

ASX QUARTERLY REPORT for the Period Ending — 30 September 2009

EMERGENT RESOURCES LIMITED

“An emerging Western Australian mineral resource company focused on iron (DR magnetite) and base metals”

ASX Code: EMG

Total shares on issue	49,346,501
Listed options	23,242,251
Unlisted options	3,700,000

Directors

George J McMaster - Non-Executive Chairman
Garry R Hemming - Managing Director
Kevin E Judge - Non-Executive Director

Projects

Beyondie Magnetite Project:

Working to develop the project into a world class mining operation producing a high grade, low impurity magnetite concentrate.

Glengarry Base Metal Project:

comprising 2500 square kilometres of highly prospective ground for Cu, Pb, Zn, precious metals and uranium.

Mt Narryer Gold, Copper, Uranium Project:

exploring high order anomalies in important geological setting.

Marble Bar Copper, Gold Project:

potential for VMS deposits.

Paterson Uranium, Copper, Gold Project:

potential for Kintyre, Maroochydore and Nifty style deposits.

HIGHLIGHTS

IRON – Beyondie Magnetite Iron Project

- Maiden JORC Inferred Resource of 127Mt @ 28.15% Fe (21% Fe cut off) announced.
- Additional Target mineralisation ranging between 500-600mt @ 25-30%Fe confirmed.
- 3rd stage 69 hole 12,109m drilling program commenced over western-most 12km segment of the known 60km total strike length. Program completed post the Quarter, on October 23.
- Three new exploration tenements acquired immediately adjacent to project area. Extends continuous strike length by 15km – to 60km in total.
- Non-binding MOU signed with China Metallurgical Investment Co Ltd (CMIC) for the development of Beyondie Project, which includes a 50:50 Development JV and provision of A\$200m funding at project, and A\$4.9m placement to CMIC.
- Post the Quarter, CMIC successfully complete its due diligence for \$200m Development JV and has entered into a binding agreement with Emergent for the A\$200m to develop Beyondie (refer announcement 28 October 2009 attached)
- ProMet Engineers and MSP Engineering provided a revised, comprehensive internal Business Plan to assist advancing with the project.
- Investigation of mining, metallurgy, process, logistics and engineering aspects progressed.

BASE METALS - Glengarry Base Metal

- Mineral mapping and targeting study completed by CSIRO.

CORPORATE

- Successful placement to raise \$2.52m completed.

OVERVIEW

Emergent Resources continued to carry out a high level of exploration work. At Beyondie, the flagship project, the company commenced its 3rd phase of exploration drilling. The program was designed to lift the resource base at the Beyondie Project to 1 Billion tonnes. The program drilled 69 holes for 12,109 metres, over 12km segment of the known 60km total strike length, and was completed post the Quarter, on 23 October 2009. The company's diamond drill programme remains ongoing.

The Company also acquired three new exploration tenements adjacent to the Beyondie Project. These provide an additional 15 km of continuous strike to the prospective Beyondie Magnetite Schist, bringing the covered total strike length to 60km.

A comprehensive revision of the internal Business Plan for the project was prepared in conjunction with independent engineering firms, ProMet Engineers Pty Ltd and MSP Engineering Pty Ltd, to assist with scheduling the development program. It covered all aspects of mining, metallurgy, environment, hydrology, as well as process and engineering aspects and transport options. Rockwater Pty Ltd and EnviroWorks Consulting were retained to respectively assist with the hydrology and environmental studies.

A non-binding MOU was signed with China Metallurgical Investment Co Ltd (CMIC) on 3 July 2009 for the development of the Beyondie Iron Project, which includes a 50:50 Development JV and provision of A\$200m funding at the project, and a A\$4.9m placement to CMIC. Subsequent to the Quarter, CMIC successfully completed due diligence and signed a binding Subscription and Option Agreement to proceed with the previously announced share and option placement in Emergent and a \$200m Development JV with EMG for the Beyondie Project (refer ASX announcements on 15 and 28 October 2009).

The company's base metal projects at Glengarry, near Wiluna, were advanced with completion of a collaborative targeting study between the CSIRO, geophysical consulting firm Resource Potentials Pty Ltd, and Emergent. Commitment to field testing of targets will commence once target prioritization is finalized.

BEYONDIE MAGNETITE PROJECT

E52/1806, ELA52/2215

ELA52/2474, ELA69/2625, ELA69/2669 (100% EMG)

