

31 October 2014

Company Announcements Office
Australian Securities Exchange Limited

QUARTERLY ACTIVITIES REPORT TO 30 SEPTEMBER 2014

HIGHLIGHTS

- **Drilling program commenced in mid October, following detailed planning during the September quarter, in order to undertake additional R&D samples to determine the optimum processing route for the unique gold mineralisation at the Aphrodite Gold Deposit and to increase the current Resource Estimate.**

APHRODITE GOLD PROJECT, WESTERN AUSTRALIA

Further to the Company's announcement dated 8 September 2014, Mr Eshuys has been appointed as a technical adviser and consultant to the company. Mr Eshuys has now planned a strategic drilling program of 4 to 5 holes totalling 2,500 to 3,000 metres of reverse circulation and core drilling. This program will collect a number of additional R&D samples to determine processing route operating parameters that will reduce reagent consumption and maximise recovery rates for the unique gold mineralisation at the Aphrodite Gold Deposit.

Another anticipated benefit of this drill program is to assess whether potential exists to substantially increase the mineral resource estimate at Aphrodite.

The drilling program commenced in mid October 2014.

The key features of the drill program are as follows:

The Alpha and Phi Lodes

Three drill holes to test the depth extensions of the Alpha and Phi Lodes at Aphrodite, are planned. Drilling will initially be RC with diamond core tails. Each hole is targeting to intersect mineralisation approximately 100 metres below existing high grade intersections of:

- 24m @ 7.1g/t gold from 486m in hole SCRC165D on the Alpha Lode;

- 18m @ 5.1g/t gold from 132m and 6m @ 4.3g/t gold from 184m in holes APR1287 and APR1298b respectively on the Phi lode;
- 11m @ 7.5g/t gold from 404m in hole SCRC477D also on the Phi lode;

Individual planned holes are shown in Figs 1 to 3 and the intersection points on long sections are shown in Figs 4 and 5.

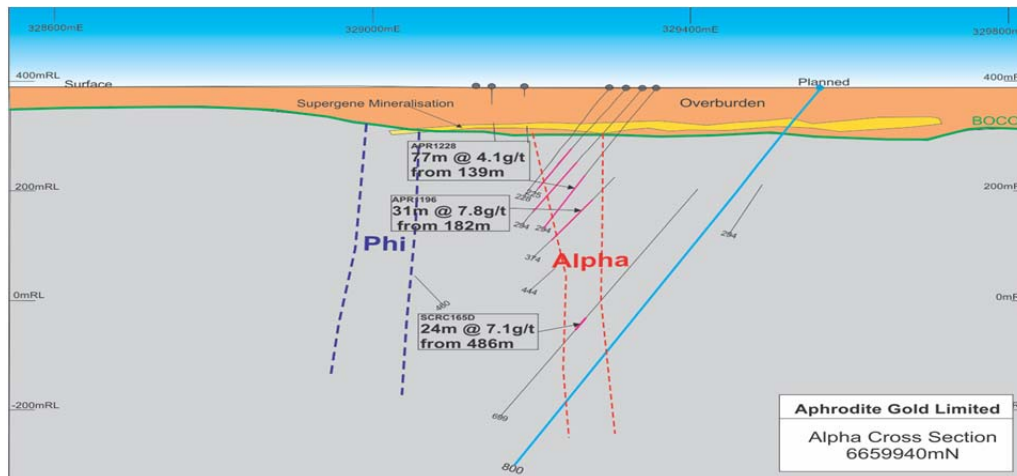


Figure 1 – Alpha Cross Section – planned hole to target 100m below high grade intersection

Within the Alpha mineralised zone, drill intersection SCRC165D had a zone of 24m @ 7.1g/t Au from 486 metres. As shown above, the planned hole is looking for gold repetitions approximately 100 metres below the existing intersection.

