* denotes 1m split sample at end-of-hole

Datum: GDA94 Zone 51 Co-ordinate system with collar pickup by hand-held GPS Garmin 60, Hole Inclination by clinometer and azimuth by compass.

Note: Intercepts calculated with 0.10 g/t Au lower cut, no upper cut and maximum 2m internal dilution. 1m RC split samples were collected by rig-mounted rotary splitter directly off rig at time of drilling and 1m AC split results were collected by PVC spear or scoop. Samples delivered to Bureau Veritas Kalassay Lab, Kalgoorlie for 40g Fire Assay Digest with ICPMS Finish (FA40_ICPMS). (Detection Limit – 1ppb Au, Pt, Pd).

Hole LGRC011 is the middle hole of a 'fence' of three angled RC holes that tested beneath a modest, shallow gold anomaly (2m @ 0.30 g/t Au from 16m to EOH[1]) in a historic drill-hole. One metre split assays have confirmed the presence of a thick, gold anomalous zone in LGRC010, the hole drilled 60m to the west of LGRC011.

LGRC010 recorded intercepts up to 0.54 g/t Au (Table 3) and similar intermittent zones of silica alteration and with minor, intermittent pyrite mineralisation. Although RC down-hole data is very limited, the shallower gold anomalous zone in LGRC010 suggests a moderate easterly dip to the high-grade zone encountered near the end-of-hole in LGRC011. Holes LGRC001, 004-009, 012 recorded no significant gold results.

[1] Reference: WMC Resources Ltd, Sand Dune JV Annual Report for Period to 31 December 1997, p8.

