

DOURADO RESOURCES LIMITED

ABN: 84 131 090 947

Dourado Resources Ltd is a Perth based exploration company that has been established to predominantly explore for deposits of gold and copper mineralization.

The Company has 3,800km² of selected tenure that is highly prospective for gold and copper mineralization.

Moolooqool/Diamond Well Cu Projects

The project is more than 2,400km² in area. It is less than 70kms north east of Meekatharra and less than 30kms from Sandfire Resources' DeGrussa deposit.

Exploration has identified at least 13 anomalous geochemical zones. Ongoing exploration programs are proposed to further develop these targets.

Sabbath/Garden Gully Au Projects

This project is more than 480km² in area and less than 10kms north of Meekatharra. Recent drilling at the Sabbath project produced an increase of 1780 ounces in the Measured Mineral Resource category from 145,000 tonnes at 2.21 g/t for 10,320 ounces to 175,563 tonnes at 2.14 g/t for 12,100 ounces (both at 10g/t upper cut).

For more information please visit <http://www.dourado.com.au/>

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Mr Robert Marusco

ASX Code: DUO

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31 July 2013

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ASX Limited

Company Announcements Office
SYDNEY NSW 2000

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30th JUNE 2013

Sabbath/Garden Gully Project

- **The resource estimation for Sabbath has been completed**
- **Estimation was completed using wire-frames based on cross-sectional interpretations using Minemap software and tabulated below:**

SABBATH RESOURCE		Au grade	Au Grade	Total (no upper cut)	Total (10 g/t upper cut)
<i>Units</i>		<i>g/t</i>	<i>g/t</i>	<i>Troy Ounces</i>	<i>Troy Ounces</i>
<i>Lower Cut</i>		<i>0.5 g/t Au</i>	<i>0.5 g/t Au</i>	<i>0.5 g/t Au</i>	<i>0.5 g/t Au</i>
<i>Upper Cut</i>		<i>uncut</i>	<i>10 g/t Au</i>	<i>uncut</i>	<i>10 g/t Au</i>
Measured Resource	175,563t	2.40	2.14	13529	12100
Indicated Resource	26,540t	2.25	2.10	1921	1795
TOTAL MEASURED & INDICATED	202,103t	2.38	2.14	15449	13894

- **In addition pit optimisations were completed on the Measured Resource using Lerch Grossman methods on gold price variables between \$1500/oz and \$2000/oz**
- **An optimised Proven Reserve at \$1700/oz gold price is 92,080 tonnes at 3.11 g/t Au uncut (Based on sale for 40% of contained gold - see notes on parameters)**
- **Further parameters for pit optimisations and reserves are being modelled for toll-treatment options**
- **A Programme of Works application has been approved by the DMP for approximately 68,000 metres of RAB, Aircore and auger drilling which covers 12 exploration targets over the Garden Gully and Sabbath tenements**

Mooloogool Project (Proto JV)

- *Targets covering the Mooloogool tenements are currently being investigated by JV partner Proto Resources & Investment Ltd. After assessing the data Proto will most likely devise a new program and approach to be implemented by them based on the geological recommendations.*
- *Proto will be acquiring 51% of the project by the payment of \$50,000 and the issue of 360 million shares to Dourado and also have the right to earn a further 19% of the project through exploration expenditure of \$2,500,000.*

Diamond Well Project

- *A Programme of Works application to commence drilling on E51/1367 has been approved by the DMP. This will consist of a 15 hole Air Core (AC) program that will drill to 100m in depth with the holes spaced 1 km apart.*
- *The Native Title heritage survey process must be finalised prior to the proposed drilling on E51/1367.*

Other Projects (Mainland, Lennonville, Jumbulyer, & Barrambie)

- *Programme of Works applications to commence drilling on the various projects will be lodged for approval by the DMP. Drilling will be RAB or Air Core (AC) to drill to approximately 50m in depth and the holes spaced 100-200m apart*
- *Once PoW approval is obtained the Native Title heritage survey process will be finalised prior to the proposed drilling commencing on the tenements.*

DETAIL

Sabbath Gold Project

Sabbath mining tenement M51/322 (approximately 12 km north-west of Meekatharra) is situated in a well-defined belt or “corridor” of gold mineralisation in the Garden Gully South district north of Meekatharra. The strike trends of historical gold workings appear to be extensive and NE to NNE in orientation. This is a regional trend parallel to the Meekatharra Greenstone Belt.

