

## MINING EXPLORATION ENTITY QUARTERLY REPORT

### APPENDIX 5B

*Name of entity:*

**EMU NICKEL NL**

*ABN:*

**50 127 291 927**

*Quarter ended ("current quarter")*

**30/6/2011**

### Consolidated statement of cash flows

	Current quarter \$AUD'000	Year to date (12 months) \$AUD'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales, related debtors, GST Credits	4	89
1.2 Payments for:		
(a) exploration and evaluation	(135)	(438)
(b) development		
(c) production		
(d) administration	(66)	(540)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	77	315
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net Operating Cash Flows</b>	(120)	(574)
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	(12)	(35)
(b) equity investments		(10)
(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 advanced by/repaid to other entities		
1.12 Other (Loan repayments to associated company)		
<b>Net investing cash flows</b>	(12)	(45)
1.13 Total operating and investing cash flows (carried forward)	(132)	(619)

1.13	Total operating and investing cash flows (brought forward)	(132)	(619)
1.14	<b>Cash flows related to financing activities</b>		
1.15	Proceeds from issues of shares, options, etc.		
1.16	Proceeds from sale of forfeited shares		
1.17	Proceeds from borrowings		
1.18	Repayment of borrowings		
1.19	Dividends paid		
	Other (provide details if material) – Share issue expenses		
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(132)	(619)
1.20	Cash at beginning of quarter/year to date	5,531	6,018
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	5,399	5,399

**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 \$AUD'000
1.23	Aggregate amount of payments to the parties included in item 1.2
1.24	Aggregate amount of loans to the parties included in item 1.10
1.25	Explanation necessary for an understanding of the transactions

**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

N/A

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

N/A

**Financing facilities available**

	Amount available \$AUD'000	Amount used \$AUD'000
3.1	Loan facilities	
3.2	Credit standby arrangements	

### Estimated cash outflows for next quarter

	\$AUD'000
4.1 Exploration and evaluation	250
4.2 Development	
4.3 Administration	100
<b>Total</b>	<b>350</b>

### 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 \$AUD'000	Previous quarter \$AUD'000
5.1 Cash on hand and at bank		290
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details) – Short Term Deposit		5,241
<b>Total: cash at end of quarter (item 1.22)</b>	<b> </b>	<b>5,531</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E63/1478 E63/1479 E63/1480	Relinquished Relinquished Relinquished	100% 100% 100%	0% 0% 0%
6.2 Interests in mining tenements acquired or increased	E63/1507	Application	0%	100%

**Issued and quoted securities at end of current quarter**

		Total number	Number quoted	Issue price per security (cents)	Amount paid-up per security (cents)
7.1	<b>Preference securities</b>	N/A			
7.2	Issued during quarter				
7.3	<b>Ordinary securities</b>				
	Fully paid	59,828,940	59,828,940	\$0.50	\$0.50
7.4	Issued during quarter	Nil			
7.5	<b>Convertible debt securities</b>	N/A			
7.6	Issued during quarter				
7.7	<b>Options</b>			<i>Exercise price</i>	<i>Expiry date</i>
		10,000,000	Not Quoted	\$0.50	27/2/2013
		1,830,000	Not Quoted	\$0.27	22/12/2014
		180,000	Not Quoted	\$0.1961	21/12/2015
7.8	Issued during quarter	180,000			
7.9	Exercised during quarter	Nil			
7.10	Expired during quarter	Nil			
7.11	<b>Debentures</b>	N/A			
7.12	<b>Unsecured notes</b>	N/A			

**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.
2. This statement does give a true and fair view of the matters disclosed.



**Rudolf Tieleman**  
**Company Secretary**  
Date: 29 July 2011