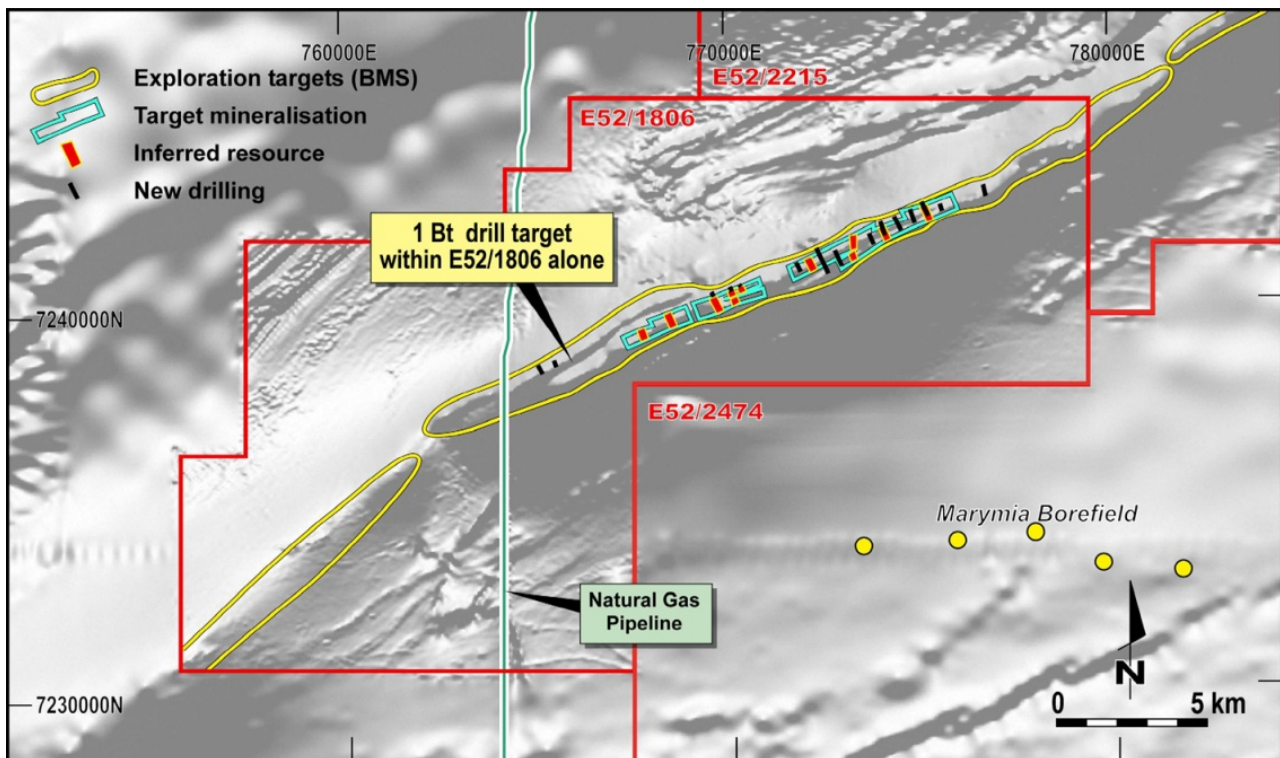
The Company is working to develop the Beyondie Magnetite Project in to a world class Western Australian magnetite iron project with the potential to be a long life iron ore operation. Emergent recently confirmed a maiden JORC Inferred Resource of 127Mt @ 28.15% Iron (Fe). In addition to the Inferred Resource, a further 500-600Mt @ 25-30% Fe was reported by the independent geologist and is classified as 'Target Mineralisation' (Figure 1).

The target mineralisation tonnage and grade is conceptual in nature in that there has been insufficient exploration at this stage to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a mineral resource.

The maiden resource was generated from 46 holes for 5,651 metres, completed over two phases of Reverse Circulation drilling.

Subsequent to the Quarter, on 6 October 2009, the Company entered into an agreement with De Grey Mining Limited (ASX: DEG) (DeGrey) to acquire 100% ownership of the Beyondie Project. Under the terms of the agreement Emergent will acquire De Grey's right to a 20% free carried interest in the project, giving Emergent 100% ownership of the project for an initial payment to De Grey of \$4.5 million plus deferred payments totaling \$2.25 million (plus interest).

Figure 1: New drilling relative to the existing Inferred Resource and Target Mineralisation



The 3rd phase drilling program at Beyondie commenced during the quarter. The program completed post the Quarter, on October 23. It was designed to lift the resource base to 1 Billion tonnes and comprised:

- 39 Reverse Circulation drill holes for 6,674 metres and 29 Reverse Circulation pre-collars for 2,529 metres bringing the RC total to 9,203 metres.
- 14 Diamond drill holes, including 13 tails, for 2,906 metres.

Sixteen pre-collars are to be diamond-tailed in the future.

Drilling focused on the western-most 12km segment of the known 60km total strike length at the Beyondie Project. The drilling predominantly infill's the existing resource at Beyondie, and also include strike and depth extensions to the resource. The drilling was designed to promote the 'target mineralisation' to the inferred resource category and confirm the geology, particularly in the thickness and continuity of the Beyondie Magnetite Schist (BMS). A third objective was to provide high quality metallurgical and engineering samples for test work, including extensive Davis Tube determinations.

Drilling continued to intersect wide, high grade bands of magnetite-bearing BMS with widths locally exceeding 150 metres (refer to Figure 2 and 3; Table 1; a more complete table of results and collar information can be found in Attachment 2). Significantly, the thickest intersections drilled to date lie outside the previously drilled areas used to define the maiden resource. The intersections confirm the continuity of the mineralisation and the potential for the project to host large tonnages of mineralisation.

