



QUARTERLY ACTIVITY REPORT
For the Period Ended
31 December 2008

Universal Resources Limited
ACN 090 468 018
www.universalresources.com.au

Quarterly Report for the Period Ended 31 December 2008

SUMMARY

Cash

As at 31 December, the Company had cash at bank of \$1.16 million.

Underwritten Rights Issue

Subsequent to the Quarter's end, the Company has entered into underwriting agreements for a fully underwritten non-renounceable pro-rata issue of new shares to existing shareholders on the basis of 1 new share for every 2 shares held on the record date, at an issue price of 1c per share. The issue, which is subject to the Company issuing a prospectus by 30 January 2009, will raise approximately \$1.7 million.

Roseby Copper Project Development

The Roseby Copper Project development remains on hold pending an improvement in both commodity and credit markets.

Roseby Seep Exploration

Xstrata Copper completed a six (6) hole 2,651.4m, pre-collared RC / diamond drilling program during the quarter. The program, which commenced in the September Quarter, was designed to follow-up the intersections encountered in drilling during the June half 2008.

This deep sulphide drilling programme produced very encouraging intersections in four of the six holes. Key intersections include:

HOLE No	INTERSECTION (M)			COPPER (%)	SILVER (gpt)
	From	To	Length		
BCD 853	276	288	12	1.11	0.81
	395	412	17	0.94	2.90
BCD 854 including including including	325	370	45	1.09	6.84
	325	336	11	1.24	11.81
	343	354	11	1.57	8.44
BDC 857 including	365	369	4	1.65	10.08
	278	329	51	1.19	7.7
	295	305	10	1.28	7.69
BCD 858 including	335	346	11	0.99	8.13
	257	276	19	0.71	3.60
	269	276	7	1.33*	7.50

**This interval lies immediately below a brecciated, sheared and quartz-veined zone.*

Quarterly Report for the Period Ended 31 December 2008

DETAILED REPORT

1. CORPORATE

Cash Position

As at 31 December, the Company had cash at bank of \$1.16 million.

Underwritten Rights Issue

Subsequent to the Quarter's end, the Company has entered into underwriting agreements for a fully underwritten non-renounceable pro-rata issue of new shares to existing shareholders on the basis of 1 new share for every 2 shares held on the record date, at an issue price of 1c per share. Underwriting of the issue is subject to the Company issuing a prospectus by 30 January 2009. The issue will raise approximately \$1.7 million.

Expenditures

Expenditures have been reduced to the minimum required to maintain the Company and its mining assets in good standing.

Oz Minerals Limited (OM)

The Company has been negotiating with Oz Minerals Limited to defer, for two years from the signing of formal documentation, the final payment of \$2,000,000 for the purchase of the Roseby Copper Project (listed in the 2008 Annual Accounts as a Current Liability). A number of matters relating to this transaction remain to be finalised in the formal documentation.

Universal's project areas are located in two highly mineralised terrains: the Mt Isa Inlier of Northwest Queensland and the Lachlan Fold Belt of New South Wales (Figures 1, 3 and 10).

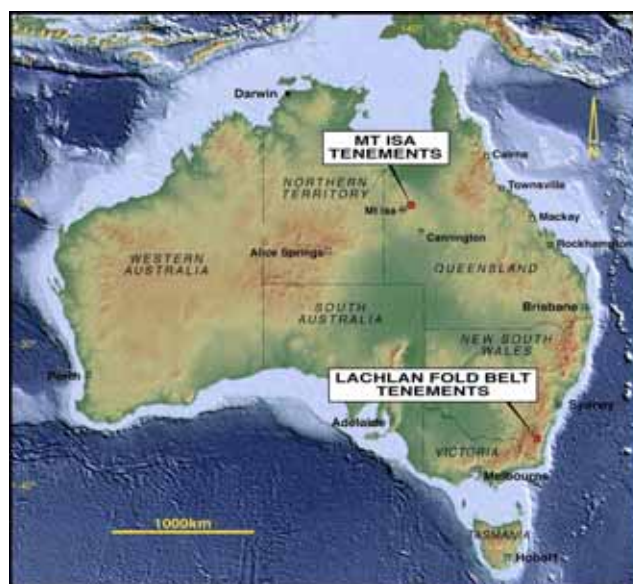


Figure 1. Universal Project Locations

2. PROJECTS

Universal owns a large number of granted mining and exploration tenements in the Mt Isa Inlier covering an area of approximately 2,150 sq km (Figure 3). All tenements are held 100% by the company or its subsidiary, Roseby Copper Pty Ltd.

Two Exploration Licences are held in New South Wales (Figure 10). Both tenements, in which Universal holds a 90% interest, are prospective for zinc dominant poly-metallic massive sulphide mineral deposits.