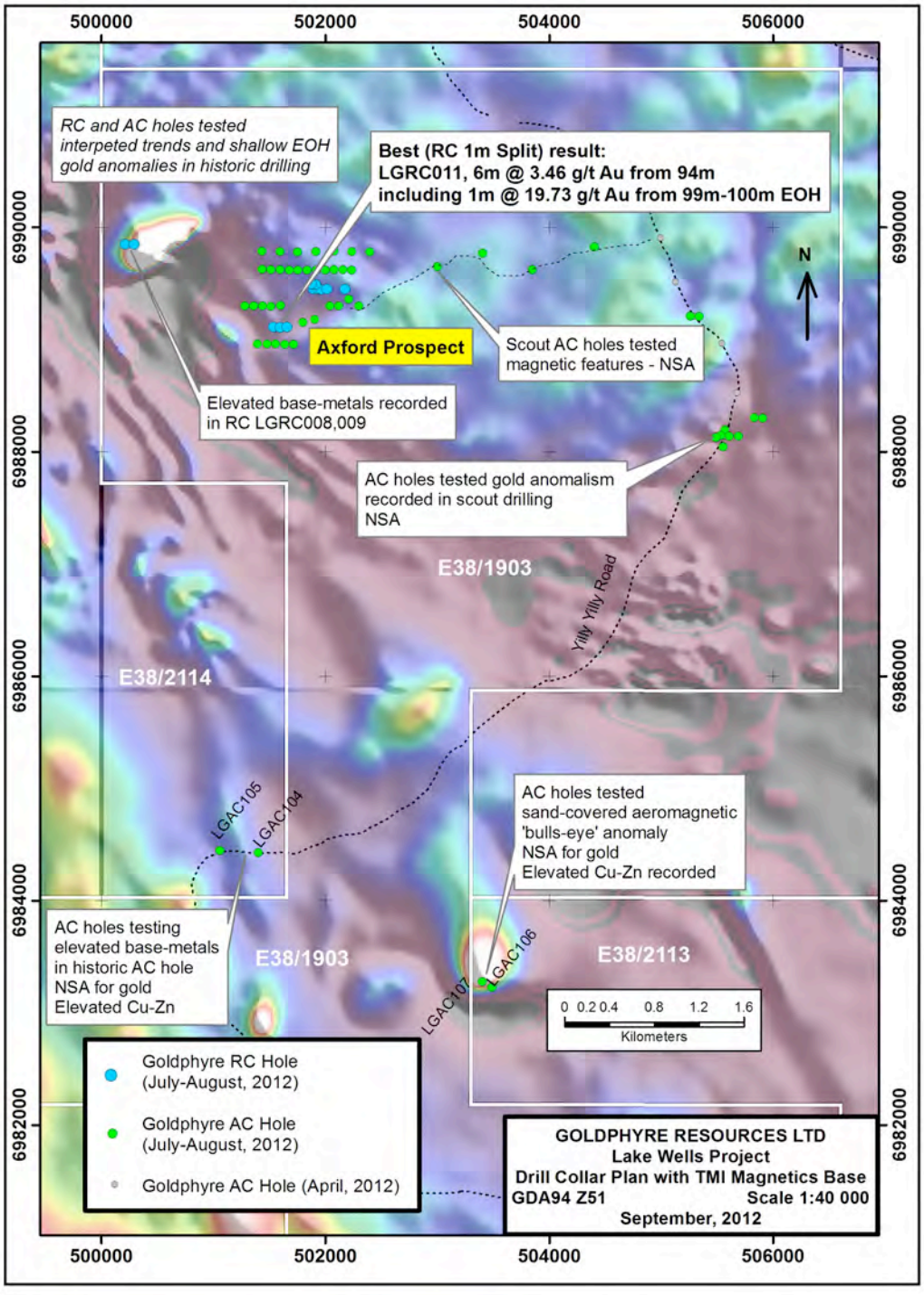

Figure 1. Lake Wells WEST Area (E38/1903, E38/2113, E38/2114) Drill Collar Plan with TMI Magnetics base map.

One metre split samples were collected from a previously reported 4m composite intercept of 4m @ 1.58 g/t Au from 40m in LGRC003 and returned a significant intercept **of 1m @ 4.51 g/t gold from 41m** (Table 3, Figure 2). Although the one metre sampling has reduced the width, this gold value is considered very significant as the intercept has been recorded at relatively shallow depth, at a significant grade and is interpreted to be open at depth and to the northeast and southwest.

One metre sample results were received for selected AC holes with anomalous composite results in the first pass drill program (Table 3). Several 1m split gold anomalies were recorded including 3m @ 0.45 g/t Au from 27m (including **1m @ 1.10 g/t Au from 29m in LGAC074**). An interesting AC composite sample (4m @ 1.31 g/t Au from 32m to EOH in LGAC088) returned only background values (1m @ 0.11 g/t Au from 33m). This lower than expected result may be due to coarse gold.

Composite gold anomalies reported at the end-of-hole in consecutive drill holes (LGAC074 and LGAC075) returned encouraging 1m split gold anomalies. These holes are collared 200m north of the high-grade 1m @ 19.73 g/t Au intercept in LGRC011 and follow-up infill drilling is a priority in this north-south trending corridor.

Figure 1 (above) shows hole collar locations from the recent RC and AC drill program. Figure 2 below shows further detail of hole locations and gold intercepts from the Axford Prospect. Figure 3 shows a recent drill scene at the Axford Prospect.