Table 1 Summary of Drilling Results (lower cut 20%, maximum internal waste 2 m)

Hole_ID	From	To	Interval	Grade	Intercept
BDC065	0	135	135	27.63	135m @ 27.63% Fe
BDC066	60	199	139	27.65	139m @ 27.65%Fe
BDC072	38	151	113	27.55	113m @ 27.55%Fe
BDC 70	0	109	109	26.90	109m @ 27.81%Fe
BDC061	72	159	87	27.85	87m @ 27.85% Fe
BDC056	86	161	75	28.01	75m @ 28.01% Fe

Figure 2: Section 28400 mE (Preliminary): mineralised intercepts are shown in red

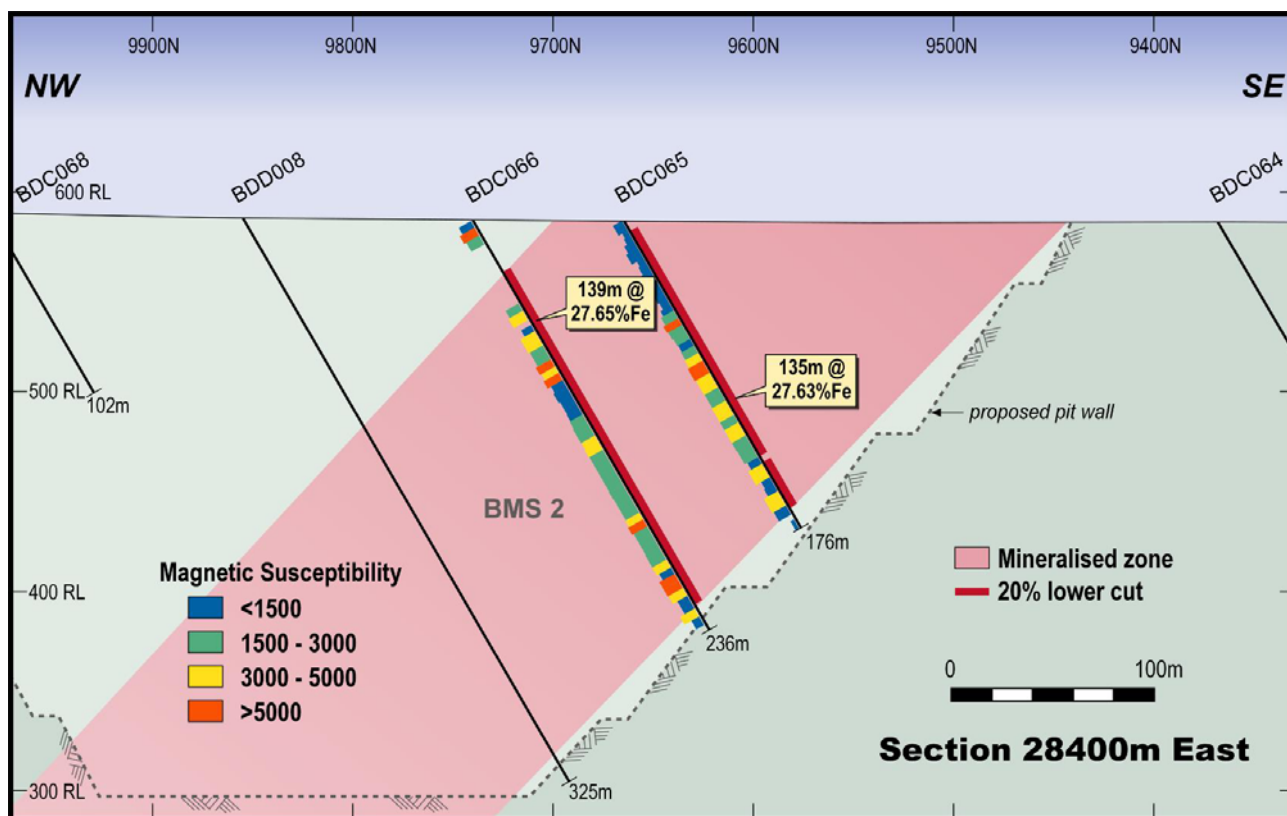
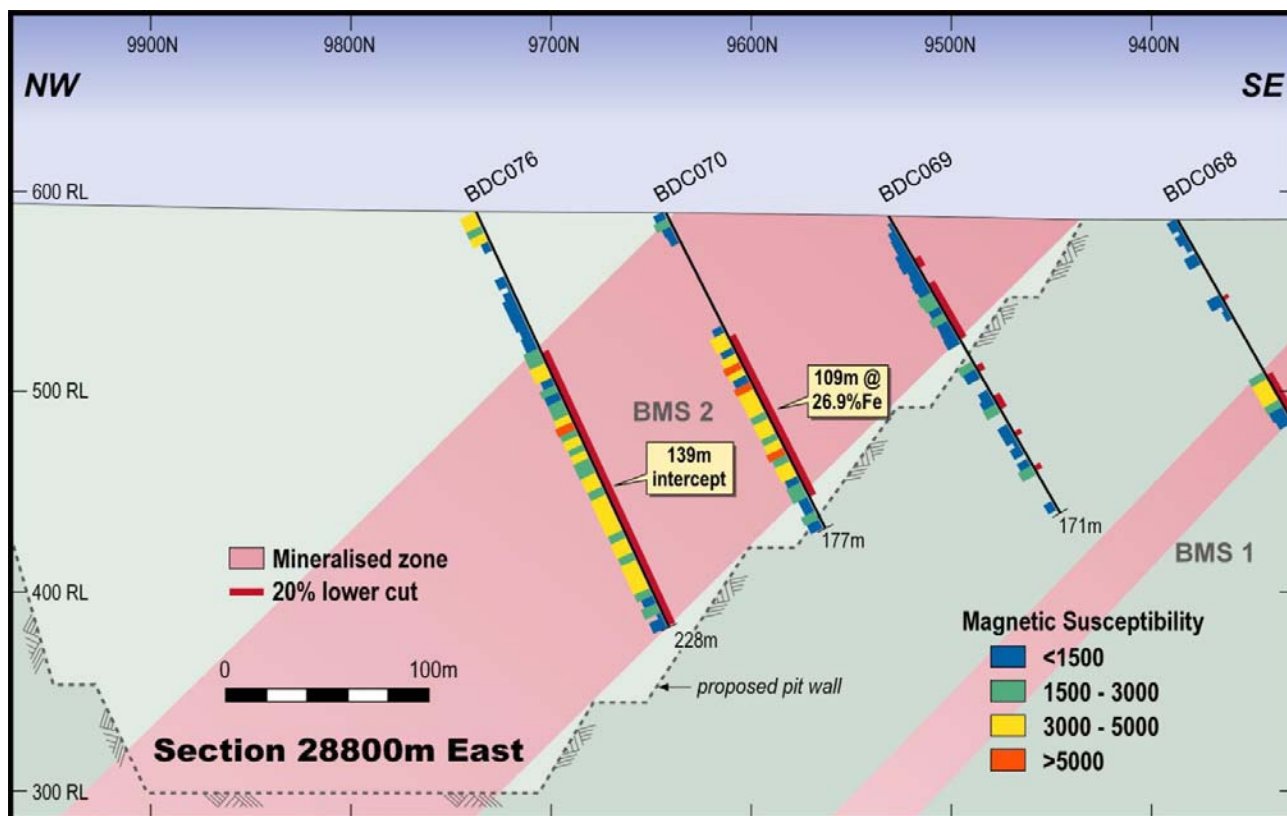
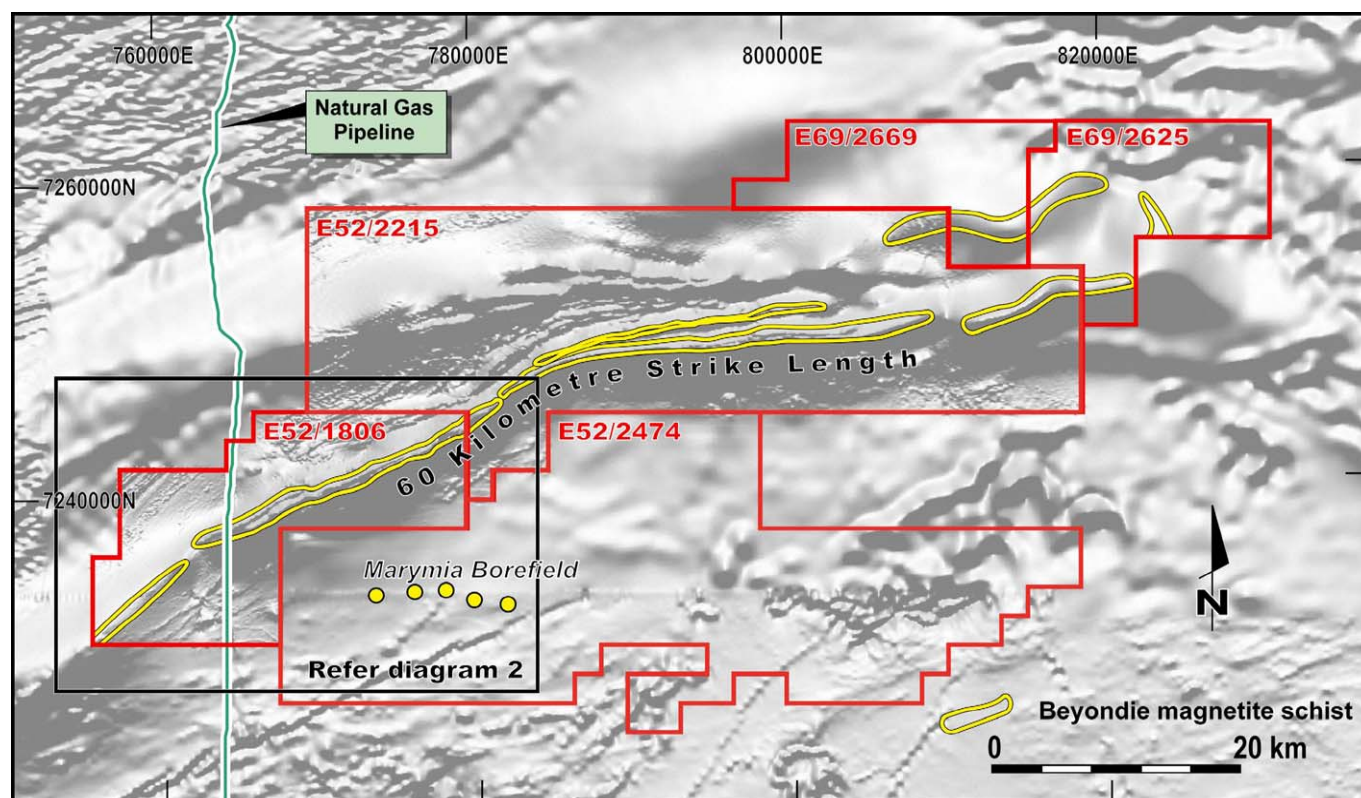