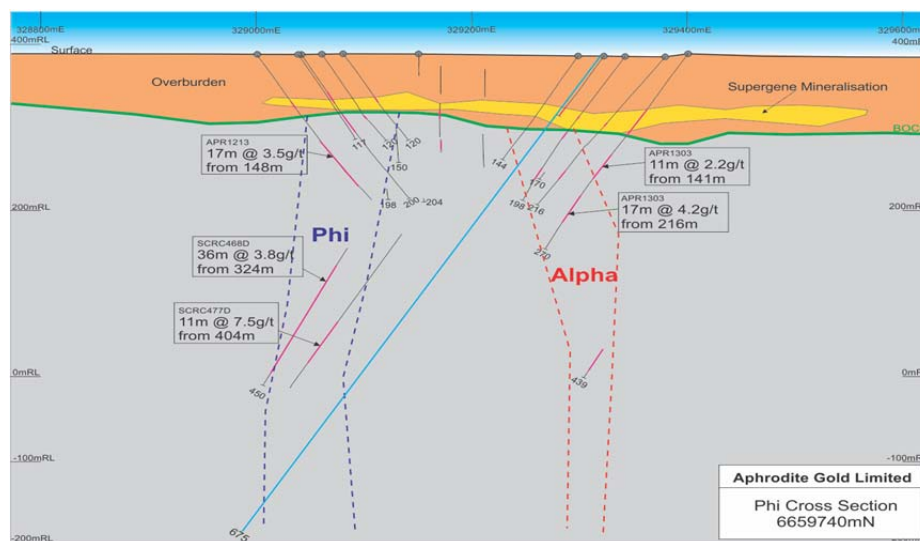


Figure 2 - Phi Cross Section - existing holes and planned holes to test 100m below high grade intersection

Within the Phi mineralised zone, drill intersection SCRC477D had a zone of 11m @ 7.5g/t Au from 404 metres. As shown above, the planned hole is looking for gold repetitions approximately 100 metres below the existing intersection.

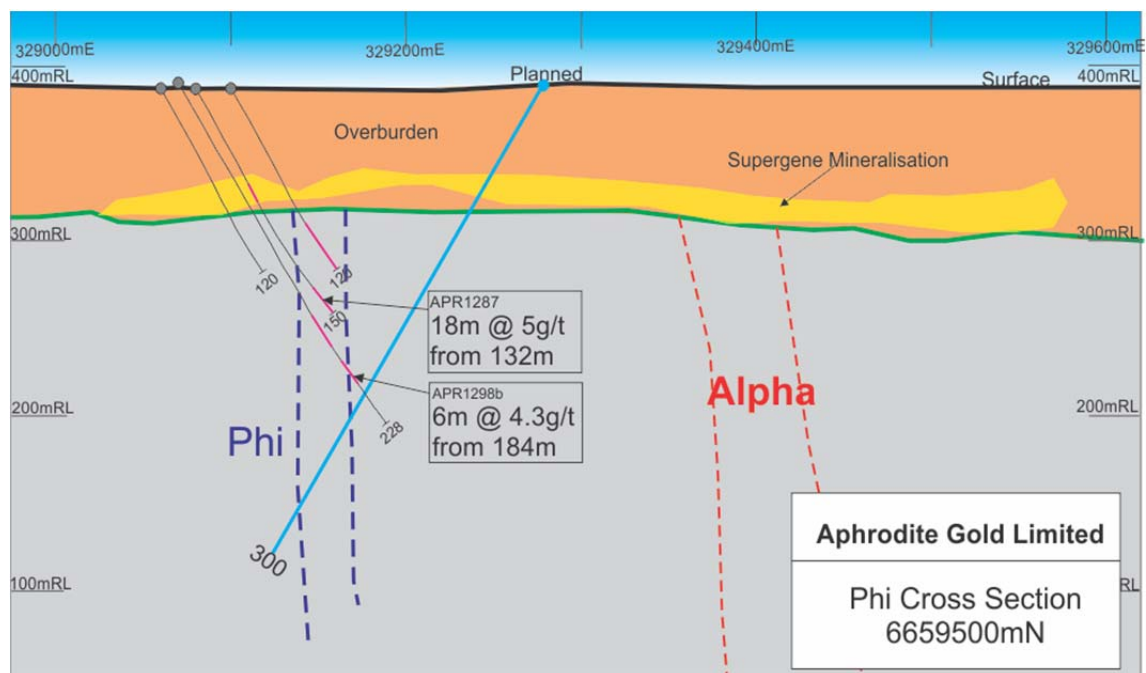


Figure 3 – Phi Cross Section- existing holes and planned hole to test 100m below high grade intersection

Within the Phi mineralised zone, drill hole APR 1287 had a zone of 18m @ 5.0g/t Au from 132 metres and drill hole APR 1298b had a zone of 6m @ 4.3g/t Au from 184 metres.