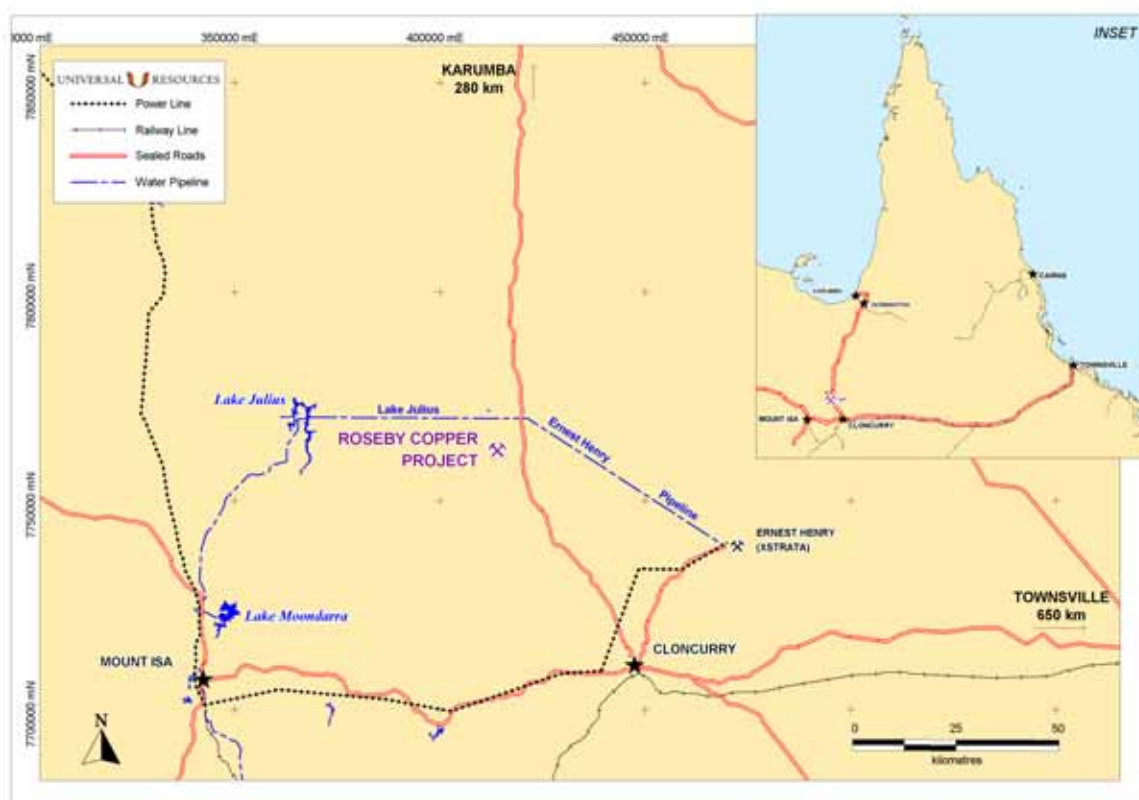


Figure 2. Roseby Copper Project Location and Regional Infrastructure

2.1 ROSEBY COPPER PROJECT (Subject to an agreement with Xstrata Copper)

Universal's major asset is the Roseby Copper Project ("Roseby" or the "Project"), located in the Mt Isa Inlier geological province within North-west Queensland (Figures 1 to 4). The company acquired the Roseby tenement package from Pasminco, now Oz Mineral Limited ("OM") in 2001. Since that time, the Company has focussed its activities on advancing the Project through evaluation and feasibility studies towards production. A detailed feasibility study (DFS), of a 4 million tonnes per annum (4Mtpa) operation was completed in March 2008 and the results reported in the March 2008 Quarter Report to ASX. A later upgrade of the DFS to a 5Mtpa operation was reported to ASX on 3 September. A summary is provided herein.

Details of the agreement with Mt Isa Mines Limited (Xstrata Copper) have previously been advised to shareholders.

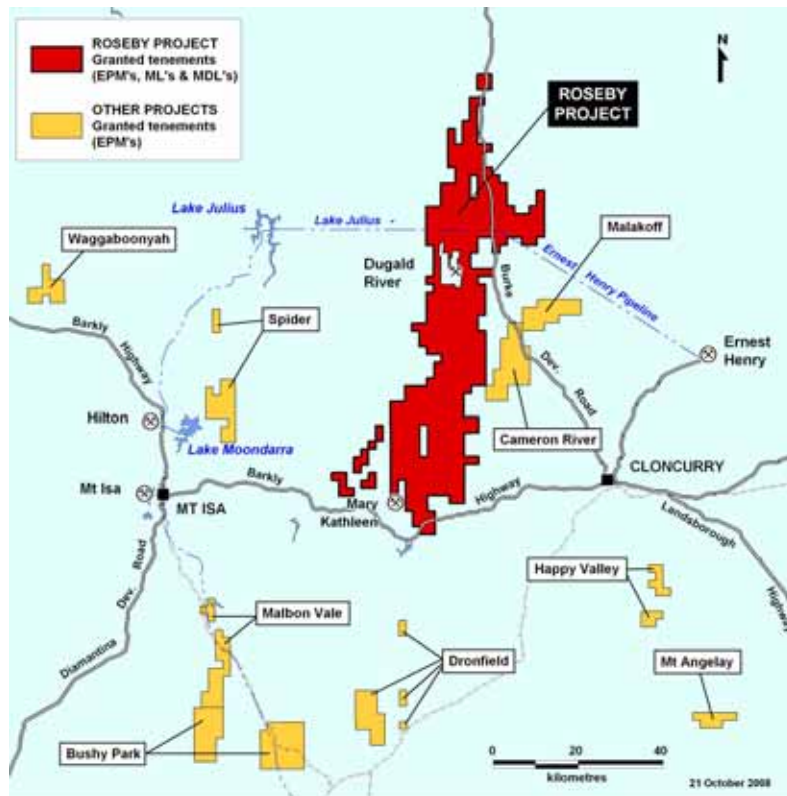


Figure 3. Mt Isa Inlier Projects and Infrastructure

2.1.1 Roseby Project Development

Project Upgrade

An upgrade of the Roseby Copper Project from a throughput of 4Mtpa to 5Mtpa was completed by GR Engineering Services (GRES) during the September Quarter. Based on the base case model, using the forward curves for exchange rate, copper price and gold price (as at 28 August 2008), the results were particularly encouraging, as tabulated below.

	Units	5Mtpa Aug 2008 ¹
Throughput	Mtpa	5.0
Ore blend	Oxide:sulphide	60:40
Copper production (in concentrates)	Av Tpa	26,052
Gold production (in concentrates)	Av Oz pa	6,956
Mine life	Years	9.6
Capital costs	A\$M	212.8
LOM operating surplus	A\$M	1075
Average annual operating surplus	A\$Mpa	112
Brook Hunt C1 cash operating costs	US\$/lb copper	1.36
Net Present Value (8.5% discount)	A\$M	355
Internal Rate of Return	%	37
Capital payback period	Years	2.1

1. The base case model using the forward curves for US\$/A\$ exchange rate and the US\$ prices for copper and gold, as at 28 August 2008.

Significantly, and despite the small capital cost increase of \$16M, by increasing throughput and thereby bringing cashflow forward, there is an increase in the average annual operating surplus from \$83Mpa to \$112Mpa, resulting in an increase in the NPV from \$319M to \$355M. Details of the upgrade were reported to ASX on 3 September 2008.

The current crisis in financial markets and the consequent fears of a world wide recession have impacted on metal prices and the value of the Australian dollar. The Company ran a new model with revenues adjusted using the spot prices for gold, copper and the exchange rate as at 23 October. The effect of the exchange rate and lower oil and steel prices etc on the capital and operating costs was not taken into consideration in this model. Despite the weaker copper price, there was a positive impact on Project financial outcomes as a result of the weaker Australian dollar (US\$0.70).