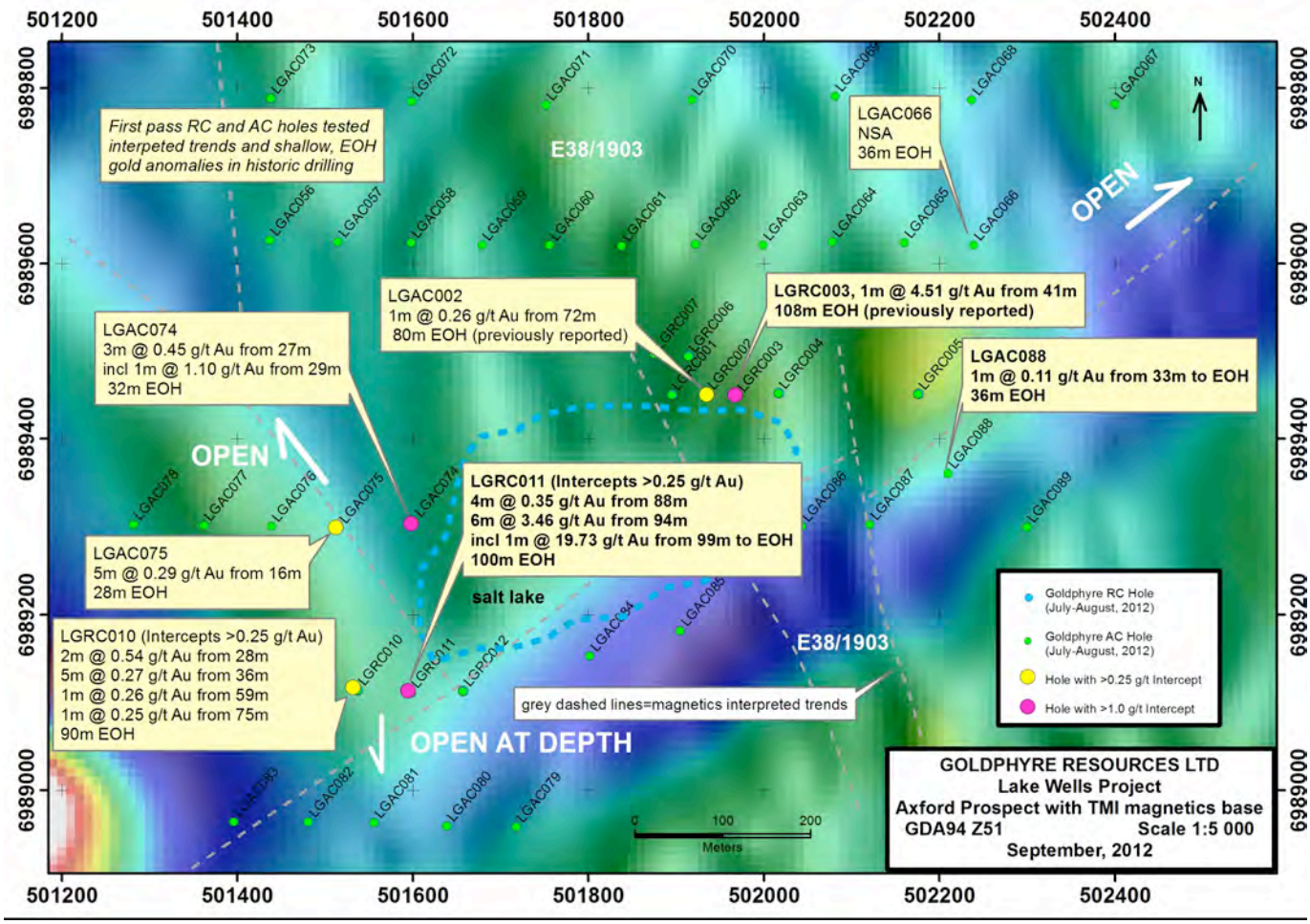

Figure 2. Axford Prospect Drill Collar Plan with latest gold intercepts and TMI Magnetics base map

Two AC holes (LGAC106-LGAC107) tested a sand covered, discrete 'bulls-eye' magnetic target (Figure 1, Table 4). Minor fine-grained disseminated sulphide (logged as pyrite) was recorded in both holes and elevated values (10m @ 215 ppm Cu and 114 ppm Zn from 44-54m EOH) and elevated silver (2m @ 0.1 g/t Ag from 52-54m EOH) were recorded in hole LGAC107. These elevated results suggest base metal prospectivity may be associated with the discrete magnetic anomaly.

Table 4. Lake Wells - RC and AC Drill-Hole Results (Composite base-metal samples)

Hole	Northing (m)	Easting (m)	Dip	Azimuth	Interval		Width (m)	Cu (ppm)	Zn (ppm)	Hole Depth (m)
					From (m)	To (m)				
LGRC008	6989849	500216	60	90			62*	129	97	78
LGRC009	6989849	500294	60	90	60	78	18*	112	107	78
LGAC104	6984429	501401	90	-	52	56	4	127	122	66
LGAC107	6983277	503402	90	-	44	54	10*	215	114	54

* denotes composite sample at end-of-hole
Datum: GDA94 Zone 51 Co-ordinate system with collar pickup by hand-held GPS Garmin 60, Hole Inclination by clinometer and azimuth by compass.
Note: All composite samples (maximum 4m interval) were collected by scoop or spear from RC or AC drill chips and delivered to Bureau Veritas Kalassay Lab, Kalgoorlie for 40g Fire Assay Digest with AD02_ICPMS finish. (Detection Limit – Cu, Zn : 1ppm).