Figure 3: Section 28800 mE (Preliminary): mineralised intercepts are shown in red



During the Quarter, the company acquired three new exploration tenements; ELA 69/2625 and ELA 69/2669, which cover extensions to the Beyondie Magnetite Schist, and E52/2474 (Figure 4). The new exploration acreage provides the Company with an additional 15km of continuous strike at the project, which extends the total strike length at Beyondie from 45km to 60km. The addition of the new tenements to the project's asset base will enhance the long term, large scale profile of the project.

Figure 4: Emergent Tenure: distribution of the target Beyondie Magnetite Schist on detailed processed magnetic imagery.



JOINT VENTURE WITH CMIC TO DEVELOP BEYONDIE PROJECT

On 3 July 2009, the Company entered into a non-binding MOU with Chinese State Owned Enterprise (SOE) China Metallurgical Investment Co Ltd (CMIC) for the development of the Beyondie Iron Project. The MOU includes a 50:50 Development JV and provision of AUD\$200m funding at the project, and a A\$4.9m placement to CMIC. Subsequently CMIC successfully completed its due diligence and a binding \$200m Development JV with Emergent for the Beyondie Project was announced on 28 October 2009.

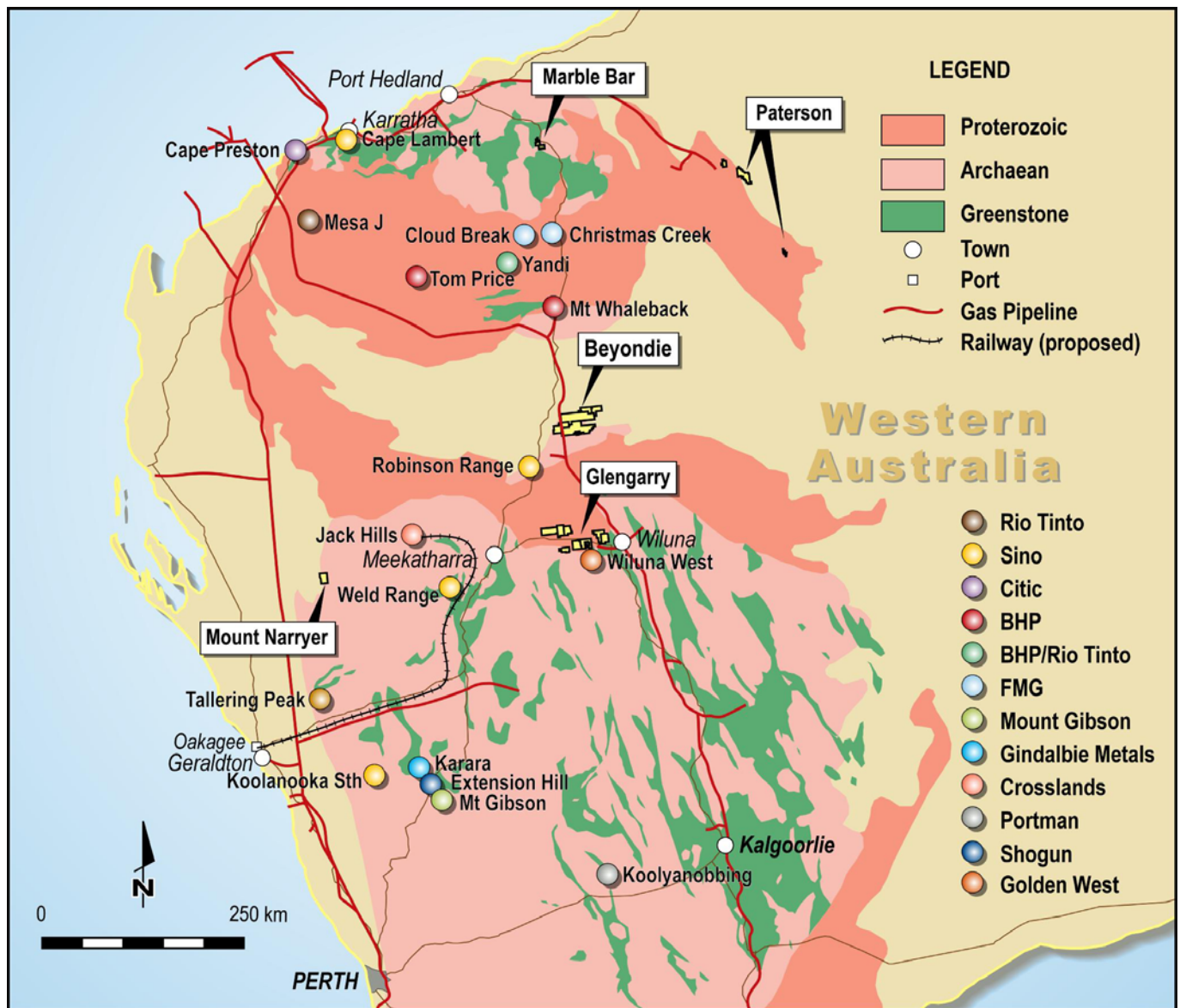
BASE METAL PROJECTS

The regional targeting framework for the Company's Glengarry Base Metal Project, near Wiluna, was finalised towards the end of the quarter. Critical to this framework is the mineral mapping and alteration study carried out by the CSIRO's Mineral and Environmental Sensing Group and Emergent, utilising the Company's HyMap data.

The resulting mineral maps, which highlight mineralising fluid migration pathways, will be draped over the lithostructural framework (the structures which promote and/or arrest fluid migration) which have been jointly established by Emergent and consulting geophysical firm, Resource Potentials Pty Ltd, and used to prioritize targets. Compilation of the public-domain legacy data, part of which will be merged with the surface MMI (Mobile Metal Ion) sampling completed by Emergent will justify the target rankings.