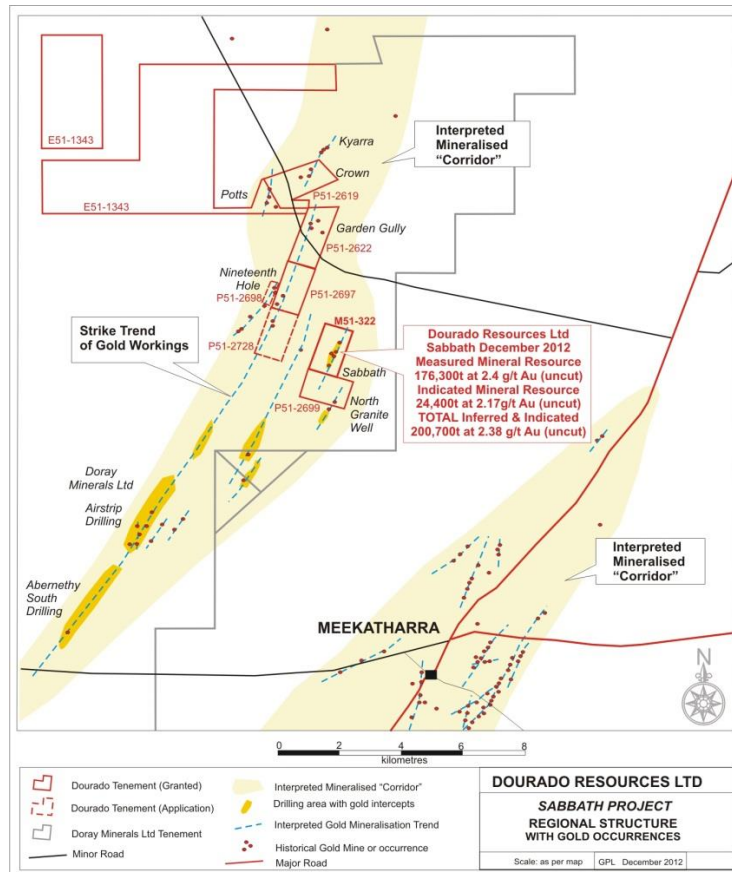


Figure 1 – Regional Setting of Sabbath and gold mineralisation trends

Sabbath Resource

The Sabbath RC survey, lithology and assay results were compiled on a cross-sectional basis using a section spacing of 10 metres in the main part of the drilling and 14-30m for the remainder. A total of 330 drill holes and 12231 samples constituted the resource drilling database. All samples had been tested for gold, silver, arsenic, copper, lead and zinc. Only the gold assay was used for resource estimation.

Check assays, standards and blanks were reviewed to assess sample quality, repeatability and reliability for confidence in the resource grades. There were no quality control issues and all check samples returned values well within acceptable error margins.

Using Minemap software interpreted outlines of mineralisation were digitised for each section. After checking for continuity and consistency with lithological logging between each section these outlines formed the basis for wireframe construction. Mineralised outlines were drawn around clusters of assays above 0.5 g/t Au and a minimum intercept of 2m exceeding 0.5 g/t Au was used. A maximum internal dilution of 2m was allowed within ore zones and no external dilution was added.

All ore wireframes were constructed within oxidised rock and a density was applied equally to each elevation zone on the basis of consistently uniform weathering and oxidation features and mineral assemblages. This tabulated below:

From	To	Density
500 mRL	490 mRL	1.6
490 mRL	470 mRL	1.8
470 mRL	460 mRL	2.0
460 mRL	450 mRL	2.1
450 mRL	440 mRL	2.2
440 mRL	430 mRL	2.3
430 mRL	420 mRL	2.4
420 mRL	360 mRL	2.4

Measured Mineral Resource category was assigned to those wireframes generated from drilling at less than 14m and usually less than 10m line spacing and mineralisation outlines were projected up to 5m away from drill holes.

Indicated Mineral Resource Category was assigned to those wireframes generated from 20m or greater drill spacing and outlines of mineralisation projected no more than 12m away from the drill hole trace.

Some mineralisation occurring below the resource and pit areas has not been included in the estimation if continuity between sections could not be established.

Estimation was completed by creating a block model of 2m (x) by 5m (y) by 2.5m (z) dimensions within wireframes. Grade interpolation was by Inverse Distance Squared algorithm. Grade assignment utilised search ellipse radii oriented grid N-S at 14m (along strike) and 10m across strike and 4m vertically.