Infill AC drilling around LGAC001 (which recorded an anomalous gold zone of 4m @ 129 ppb Au from 32m) recorded no significant gold results.

Follow-up RC and AC drilling on the Axford Prospect is scheduled for the December 2012 quarter and a drill rig has been engaged for this work.

Figure 3. RC Drilling at the Axford Prospect, August, 2012.

MAILMAN HILL

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

Composite base-metal drill results for the final three Reverse Circulation (RC) drill-holes of seventeen holes completed at Mailman Hill were received in the September 2012 quarter (Table 7 and Figure 4).

These three holes (MHRC015-017) were drilled at the Venus Prospect, which 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[2]).

Table 7. Mailman Hill Results Status Table

Hole ID	Tenement	Drill Type	Prospect	Holes	Composite Results
MHRC001-014	E37/990	RC	Iron Tank	14	Received
MHRC015-017	E37/990	RC	Venus	3	Received
			TOTAL	**17**	

The best anomalous base-metal result was recorded from an iron oxide-rich, possible gossanous zone in MHRC015 (8m @ 0.24% Zn from 60m, Table 8). This is an encouraging result as there is only sparse, relatively shallow, historic drilling in the area and this zinc anomaly may indicate the presence of mineralization at depth. No significant composite gold results were recorded.

Further work planned at the Venus Prospect includes geochemistry and geophysical data interpretation to prioritise drill targeting.

Table 8. Venus Prospect - Elevated Results Table

Hole	Northing (m)	Easting (m)	Dip	Azimuth	Interval		Width (m)	Cu (ppm)	Zn (ppm)	Hole Depth (m)
					From (m)	To (m)				
MHRC015	6803261	368750	-60	270	60	68	8	164	2352	86

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 AD02_ICPMS finish). (Detection Limit – Cu: 1ppm, Zn : 0.01 ppm)

[2] Reference: Goldstream Mining NL, Exploration Licence 37/264 Dingo Well Annual Report dated June 1995, page 22