Target ranking will be completed in the next quarter, and active field reconnaissance and exploration will commence early in 2010.

Figure 5: Project location



CORPORATE

The Company successfully completed a placement of 6.3 million shares to professional and sophisticated investors in Australia at a placement price of A\$0.40, to raise A\$2.52 million. For every two shares placed the Company issued an attaching option exercisable by payment of 20 cents each on or before 30 September 2010.

ENDS

G R Hemming
Managing Director

Competent Persons Statement

The information in this report which relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Philip A. Jones, who is a Corporate Member of the Australasian Institute of Mining and Metallurgy, a Member of the Australian Institute of Geoscience and independent consultant to the Company. Mr Jones is an associate of Al Maynard & Associates and has over 30 years of exploration and mining experience in a variety of mineral deposit styles including iron mineralisation. Mr Jones has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Jones consents to inclusion in the report of the matters based on his information in the form and context in which it appears.

Technical information in this report has been prepared under the supervision of Mr Garry Hemming, a director of the company and a member of the Australasian Institute on Mining and Metallurgy (AusIMM). Mr Hemming has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking 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" (the JORC Code). Mr Hemming consents to the inclusion in this report of the Information, in the form and context in which it appears.

For further information please contact:

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ASX/MEDIA RELEASE

28 October 2009

BINDING AGREEMENT SIGNED FOR 15% SHARE PLACEMENT TO CMIC AND ESTABLISHMENT OF A\$200M 50:50 JV ON BEYONDIE PROJECT

Emergent Resources Limited (ASX: EMG) is pleased to advise that a Subscription and Option Agreement (Agreement) has been signed in Beijing by EMG and the State Owned Enterprise (SOE), China Metallurgical Investment Co Limited (CMIC) to proceed with the previously announced share and option placement in Emergent and A\$200m 50:50 Beyondie Development Joint Venture to achieve the commencement of mining operations with an initial targeted production of 3Mtpa of magnetite concentrate.

EMG has also been advised by CMIC that to achieve a proposed second stage of the Beyondie Project's annual production output to 8 million tonnes of magnetite concentrate (following the first stage 3 million tonnes per annum production), the Joint Venture will be seeking additional funding over the initial A\$200m investment.

In addition, EMG will seek shareholder approval for an additional placement of approximately A\$5million to fund the initial payment of \$4.5 million to De Grey Mining Limited for the acquisition of 100% of the Beyondie Project as announced on 5 October 2009.

Emergent will now seek to obtain approval from shareholders for the placement to CMIC and the separate share issue. A Notice of Meeting will shortly be sent to shareholders.

The Agreement provides:

1. EMG will issue 8,553,971 shares at 45 cents per share and grant 4,276,986 options at 27 cents per option to CMIC. The options expire on 31 October 2010 and have an exercise price of 20 cents.
2. that the parties will use reasonable endeavours to negotiate and sign all joint venture and loan documentation on or before 15th December 2009 based on key terms set out in the Agreement.
3. that all approvals and documentation must be completed by 31 March 2010.
4. a nominee of CMIC will be appointed to the EMG board.

The Agreement is subject to:

- shareholder approval for the issue of shares and options to CMIC;
- Foreign Investment Review Board approval;
- EMG and CMIC signing the Beyondie Joint Venture documents and loan agreement for a A\$100 million loan to EMG to fund EMG's initial commitments to the Beyondie Development Joint Venture; and
- approval of the Peoples Republic of China National Development and Reform Commission (NDRC) and other relevant authorities.

Emergent Chairman George McMaster said: "I am particularly pleased with the outstanding progress made in just 14 months since Emergent's ASX listing. It was in our IPO that we set our philosophy of; "Today's exploration brings tomorrow's success!" and I believe that all Stakeholders will benefit from our past exploration focus and from our proposed mine development with CMIC, our new partners."

Managing Director Garry Hemming said "We are delighted with the subscription placement agreement for CMIC to take this important position in the Company. We would anticipate that the conditions to the Agreement will be satisfied within the required time frame. We now look forward to proceeding with the Beyondie 50:50 Development Joint Venture with CMIC."

Drilling Results Details (intersection width exceeding 4 m and applying a lower cut 20%, with a maximum internal waste of 2 m)