It can be seen from the summary table below that the annual average operating surplus improved from \$112.0M to \$127.4Mpa, the NPV improved from \$355M to \$449M and the IRR from 37% to 44%. Importantly, the average C1 cash operating costs reduced from US\$1.36/lb of copper to US\$1.20/lb.

However, since 23 October, the copper price has fallen from US\$2.77/lb to around US\$1.50/lb and the exchange rate has fluctuated sharply, but has generally traded in the range US\$0.66 to US\$0.72. At current metal prices and exchange rate, the Roseby Copper Project is unlikely to attract sufficient debt finance to allow development.

	Units	5Mtpa DFS Oct 2008 ¹
Throughput	Mtpa	5.0
Ore blend	Oxide:sulphide	60:40
Copper production (in concentrates)	Av Tpa	26,052
Gold production (in concentrates)	Av Oz pa	6,956
Mine life	Years	9.6
Capital costs	A\$M	212.8
LOM operating surplus	A\$M	1223
Average annual operating surplus	A\$Mpa	127.4
Brook Hunt C1 cash operating costs	US\$/lb copper	1.20
Net Present Value (8.5% discount)	A\$M	449
Internal Rate of Return	%	44
Capital payback period	Years	1.8

1. The base case model using the following spot values as at 23 October 2008:

- A\$1.00 = US\$0.72
- Copper Price = US\$2.77/lb
- Gold Price = US\$733.30/ounce

Resources and Reserves

The total Mineral Resources and Ore Reserves for the Roseby Copper Project are summarised in the tables below. (Mineral Resources are inclusive of the Ore Reserves).

Mineral Resources

The following Mineral Resources have been estimated using a lower cut-off grade of 0.3% copper and, because of the limited number of high values, without a top cut.

DEPOSIT	RESOURCES AT 0.3% COPPER CUT-OFF												CONTAINED METAL	
	MEASURED			INDICATED			INFERRED			TOTAL			COPPER t	GOLD (Oz)
	Tonnes	Grade		Tonnes	Grade		Tonnes	Grade		Tonnes	Grade			
	M	Cu %	Au g/t	M	Cu %	Au g/t	M	Cu %	Au g/t	M	Cu %	Au g/t		
OXIDE DEPOSITS														
Blackard	26.29	0.64	0.01	17.87	0.63	0.01	2.09	0.58	0.01	46.25	0.63	0.01	293,000	16,190
Legend							6.13	0.6	0.01	6.13	0.6	0.01	36,597	1,942
Longamundi							10.40	0.66	0.01	10.40	0.66	0.01	69,037	3,632
Great Southern							6.00	0.61	0.01	6.00	0.61	0.01	36,330	2,000
Scanlan				15.37	0.65	0.01	4.24	0.8	0.01	19.62	0.68	0.01	134,160	7,370
Charlie Brown							0.70	0.40	0.01	0.70	0.40	0.01	2,820	230
Caroline							3.60	0.53	0.02	3.60	0.53	0.02	18,820	2,390
Sub-Total Oxides	26.29	0.64	0.01	33.24	0.63	0.01	33.16	0.63	0.01	92.70	0.64	0.01	590,764	33,754
SULPHIDE DEPOSITS														
Little Eva	3.84	1.04	0.13	22.81	0.75	0.13	3.72	0.73	0.15	30.37	0.78	0.14	237,690	132,230
Lady Clayre zone A							2.87	0.92	0.50	2.87	0.92	0.50	26,414	45,829
Lady Clayre zone F							0.83	0.76	0.51	0.83	0.76	0.51	6,333	13,480
Sub-Total Lady Clayre							3.70	0.88	0.51	3.70	0.88	0.51	32,747	59,309
Bedford North							1.07	1.00	0.25	1.07	1.00	0.25	10,710	8,505
Bedford South							0.70	0.83	0.24	0.70	0.83	0.24	5,793	5,288
Sub-Total Bedford							1.77	0.93	0.24	1.77	0.93	0.24	16,503	13,793
Sub-Total Sulphides	3.84	1.04	0.13	22.81	0.75	0.13	9.19	0.83	0.31	35.84	0.80	0.18	286,940	205,332
ROSEBY TOTAL	30.13	0.69	0.03	56.05	0.68	0.06	42.35	0.68	0.08	128.54	0.68	0.06	877,704	239,086

Ore Reserves

Ore Reserves are listed in the following table. These reserves have been estimated from pit optimisations developed using a copper price of US\$2.00 per pound and an A\$ exchange rate of US\$0.80. The Reserves may change if recalculated using current spot prices for copper and the exchange rate.

DEPOSIT	PROVEN RESERVES			PROBABLE RESERVES			TOTAL RESERVES		
	Mt	Cu %	Au gpt	Mt	Cu %	Au gpt	Mt	Cu %	Au gpt
Little Eva (sulphide)	1.77	1.03	0.12	13.69	0.69	0.13	15.46	0.73	0.13
Blackard (native copper)	17.03	0.67	-	5.83	0.65	-	22.85	0.67	-
Scanlan (native copper)	-	-	-	9.62	0.71	-	9.62	0.71	-
ALL DEPOSITS	18.80	0.70	0.01	29.14	0.69	0.06	47.93	0.70	0.04

Roseby Development Timetable

A firm development timetable will not be available until permitting and financing are finalised. It would seem unlikely that metal and credit markets will improve sufficiently for Project financing to be available before the second half of 2009, and may be considerably later. It is anticipated that environmental approvals, should be received ahead of the likely commencement of construction. Construction is estimated to take approximately 15 months from commencement of site works.

2.1.2 Roseby Exploration

Introduction

Exploration and drilling to-date have identified resources totalling 128.5 Mt grading 0.68% copper and 0.06gpt gold within the Roseby Project area. These resources are of two distinct styles of mineralisation: stratabound sedimentary copper deposits and hydrothermal copper-gold deposits. All deposits remain open at depth and along strike, creating excellent potential to increase the resource inventory by further exploration and drilling.