Results

SABBATH RESOURCE		Au grade	Au Grade	Total (no upper cut)	Total (10 g/t upper cut)
<i>Units</i>		<i>g/t</i>	<i>g/t</i>	<i>Troy Ounces</i>	<i>Troy Ounces</i>
<i>Lower Cut</i>		<i>0.5 g/t Au</i>	<i>0.5 g/t Au</i>	<i>0.5 g/t Au</i>	<i>0.5 g/t Au</i>
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TOTAL MEASURED & INDICATED	202,103t	2.38	2.14	15449	13894

The Sabbath deposit now has a Measured Mineral Resource of 175,563 tonnes at 2.14 g/t Au compared to the previously reported 145,000 tonnes at 2.21 g/t Au (at a 10g/t upper cut).

In addition an Indicated Mineral Resource of 26,540 tonnes at 2.10 g/t Au (at 10g/t upper cut) has been defined. This brings the total resource estimation to 202,103 tonnes at 2.14 g/t Au at a 10g/t upper cut.

Optimisation runs using the Lerch Grossman method were completed on the Measured Resource on gold price variables between \$1500/oz and \$2000/oz.

This work was completed using 2 options. Each option had the following costs applied:

Mining: \$4 per tonne
 Haulage to plant: \$0.30/tonne/kilometre
 Waste dump within 1km of pit

Therefore Mining and Haulage = \$20.80 for ore and \$4.60 for waste

Option 1 assessed the deposit as if the ore was sold at a purchase price of 40% of the contained gold value

Option 2 assessed the deposit as if the ore was toll-treated at \$83 per tonne at a 92% recovery.

Option	Gold Price USD/oz	Tonnes	Grade (cut to 10g/t Au)	Ounces (cut to 10g/t Au)	Density
Option 1	1500	91830	2.64	7804	1.91
Option 1	1700	93485	2.63	7903	1.91
Option 1	1800	101538	2.57	8399	1.91
Option 2	1500	49436	2.91	4627	1.87
Option 2	1700	65531	2.79	5883	1.90
Option 2	1800	65877	2.79	5916	1.90

An optimised Proven Reserve at \$1700/oz gold price is 92,080 tonnes at 3.11 g/t Au uncut (Based on sale for 40% of contained gold)

Further parameters for pit optimisations and reserves are being modelled for toll-treatment options.

DUO will conduct a review of possible production scenarios in order to establish the most suitable approach.

In addition a Programme of Works application has recently been approved by the DMP for approximately 68,000 metres of RAB, Aircore and auger drilling which covers 12 exploration targets over the Garden Gully and Sabbath South tenements. See Figure 2.

Negotiations are continuing through the representatives of the traditional owners to complete ethnographic and anthropology inspections of the proposed drilling areas.

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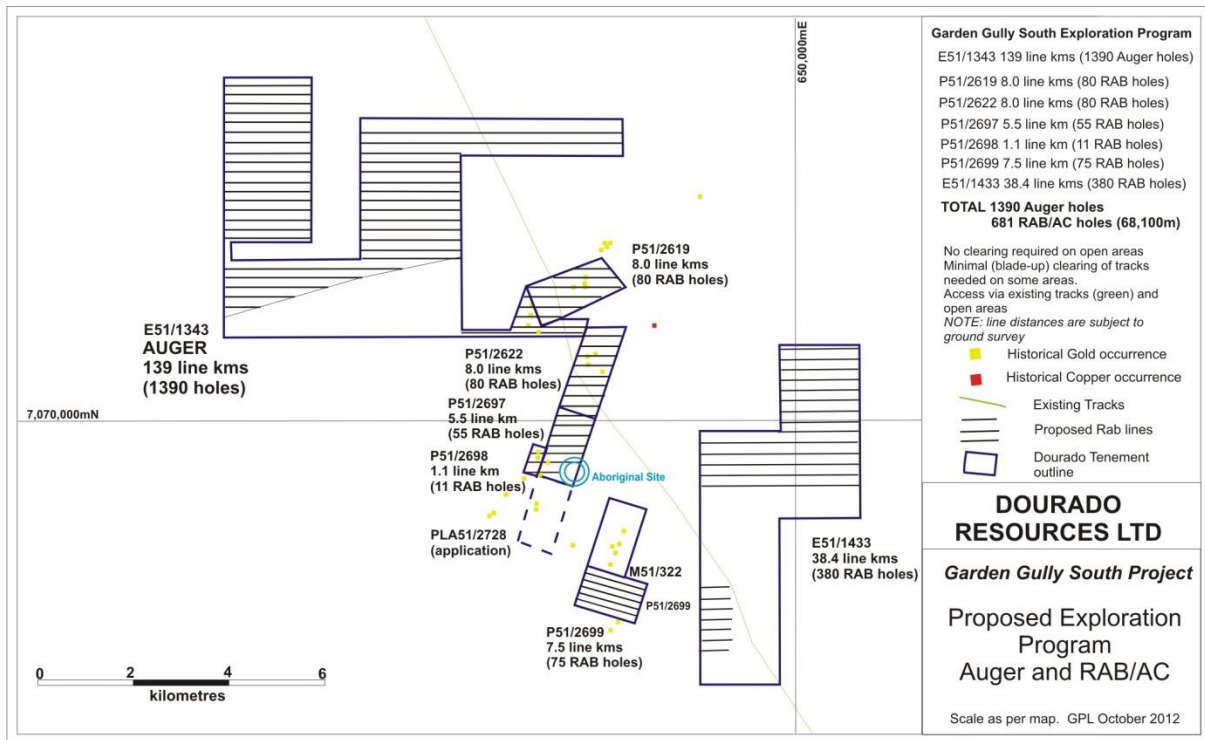