Hole_ID	From m	To m	Width m	Fe %	Intercept Description	SiO2 %	P %	S %	Al2O3 %	LOI 1000%
BDC066	60	199	139	27.65	139m @ 27.65 %	50.45	0.07	0	4.01	2.59
BDC065	0	135	135	27.63	135m @ 27.63 %	51.33	0.04	0	4.6	2.19
BDC072	38	151	113	27.55	113m @ 27.55 %	49.56	0.02	0	4.21	3.45
BDC070	0	109	109	26.9	109m @ 26.90 %	51.85	0.01	0	5.41	2.23
BDC075	40	149	109	27.81	109m @ 27.81 %	51.09	0.03	0	4.15	1.77
BDC074	20	109	89	26.99	89m @ 26.99 %	51.72	0.03	0.02	4.86	2.27
BDC061	72	159	87	27.85	87m @ 27.85 %	50.17	0.07	0	4.09	1.59
BDC071	2	79	77	26.78	77m @ 26.78 %	52.72	0.02	0	4.99	2.08
BDC056	86	161	75	28.01	75m @ 28.01 %	50.17	0.08	0	4.01	2.32
BDC055	62	120	58	27.28	58m @ 27.28 %	51.93	0.05	0	4.24	2.45
BDC073	2	59	57	26.9	57m @ 26.90 %	53.2	0.02	0	4.57	2
BDC060	52	103	51	26.3	51m @ 26.30 %	52.8	0.02	0	5.02	2.09
BDC059	154	202	48	25.48	48m @ 25.48 %	48.55	0.26	0.04	4.13	5.13
BDC054	168	212	44	27.11	44m @ 27.11 %	46.69	0.18	0.1	2.96	5.34
BDC050	138	179	41	26.45	41m @ 26.45 %	50.5	0.16	0.05	3.36	2.45
BDC053	114	155	41	28.38	41m @ 28.38 %	47.15	0.18	0.04	2.49	4.66
BDC048	45	84	39	28.21	39m @ 28.21 %	48.12	0.15	0	4.06	3.06
BDC049	132	171	39	24.09	39m @ 24.09 %	47.72	0.35	0.11	4.85	6.04
BDC052	70	109	39	27.67	39m @ 27.67 %	46.38	0.19	0.06	2.7	6.98
BDC059	6	42	36	26.92	36m @ 26.92 %	50.24	0.02	0.01	7.15	3.45
BDC048	103	136	33	24.43	33m @ 24.43 %	45.38	0.38	0.2	4.07	5.87
BDC049	88	121	33	24.8	33m @ 24.80 %	51.93	0.15	0.1	3.76	3.62
BDC050	188	221	33	27.31	33m @ 27.31 %	45.78	0.34	0.05	3.04	4.63
BDC057	32	64	32	28.39	32m @ 28.39 %	47.46	0.15	0	5.45	4.9
BDC058	88	120	32	25.58	32m @ 25.58 %	49.47	0.22	0.08	3.64	5.34
BDC064	94	117	23	27.43	23m @ 27.43 %	48.65	0.25	0	3.15	3.1
BDC069	36	59	23	23.09	23m @ 23.09 %	52.58	0.01	0	5.9	4.18
BDC072	0	23	23	31.89	23m @ 31.89 %	34.87	0.05	0.02	10.31	7.61
BDC070	128	147	19	20.64	19m @ 20.64 %	50.96	0.09	0.03	6.07	6.38
BDC054	44	62	18	27.2	18m @ 27.20 %	51.68	0.06	0	4.64	3.42
BDC054	226	244	18	27.42	18m @ 27.42 %	46.08	0.38	0.03	3.87	4.06
BDC069	0	17	17	24.92	17m @ 24.92 %	56.45	0.01	0.05	4.36	2.01
BDC057	10	26	16	26.51	16m @ 26.51 %	38.53	0.02	0.01	14.74	6.79
BDC058	126	142	16	25.3	16m @ 25.30 %	51.22	0.45	0.01	4.33	4.44
BDC068	92	107	15	25.54	15m @ 25.54 %	44.59	0.28	0.15	3.34	8.97
BDC060	6	19	13	27.68	13m @ 27.68 %	35.36	0.01	0.01	15.58	6.83
BDC066	0	13	13	36.55	13m @ 36.55 %	24.68	0.03	0.02	13.61	6.88
BDC073	74	87	13	19.3	13m @ 19.30 %	54.77	0.04	0.01	7.73	4.01
BDC052	124	135	11	27.82	11m @ 27.82 %	47.04	0.36	0.02	3.1	4.04
BDC053	170	181	11	26.39	11m @ 26.39 %	46.26	0.37	0.02	3.38	5.59
BDC055	219	230	11	22.79	11m @ 22.79 %	48.7	0.18	0.14	4	7.14
BDC066	42	53	11	21.41	11m @ 21.41 %	54.58	0.1	0	7.23	4.3
BDC067	38	49	11	27.29	11m @ 27.29 %	48.32	0.28	0	4.06	4.34
BDC050	78	87	9	21.37	9m @ 21.37 %	54.3	0.02	0	6.38	4.81
BDC053	24	33	9	17.02	9m @ 17.02 %	53.29	0.01	0.01	14.02	5.26
BDC068	38	47	9	20.22	9m @ 20.22 %	51.11	0.42	0	6.78	4.99
BDC056	0	8	8	21.09	8m @ 21.09 %	48.66	0.02	0.02	14.5	5.9
BDC059	104	112	8	20.48	8m @ 20.48 %	51.39	0.19	0.01	9.91	3.48
BDC062	194	201	7	27.12	7m @ 27.12 %	51.9	0.06	0.01	3.42	1.39
BDC054	78	84	6	20.81	6m @ 20.81 %	54.72	0.09	0	6.58	4.26
BDC055	134	140	6	21.21	6m @ 21.21 %	51.89	0.1	0.05	5.76	6.95

Hole_ID	From m	To m	Width m	Fe %	Intercept Description	SiO2 %	P %	S %	Al2O3 %	LOI 1000%
BDC057	68	74	6	21.71	6m @ 21.71 %	57.49	0.26	0	5.82	2.18
BDC058	8	14	6	24.03	6m @ 24.03 %	42.78	0.02	0.02	15.15	6.47
BDC055	2	7	5	20.87	5m @ 20.87 %	49.27	0.02	0.01	14.32	5.69
BDC064	10	15	5	26.97	5m @ 26.97 %	40.95	0.02	0.01	13.25	5.14
BDC065	160	165	5	21.13	5m @ 21.13 %	48.27	0.09	0.02	5.36	9.19
BDC075	0	5	5	27.93	5m @ 27.93 %	32.05	0.01	0.03	17.68	8.37