Stratabound native copper deposits are generally monomineralic with very low levels of associated metals such as silver, gold and molybdenum. They are interpreted to be of sedimentary origin, occurring within a highly deformed and metamorphosed bedded sequence of copper-bearing carbonate-rich sandy and silty metasediments and intercalated volcanics, over more than 25 kilometres of strike.

Copper-gold deposits are interpreted to originate from granite-related hydrothermal fluids deposited within open fracture systems, particularly within the more brittle volcanic host rocks.

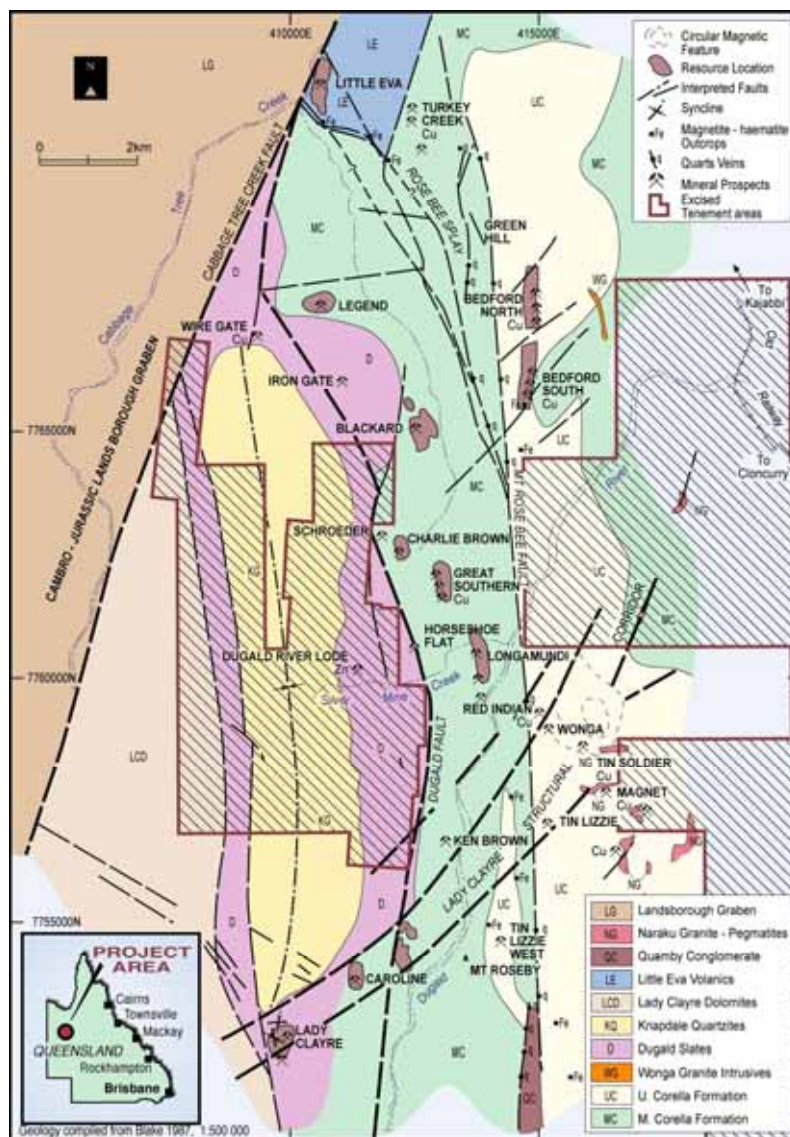


Figure 4. Roseby Copper Project local area geology

The two mineralising systems combine to form a large and regionally extensive mineralised field that encompasses the full strike length of known mineralisation within the Roseby Copper Project.

Although there has been a considerable amount of drilling on the ten deposits listed in the Resources Table (page 5), there has been little exploration of the numerous geological, geochemical and geophysical targets identified. Consequently, Universal believes there is substantial potential for the discovery of new copper and copper-gold resources within this field, particularly beneath and adjacent to known resources and to the east of the Mt Rose Bee Fault (Figure 4).

SEEP Joint Venture (*Xstrata Copper earning 51% interest in the SEEP Area*)

Details of the Xstrata Copper agreement have been reported previously. The SEEP area is shown in Figure 5.

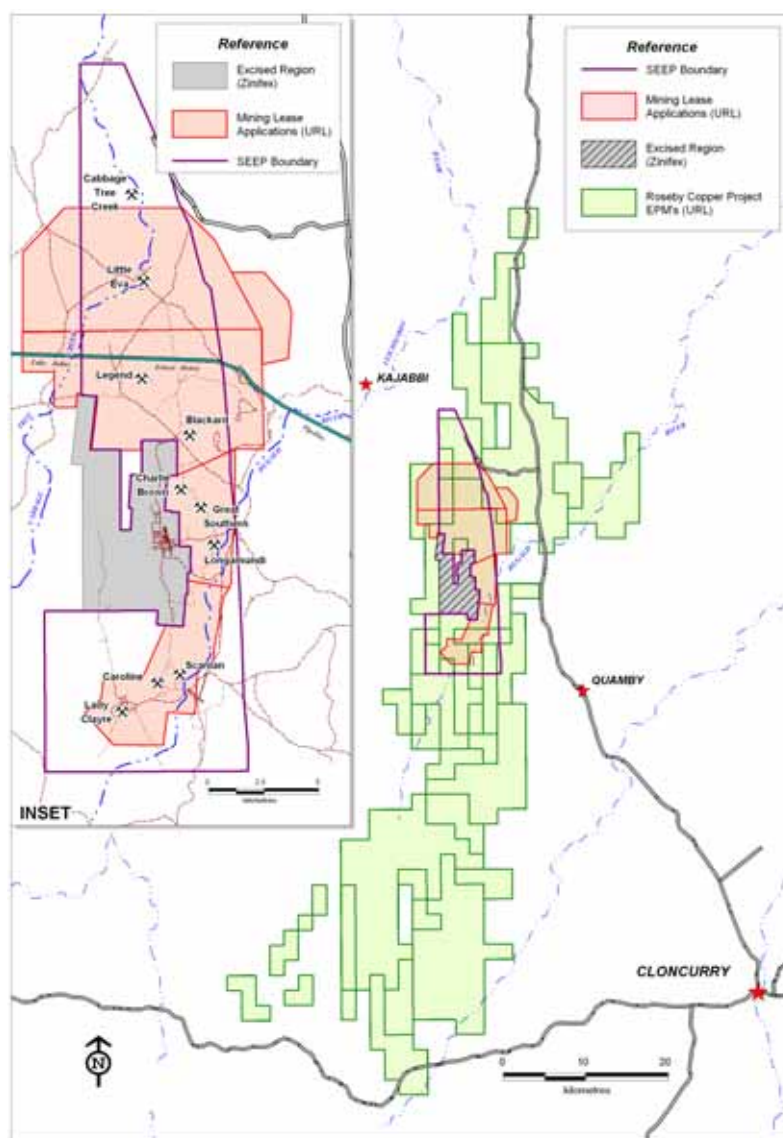


Figure 5. Roseby Project and SEEP Area

SEEP Exploration Activities (Based on information reported by Xstrata Copper)