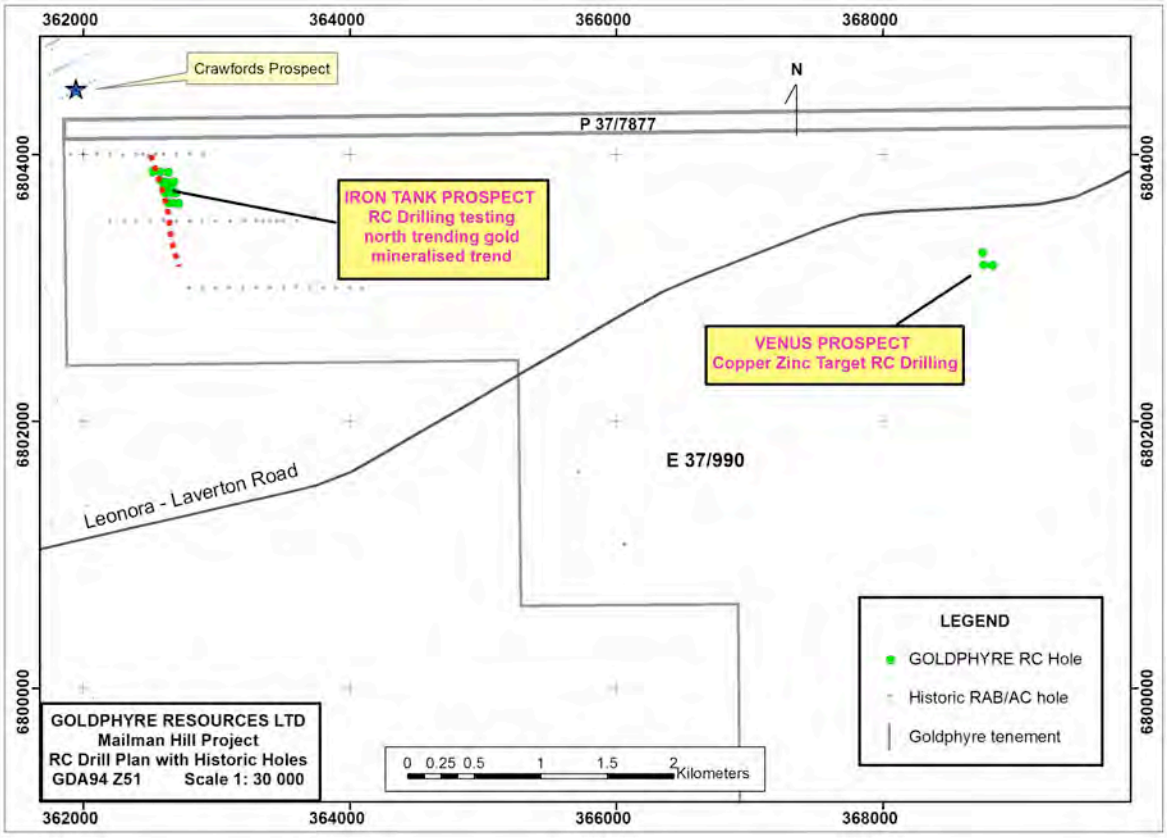

Figure 4. Mailman Hill Project showing Iron Tank and Venus prospects

YAMARNA PROJECT

E38/1949 – 100% Goldphyre Resources Limited

Field reconnaissance and a reconnaissance soil geochemistry line were completed at the Yamarna Project in the reporting period. Seven (7) soil samples were collected on E38/1949 and no values over 1 ppb Au were recorded (Table 9). The transported nature of the sand layer is not an ideal geochemical sampling medium and more effective reconnaissance RAB/AC drilling is recommended to assess targets on Yamarna.

Table 9. Yamarna Soil sampling

Sample String	Results
YMSS001-007	All Au 1ppb or <1ppb Au

Evaluation and targeting 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.

PROJECT ACQUISITIONS

Four new significant project areas were acquired via Department of Mines and Petroleum tenement application lodgement. The new projects are gold and/or base metal prospective and all 100% Goldphyre Resources Limited.

The project areas are: Laverton Downs, Gambier Lass, Kilkenny and Iguana (Table 10). It is believed the new projects will bolster the Company's existing tenement holdings in the Eastern Goldfields of Western Australia and provide additional drill targets, particularly in areas of known gold mineralisation.

Table 10. Tenement Applications

TENEMENT STATUS	PROJECT	TENEMENT
Application	Laverton Downs	ELA 38/2274
Application	Gambier Lass	ELA 37/1140, PLA 37/8250-PLA 37/8267, PLA 37/8276-PLA 37/8277
Application	Kilkenny	ELA 39/1702, PLA 39/5310-PLA 39/5329
Application	Iguana	ELA 16/447

Laverton Downs

An exploration licence application (ELA 38/2724) was lodged for an area prospective for gold at Laverton Downs. The exploration licence application was the subject of a three way ballot in which the Company was successful and obtained first priority over the ground applied for.

Preliminary studies of previous explorers' reports show ELA 38/2724 has historic gold-in-hole results (200-500 ppb Au range), significant gold deposits and mines in the region and has a prospective structural setting.

Gambier Lass and Kilkenny

Two significant tenement packages east of Leonora were acquired by the Company via prospecting licence and exploration licence applications.

The first project area, Gambier Lass, is located 15 kilometres northeast of Leonora and consists of approximately 66 km^2. The project area captures considerable strike length and width of Archaean rocks prospective for gold and base metals. An historic exploration report[3] included Rotary Air Blast (RAB) drill assay results and one composite sample returned high copper and zinc values. This area requires further detailed research to carefully evaluate the authenticity or otherwise of high base metal values.

Historic gold mines are located adjacent to the Gambier Lass Project and the stratigraphy is similar to the Teutonic Bore and Jaguar base-metal mines located to the north of the project.

Upon granting, planned exploration includes data compilation, targeting and geochemistry.

The Kilkenny Project is located approximately 60 kilometres southeast of Leonora. Preliminary studies of historic exploration data indicate the Kilkenny Project has historic gold workings with recorded gold production, anomalous gold values in soil geochemistry, historic percussion drill-holes with encouraging gold intercepts and prospective structural targets.

[3] Reference: South Mertondale 11-12, P37/4938-4957 Annual Report, Cardinia 1995/1, RGC Exploration Pty Ltd, 9 March 1995, Appendix 2, A43864.