As shown above, the planned hole is looking for gold repetitions approximately 100 metres below the existing intersections.

Alpha and Phi Lodes Long sections

The figures below (Figure 4 and 5) are north-south longitudinal projections showing the estimated intensity of gold mineralisation in the Alpha lode (Fig 4) and the Phi lode (Fig 5) mineralised zones. The units used are the product of the gold grade and the proportion of the zone width that is mineralised above an arbitrary cut off of 0.3g/t Au. The red colour represents the greater gold content with blue the lower.

At any one location in the projection these zones may contain one or more gold bearing veins or structures which together are referred to as a lode (Alpha and Phi). The projections accumulate all of this data and represent an unbiased map of the intensity of gold mineralisation in each zone thus allowing inferences to be made about the overall controlling structures.

The Alpha and Phi Lodes longitudinal sections clearly show the potential for extensions to the gold mineralisation at depths below 300 metres, with the red arrows indicating that the mineralisation is open at depth.

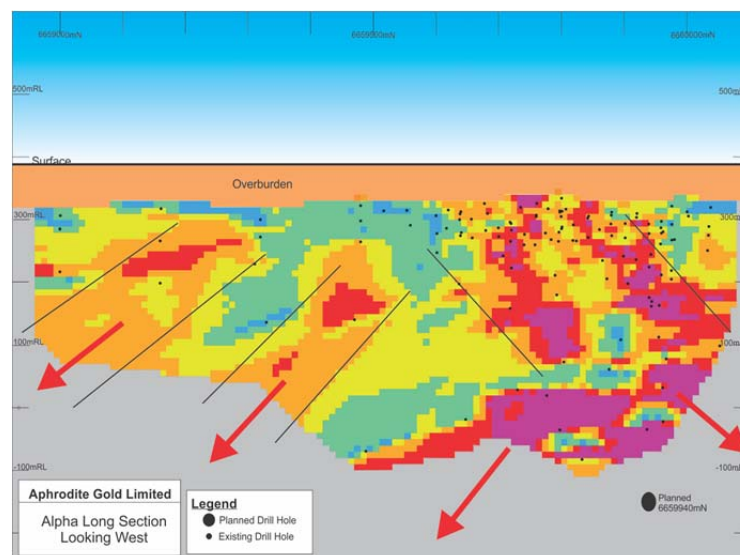


Figure 4 – Alpha Long Section

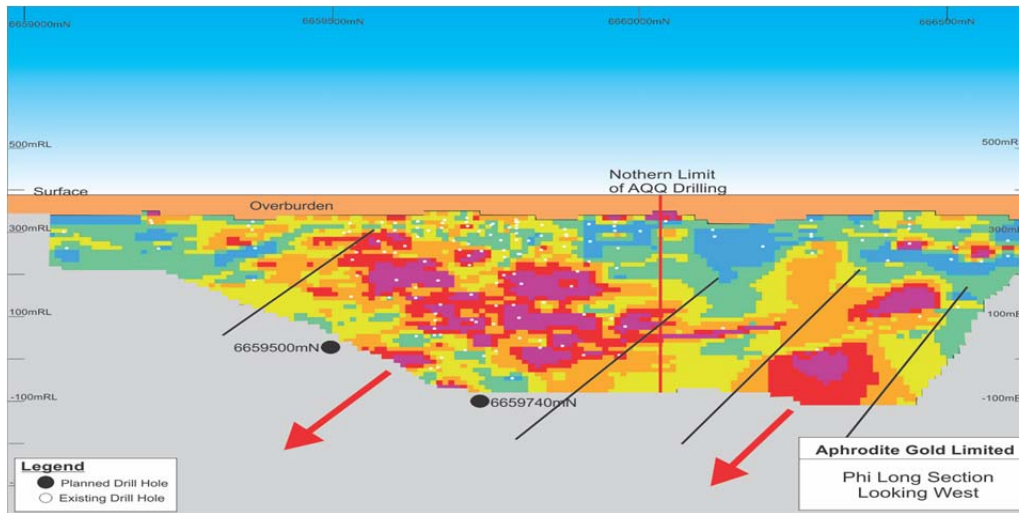


Figure 5 Phi Long Section

North Menelaus

The reverse circulation drill hole at North Menelaus (Fig 6) which is 5km north of Aphrodite is to test depth extension of a “discovery” type previous result of 16m @ 4.3g/t gold from 91 metres in a very limited drilling program to date.