Blackard Drilling

Results of the SEEP deep drilling programme undertaken by Xstrata in the June half of 2008 were reported in the September Quarterly Report. This drilling, aimed at testing for sulphide mineralisation associated with the Blackard native copper mineralisation, located some very encouraging copper intersections, the most significant of which was in hole BCD 850, which intersected **94 metres averaging 0.93% copper**, in the immediate footwall rocks to the Blackard native copper mineralisation.

A follow-up program in the December Half of 2008 consisted of six (6) RC pre-collared diamond cored holes for 2,651.4 metres. Hole locations are listed in the following table and shown on Figure 6. This program tested a 900m strike length of Blackard mineralisation, below the main native copper mineralisation, for down-dip extensions to the primary sulphide zone and for potential extensions of the mineralisation located in hole BCD 850.

Hole ID	Hole Type	Local Co-ordinates (m)			Max Depth (m)	Dip	Local Azimuth
		East	North	RL			
BCD 853	RC / Diamond	12225	18616	10191.2	486.4	-60	94.87
BCD 854	RC / Diamond	12204	18914	10194.3	414.4	-65	94.67
BCD 855	RC / Diamond	12453	19003	10189.6	402.4	-60	94.87
BCD 856	RC / Diamond	12350	18750	10191.6	501.8	-60	94.87
BCD 857	RC / Diamond	12120	19192	10190.0	444.4	-65	89.87
BCD 858	RC / Diamond	12114	19518	10189.4	402	-65	89.87

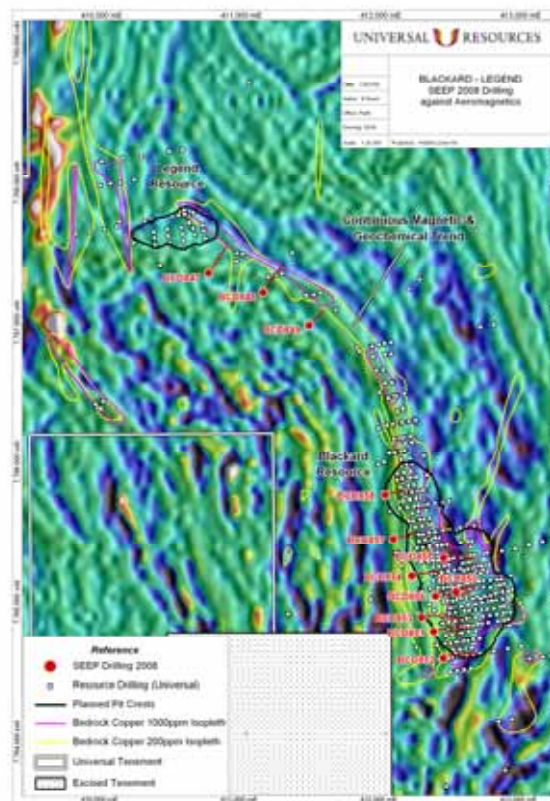


Figure 6. Blackard – Legend: 2008 SEEP Drilling

Drilling Results

Economically significant drill intersections, calculated at cut-off grades of 0.3% copper and a nominal 1% copper for high-grade intervals, are listed in Appendix 1. Key intersections are listed below.

Four holes (BCD 853, 854, 857 and 858) intersected sulphide mineralisation interpreted to be the down-dip extensions of the western limb of the Blackard native copper resource. Three are interpreted to have extended mineralisation down-dip by more than 100 metres from previous intersections, two of which are shown in Figures 7 and 8.

Drillholes BCD 855 and 856 tested for deep mineralisation in two footwall locations down-dip and north of the good footwall mineralisation previously located by BCD 850. Both drillholes failed to locate more than trace sulphide mineralisation, but confirmed the presence of oxide copper mineralisation in the higher portions of the holes.

Further drill-testing is required to resolve the controls to the high grade mineralisation in BCD 850

HOLE No	INTERSECTION (M)			COPPER (%)	SILVER (gpt)
	From	To	Length		
BCD 853	276	288	12	1.11	0.81
	395	412	17	0.94	2.90
BCD 854	325	370	45	1.09	6.84
including	325	336	11	1.24	11.81
including	343	354	11	1.57	8.44
including	365	369	4	1.65	10.08
BDC 857	278	329	51	1.19	7.7
including	295	305	10	1.28	7.69
	335	346	11	0.99	8.13
BCD 858	257	276	19	0.71	3.60
including	269	276	7	1.33*	7.50

**This interval lies immediately below a brecciated, sheared and quartz-veined zone.*

SEEP Expenditure

Sole funded SEEP Joint Venture expenditure by Xstrata Copper for the Quarter was \$0.86 million.