Iguana

An Exploration Licence Application (ELA 16/447) was applied for over prospective ground at Iguana, an area approximately 80 kilometres northwest of Kalgoorlie. This area was targeted due to a prospective structural setting, the presence of historic workings in the vicinity and the close proximity along trend (approximately 500m from the tenement boundary) of the Iguana open pit gold mine (2007 resource of 181 500 oz gold[4]).

[4] Reference: Monarch Gold Mining Company Limited, Media Release, 6th November, 2007, page 1

APPENDIX 1 - LAKE WELLS RC/AC COLLARS

Hole ID	GDA_N	GDA_E	DIP	AZIMUTH	RL	Depth
LGRC001	6989450	501895	60	270	450	80
LGRC002	6989451	501936	60	270	450	80
LGRC003	6989449	501970	60	270	451	108
LGRC004	6989452	502017	60	270	452	102
LGRC005	6989451	502176	60	270	452	81
LGRC006	6989494	501914	60	90	452	79
LGRC007	6989497	501875	60	90	454	102
LGRC008	6989849	500216	60	90	457	78
LGRC009	6989849	500294	60	90	461	78
LGRC010	6989114	501537	60	270	458	90
LGRC011	6989111	501597	60	270	457	100
LGRC012	6989113	501657	60	270	456	100
LGAC056	6989627	501437	90	0	455	42
LGAC057	6989625	501515	90	0	460	20
LGAC058	6989624	501598	90	0	456	36
LGAC059	6989621	501679	90	0	454	36
LGAC060	6989621	501756	90	0	454	51
LGAC061	6989620	501838	90	0	455	48
LGAC062	6989622	501922	90	0	457	40
LGAC063	6989621	501999	90	0	458	36
LGAC064	6989625	502078	90	0	453	36
LGAC065	6989624	502160	90	0	452	36
LGAC066	6989621	502239	90	0	458	40
LGAC067	6989782	502400	90	0	454	42
LGAC068	6989787	502237	90	0	450	47
LGAC069	6989791	502081	90	0	451	40
LGAC070	6989787	501918	90	0	454	46
LGAC071	6989791	501752	90	0	458	42
LGAC072	6989785	501599	90	0	452	39
LGAC073	6989789	501438	90	0	457	32
LGAC074	6989307	501602	90	0	462	32
LGAC075	6989299	501516	90	0	452	28
LGAC076	6989301	501439	90	0	454	30
LGAC077	6989302	501362	90	0	456	36
LGAC078	6989303	501282	90	0	454	34
LGAC079	6988958	501718	90	0	453	40
LGAC080	6988959	501639	90	0	453	42
LGAC081	6988963	501556	90	0	457	54
LGAC082	6988964	501481	90	0	454	51
LGAC083	6988964	501396	90	0	457	42

LGAC084	6989153	501802	90	0	460	34
LGAC085	6989182	501905	90	0	451	42
LGAC086	6989301	502043	90	0	456	36
LGAC087	6989303	502121	90	0	458	42
LGAC088	6989361	502210	90	0	459	36
LGAC089	6989300	502300	90	0	459	38
LGAC090	6989651	503006	90	0	453	73
LGAC091	6989772	503408	90	0	458	48
LGAC092	6989624	503851	90	0	456	48
LGAC093	6984827	504402	90	0	458	52
LGAC094	6989211	505261	90	0	462	53
LGAC095	6989208	505338	90	0	463	54
LGAC096	6988300	505907	90	0	459	36
LGAC097	6988305	505831	90	0	458	36
LGAC098	6988197	505570	90	0	455	44
LGAC099	6988148	505532	90	0	457	72
LGAC100	6988130	505491	90	0	457	54
LGAC101	6988140	505689	90	0	458	46
LGAC102	6988140	505608	90	0	452	42
LGAC103	6988045	505559	90	0	454	48
LGAC104	6984429	501401	90	0	445	66
LGAC105	6984447	501060	90	0	456	65
LGAC106	6983230	503490	90	0	449	42
LGAC107	6983277	503402	90	0	452	54

All holes -60 angled or -90 vertical, RC Face Sampling Hammer or AC Blade method. Datum: GDA94 Co-ordinate system

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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.

FORWARD LOOKING STATEMENT

This announcement may contain forward-looking statements which 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.