RC Drill Hole Locations Details

Hole ID	Max Depth	Orig East	Orig North	Local East	Local North	Drill Section	Dip	Azi
BDC048	151	775661	7242321	31810.581	9556.4757	31800	-60	157
BDC049	186	775643	7243376	32206.078	10534.2476	31800	-60	157
BDC050	233	775610	7242411	31798.806	9659.2072	31800	-60	157
BDC051	206	775583	7242487	31803.647	9739.683	31800	-60	157
BDC052	161	774932	7241999	31014.037	9544.9237	31000	-60	157
BDC053	196	774912	7242051	31015.945	9600.5822	31000	-60	157
BDC054	259	774882	7242116	31013.728	9672.1082	31000	-60	157
BDC055	231	774867	7242161	31017.502	9719.3729	31000	-60	157
BDC056	161	774827	7242231	31008.037	9799.4054	31000	-60	157
BDC057	91	774567	7241812	30605.15	9515.4195	30600	-60	157
BDC058	154	774543	7241880	30609.626	9587.3624	30600	-60	157
BDC059	211	774524	7241954	30621.047	9662.8733	30600	-60	157
BDC060	151	774484	7242015	30608.067	9734.6246	30600	-60	157
BDC061	206	774462	7242080	30613.211	9803.0261	30600	-60	157
BDC062	201	774414	7242195	30613.961	9927.5892	30600	-60	157
BDC063	116	772637	7240735	28408.639	9278.2501	28400	-60	157
BDC064	136	772604	7240806	28406.006	9356.4687	28400	-60	157
BDC065	176	772499	7241085	28418.363	9654.1968	28400	-60	157
BDC066	236	772467	7241153	28415.478	9729.2644	28400	-60	157
BDC067	67	772989	7240923	28805.955	9313.7519	28800	-60	157
BDC068	131	772961	7241002	28811.047	9397.3787	28800	-60	157
BDC069	171	772875	7241121	28778.394	9540.4644	28800	-60	157
BDC070	177	772858	7241236	28807.668	9652.9196	28800	-60	157
BDC071	97	771953	7240784	27798.406	9590.4919	27800	-60	157
BDC072	182	771934	7240851	27807.092	9659.5618	27800	-60	157
BDC073	107	773769	7241646	29806.047	9674.3582	29800	-60	157
BDC074	172	773748	7241694	29805.472	9726.7268	29800	-60	157
BDC075	223	773730	7241745	29808.829	9780.6841	29800	-60	157

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Emergent Resources Limited

ABN

68 125 323 622

Quarter ended ("current quarter")

30 September 2009

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(1,024)	(1,024)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(250)	(250)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	5	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net Operating Cash Flows	(1,269)	(1,269)
Cash flows related to investing activities			
1.8	Payment for purchases: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(20)	(20)
1.9	Proceeds from sale of: (a)prospects	-	-
	(b)equity investments	-	-
	(c)other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(20)	(20)
1.13	Total operating and investing cash flows (carried forward)	(1,289)	(1,289)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,289)	(1,289)
	Cash flows related to financing activities		
1.14	Proceeds/(refunds) from issues of shares, options, etc.	2,673	2,673
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	(147)	(147)
	Net financing cash flows	2,526	2,526
	Net increase (decrease) in cash held	1,237	1,237
1.20	Cash at beginning of quarter/year to date	707	707
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,944	1,944

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 \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	105
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 - Remuneration of Directors.

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

-

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

-

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,000
4.2 Development	-
Total	1,000

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 \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	83	107
5.2 Deposits at call	1,861	600
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,944	707

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements acquired or increased	E52/2474 E69/2625 E69/2669	Granted Granted Granted	0% 0% 0%	100% 100% 100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	-	-		
7.2 Changes during quarter				
(a) Increases through issues	-	-		
(b) Decreases through returns of capital, buy-backs, redemptions	-	-		
7.3 +Ordinary securities	49,346,501	40,246,501		
7.4 Changes during quarter				
(a) Increases through issues	6,242,500	6,242,500	40 cents	40 cents
	756,500	756,500	20 cents	20 cents
(b) Decreases through returns of capital, buy-backs	-	-		
(c) Released from Escrow	-	-		
7.5 +Convertible debt securities (description)	-	-		
7.6 Changes during quarter				
(a) Increases through issues	-	-		
(b) Decreases through securities matured, converted	-	-		
7.7 Options (description and conversion factor)	3,700,000	-	Exercise price	Expiry date
	23,242,251	23,242,251	20 cents	31/08/2012
			20 cents	30/09/2010
7.8 Issued during quarter	3,121,250	3,121,250	20 cents	30/09/2010
7.9 Exercised during quarter	756,500	756,500	20 cents	30/09/2010
7.10 Expired during quarter	-	-		
7.11 Debentures (totals only)	-	-		
7.12 Unsecured notes (totals only)	-	-		

+ See chapter 19 for defined terms.

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 \(see note 4\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company secretary)

Date: 30 October 2009

Print name:

Kevin Hart

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* apply to this report.
- 5 **Accounting Standards** [ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic \(if any\) must be complied with.](#)

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