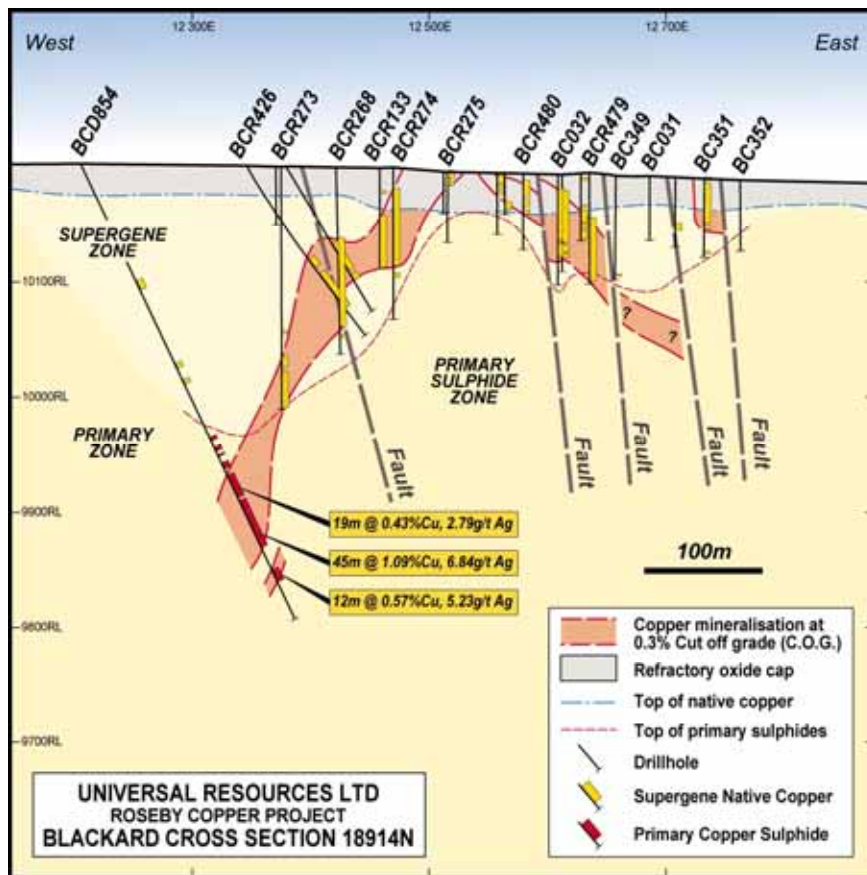


Figure 7. Blackard drill cross section 18914N: BCD 854 Sulphide Intersection

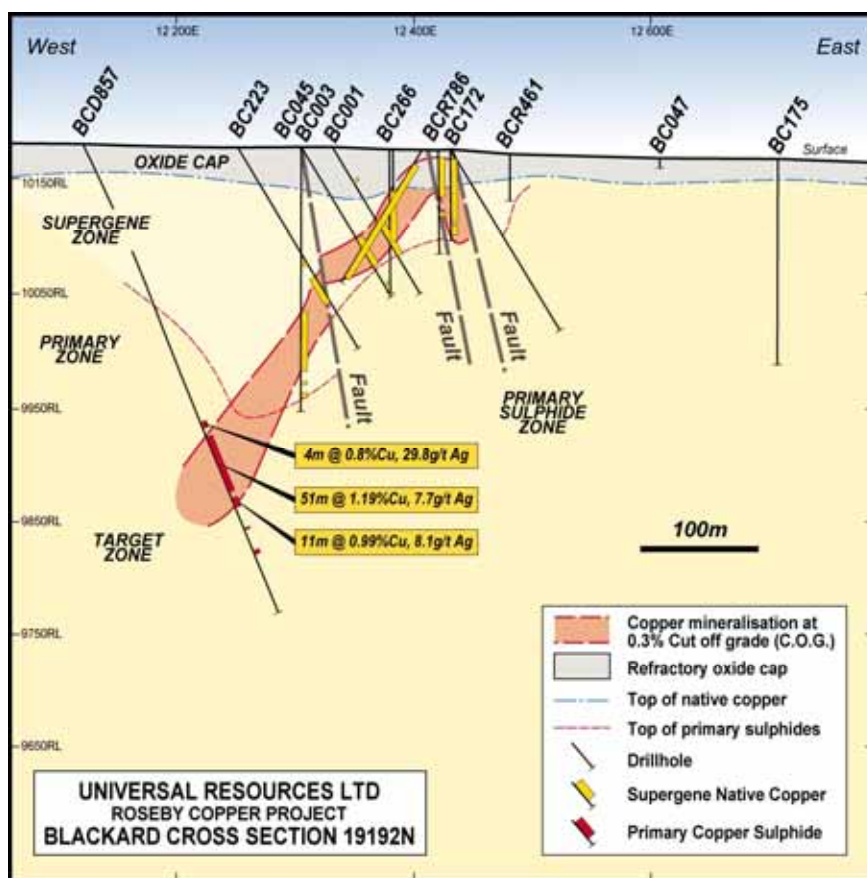


Figure 8. Blackard drill cross section 19192N: BCD857 Sulphide Intersection

2.2 MT ISA REGIONAL EXPLORATION (Universal 100%)

The Proterozoic Mt Isa Inlier (Figure 9) hosts a number of large mineral deposits with a variety of commodities of world class significance.

Universal's ten granted regional tenements lie within highly prospective locations in this mineral province and in particular enjoy good IOCG copper-gold and uranium potential. Exploration work on these tenements during the quarter focussed on prospectivity analysis.

Negotiations are at an advanced stage with a number of companies seeking to farm-in to a number of the company's tenements. Joint Venture Agreements are expected to be finalised in the March Quarter, 2009.