Figure 2 – Proposed exploration drilling program for various tenements at Garden Gully South

MOOLOGOOL (Proto JV)

Targets covering the Mooloolgool tenements are currently being investigated by JV partner Proto Resources & Investment Ltd. After assessing the data Proto will most likely devise a new program and approach to be implemented by them based on the geological recommendations.

A sampling program which Proto may wish to use has been designed by Dourado to investigate a number of new targets identified as a result of analyzing coincident geological boundaries and radiometric or magnetic anomalies. Other targets are extensions of known geochemical anomalies or areas of geological interest.

The targets cover tenements E51/1213, E51/1215, E51/1185, E51/1186, E51/1325, E51/1340, E51/1341 and E51/1342 and will be tested by a soil and drainage program comprising 4330 soil samples for approximately 200 line kilometres, as well as drainage samples together with geological mapping.

DIAMOND WELL

A Programme of Works (PoW) has been approved and negotiations are continuing through the representatives of the traditional owners to complete ethnographic and anthropology inspections of the proposed drilling areas.

This program will consist of 15 Air Core (AC) drill holes which will drill to a maximum depth of 100 metres and will be spaced 1000 metres apart.

Corporate

Dourado Resources Ltd (“**Dourado**” or the “**Company**”) announced to ASX on 15 March 2013 a request to voluntarily suspend the Company from trading as a consequence of the failed funding arrangements the Company had in place.

Dourado since the suspension has been negotiating with other parties interested in the Company and its assets to restructure and re-capitalise the Company. During the quarter the Company achieved a significant milestone by entering into a Joint Venture with Proto Resources & Investments Ltd in relation to the Mooloogool Project.

During the quarter Dourado advised shareholders of the following:

On 5 April 2013 the company announced a notice for further extension of time to the voluntary suspension.

On 4 June 2013 the company announced a Winding-Up Application had been received from Resource Drilling Services for a hearing listed on 25 June 2013.

On 13 June 2013 the company announced a Joint Venture with proto Resources & investments Ltd on its base metal Mooloogool Project.

On 12 July 2013 the company announced consent orders were filed on 5 July 2013 in the Supreme Court for the Winding-Up Application to be dismissed.

Dourado has recently met with ASX to discuss its lifting from suspension and re-quotation of trading. ASX has clarified its requirements for the company to be re-quoted and Dourado will be presenting a proposal to ASX which will include its new structure and capital raising.

Comment

It is common practice for a company to comment on and discuss its exploration in terms of target size and type. In addition surface sampling assays and drill sample results may also be discussed in the context of information describing the presence of anomalous mineral content. The above information relating to Exploration Targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Mineral Reserves. Hence the terms Resource (s) or Reserve(s) have not been used in this context. The potential quantity and grade is conceptual in nature, since there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource

Declaration

The information in this statement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by independent consulting geologist Brian Davis who is a Member of The Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Davis is employed by Geologica Pty Ltd and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is undertaken to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’.

Mr Davis consents to the inclusion in the report of the matters based on the information made available to him, in the form and context in which it appears”.