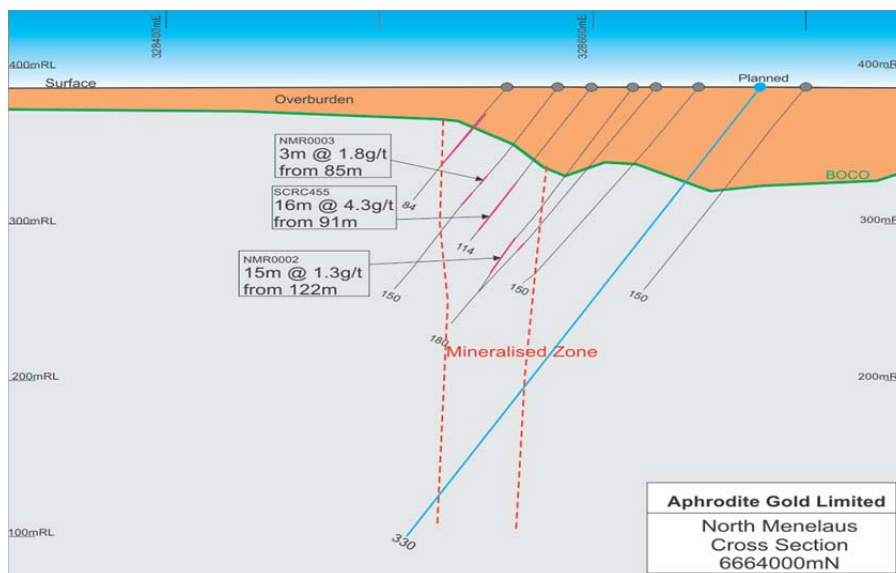


Figure 6 – North Menelaus - Follow up of a “potential discovery” intersection of 16m @ 4.3g/t from 91m.

ANNUAL GENERAL MEETING

The Company is holding its Annual General Meeting at its registered office in Melbourne on Tuesday 25th November, 2014 at 11am and shareholders are encouraged to attend. At that time we would expect that Mr Eshuys will provide an update on the current drill program, following market updates during November.

FUNDING IS NOW STABLE

At the end of the September quarter, \$935,000 of the Convertible Note facility was undrawn, and in addition to these undrawn facilities, cash in bank was \$10,000.

This facility is with R.M.S (Aust) Pty. Ltd, a related company to Mr Peter Buttigieg, the Company's Executive Chairman and Acting CEO.

The Company is now operating more efficiently on a much reduced monthly overheads basis.

APHRODITE GOLD LTD TENEMENT SCHEDULE AT 30 SEPTEMBER 2014

Project	JV Partner	Status	Tenement	Annual Expenditure	Interest Held by Aphrodite Gold Ltd
Aphrodite		Granted	M24/720	\$99,600	100%
		Granted	M24/779	\$94,400	
		Granted	M24/649	\$18,100	
		Granted	M24/681	\$44,700	
		Granted	E24/186	\$20,000	
		Granted	L24/204	N/A	
		Granted	L29/114	N/A	
		Granted	L29/115	N/A	
		Pending	L24/217	N/A	
	Dalrymple	Granted	M24/662	\$36,400	70%

Yours sincerely



Michael Beer
Company Secretary