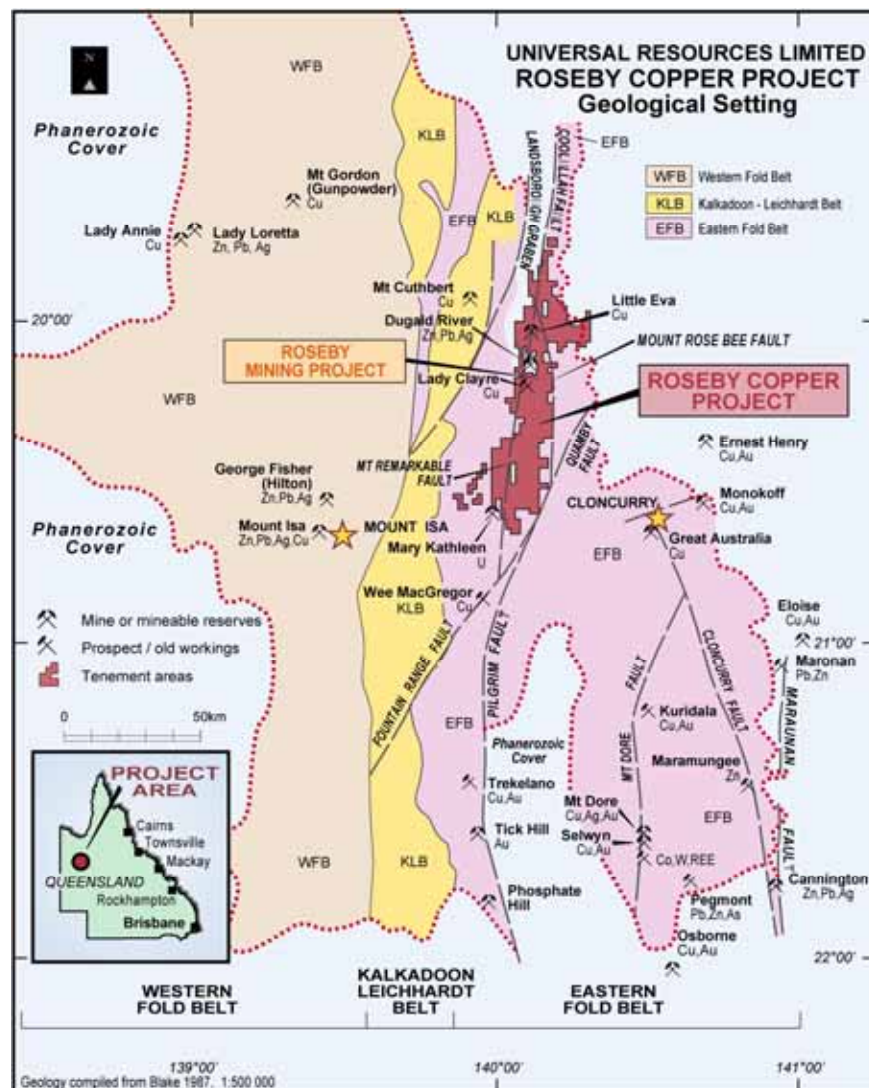


Figure 9. Mt Isa Inlier regional geology and major basemetal deposits

2.3 LACHLAN FOLD BELT (Universal 90%)

Universal holds two exploration Licences in NSW, at Collector and Burra (Figure 10). Both projects have been the subject of joint ventures, both of which are now terminated or inoperative.

The Burra massive zinc sulphide prospect is located 30km south of Queanbeyan within the Lachlan Fold Belt of New South Wales. Ore-grade zinc sulphides, developed within an extensive system of disseminated sulphides, were previously located by shallow RC and diamond drilling at the London Bridge Prospect (Figure 11). This forms part of an approximately 4km long, deeply weathered soil and bedrock zinc anomaly which remains largely untested for Woodlawn-style stratabound zinc sulphide mineralization beneath the zone of weathering.

No field work was undertaken on this prospect during the quarter.

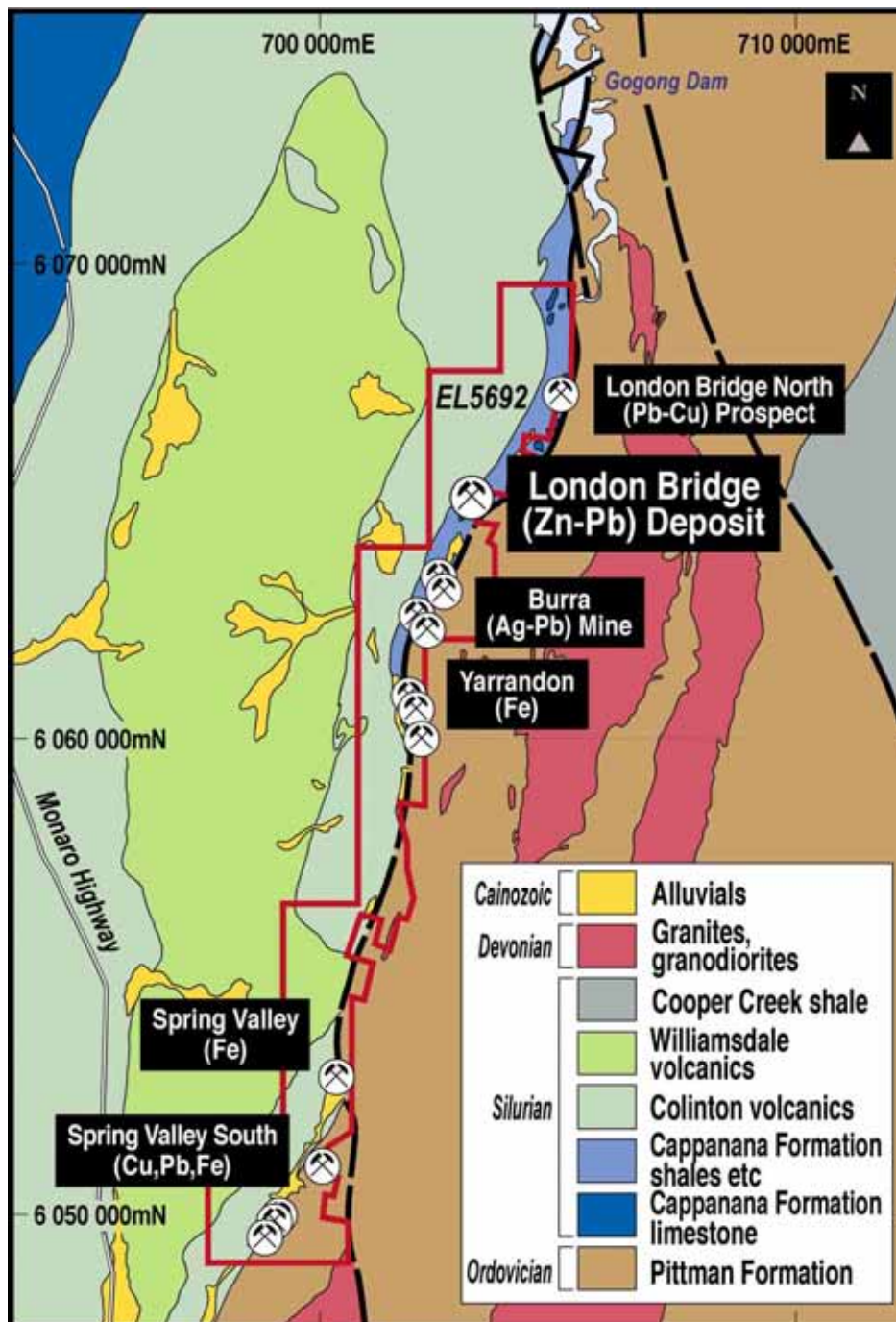


Figure 11. Burra Project Geology and Zinc-Lead-Silver Prospects

3. EXPLORATION EXPENDITURE

Cash at 30 September was \$1.16 million.

Expenditure on exploration and development for the December 2008 Quarter is estimated to be \$0.1 million.



P. A. J. Ingram
Chairman and Managing Director

Much of the information contained in this report that relates to mineral exploration results, Mineral Resources and Ore Reserves has previously been reported to ASX, based on reports by Competent Persons. Exploration data in this report that has not previously been reported to ASX has been compiled by Maurice Hoyle, a full-time employee and director of Universal Resources Limited. Mr Hoyle holds the degree of Bachelor of Science (Honours) in geology, is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Society of Economic Geologists. Mr Hoyle has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities 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 Hoyle consents to the inclusion in this report of the exploration results and information in the form and context in which it appears.

Board of Directors

Peter Ingram (Chairman and Managing Director)
Maurice Hoyle (Executive Director, Technical)
Jason Brewer (Non-executive)
Bruce Fulton (Non-executive)

Company secretary and CFO

Desmond Kelly

Contacts:

Peter Ingram or Des Kelly
Ph. +61 8 9486 8400
Email. reception@universalresources.com.au

Stock Exchange Listing

The Company is listed on the Mining Board of Australian Securities Exchange (ASX): Code URL

Share Registry

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Tce
Perth, Western Australia, 6000
Tel. +61 8 9323 2000

APPENDIX 1

SEEP Exploration: Blackard Drill results for December Quarterly report

HOLE No	INTERSECTION (m)			COPPER (%)	SILVER (gpt)
	From	To	Length		
BCD853	244	245	1	0.32	0.43
BCD853	248	249	1	0.31	0.37
BCD853	257	259	2	0.39	0.15
BCD853	263	267	4	0.54	0.25
BCD853	271	274	3	0.48	0.44
BCD853	276	288	12	1.11	0.81
BCD853	303	328	25	0.44	0.52
BCD853	343	349	6	0.69	1.41
BCD853	351	352	1	0.62	2.48
BCD853	360	362	2	0.47	1.02
BCD853	364	369	5	0.47	1.54
BCD853	375	377	2	0.34	1.35
BCD853	395	412	17	0.94	2.90
BCD853	441	452	11	0.66	2.80
BCD854	120.4	123.4	3	0.30	0.38
BCD854	195.4	198.4	3	0.30	0.09
BCD854	207.4	208.4	1	0.35	0.09
BCD854	210.4	213.4	3	0.38	0.13
BCD854	256	257	1	0.51	0.83
BCD854	263	266	3	0.36	0.19
BCD854	275	276	1	0.32	0.07
BCD854	280	281	1	0.42	0.27
BCD854	288	293	5	0.43	2.05
BCD 854	302	321	19	0.43	2.79
BCD854	325	370	45	1.09	6.84
<i>including</i>	<i>325</i>	<i>336</i>	<i>11</i>	<i>1.24</i>	<i>11.81</i>
<i>including</i>	<i>343</i>	<i>354</i>	<i>11</i>	<i>1.57</i>	<i>8.44</i>
<i>including</i>	<i>365</i>	<i>369</i>	<i>4</i>	<i>1.65</i>	<i>10.08</i>
BCD854	379	380	1	0.37	2.05
BCD854	387	399	12	0.57	5.24
BCD857	165	166	1	0.30	0.31
BCD857	264	268	4	0.80	29.83
BCD857	278	329	51	1.19	7.70

<i>Including</i>	295	305	10	1.28	7.69
BCD 857	335	346	11	0.99	8.13
BCD857	363	364	1	0.50	1.46
BCD857	384	387	3	0.32	1.54
BCD858	251	253	2	0.38	0.41
BCD858	257	276	19	0.71	3.60
<i>including</i>	269	276	7	1.33*	7.50
BCD858	309	311	2	0.35	2.18

**This interval lies immediately below a brecciated, sheared and quartz-veined zone.*

Note: These intersections, which have been calculated at cut-off grades of 0.3% and a nominal 1.0% copper, are all located outside the current Blackard Resource.

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

UNIVERSAL RESOURCES LIMITED

ABN

35 090 468 018

Quarter ended ("current quarter")

31 December 2008

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (six months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation	(423)	(890)
(b) development	(213)	(897)
(c) production		
(d) administration	(316)	(623)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	23	76
1.5 Interest and other costs of finance paid	(191)	(383)
1.6 Income taxes – refunded		
1.7 Other	-	(3)
Net Operating Cash Flows	(1,120)	(2,720)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects		
(b)equity investments		
(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 repaid by other entities		
1.12 Other (Provide details if material)		
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(1,120)	(2,720)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,120)	(2,720)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
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		
	Net financing cash flows		
	Net increase (decrease) in cash held	(1,120)	(2,720)
1.20	Cash at beginning of quarter/year to date	2,281	3,881
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,161	1,161

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	115
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Salaries and superannuation

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

Add notes as necessary for an understanding of the position.

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

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	100
4.2	Development	
Total		100

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	9	67
5.2 Deposits at call	1,152	2,214
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,161	2,281

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	Nil			
6.2 Interests in mining tenements acquired or increased	EPM 14415	Acquired	0%	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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	344,022,378	344,022,378		
7.4 Changes during quarter (a) Increases through issues				
7.5 *Convertible debt securities Converting Notes 5% coupon maturing June 2009	152,180	-	\$100	\$100
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	2,385,000	-	15 cents	14 September 2010
	1,000,000	-	15 cents	12 March 2012
	800,000	-	15 cents	5 September 2011
	5,000,000	-	15 cents	27 December 2012
	3,650,000	-	15 cents	30 June 2013
	6,000,000	-	15 cents	16 December 2013
7.8 Issued during quarter	6,000,000	-	15 cents	16 December 2013
7.9 Exercised during quarter				
7.10 Cancelled during quarter				
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

