



Territory Resources Limited

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29 July 2009

Manager Announcements
Company Announcements Office
ASX Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

30 June 2009 Quarterly Activities and Cash Flow Report

Please find enclosed the 30 June 2009 Quarterly Report for Territory Resources with the Appendix 5B cash flow report appended.

Yours sincerely

Patrick McCole
Company Secretary



An Australian Resources Group

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A.B.N. 53 100 552 118



QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 30 JUNE 2009

HIGHLIGHTS

Mining & Production

- **Continued upward trend** in high-grade lump and fines ore production reflecting the operational enhancements in place and strong commitment to continuous improvement at the Frances Creek mine.
- Significantly increased production for the Quarter with total high-grade lump and fines production of **548,601 shippable tonnes** (March Quarter: 373,936 tonnes).
- **199,862 tonnes** of high-grade lump and fines production achieved for the month of June, confirming that the operation has achieved its targeted annualised steady-state production rate of **2.2Mtpa** with further increases anticipated.
- Operating cost of **A\$46.84 per shippable tonne** loaded Darwin achieved during the month of June.
- **Downward trend in operating costs** reflecting increased ore volumes combined with other positive initiatives including the impact of recent mine optimisations, the reduction in the mining fleet, commissioning of the wet crushing plant and a meticulous focus on realising cost reductions in all activities.

Resources and Exploration

- **112% (2.2 million tonnes) increase** in the flagship Helene 6/7 mineral resource, building on the drilling success in the March Quarter, which saw an **81% (685,000 tonnes) increase** in the Helene 5 mineral resource.
- **New resource models** completed with **10.44 million tonnes** of Inferred and Indicated Resources¹ and **5.06 million tonnes** of Probable Ore Reserves².
- **Exploration potential** to be confirmed at **Frances Creek East** following encouraging reconnaissance exploration and rock chip sampling. Heritage and environmental clearances underway ahead of planned drilling.

Exports & Marketing

- **Seven shipments totalling 511,676 tonnes** of high grade-lump and fines ore completed to Chinese customers during the Quarter (March Quarter: four shipments totalling 279,858 tonnes).

¹ See the tables on page 7 for further details on the Inferred and Indicated resources.

² The 10.44 Mt of Resources are inclusive of the resources modified to produce the 5.06Mt of Reserves.



- **Strong ore sales** achieved through the Company's association with Noble Group in Hong Kong. Territory has maintained a **fully sold position**.
- **Formal annual sales contracts** with key steel mills in China to be finalised once benchmark pricing structure is completed. In the meantime **all sales** continue to be completed on a **spot basis** with recent strong increase in prices. These price increases in relation to revenue will become more evident during July/Sept quarter.

Corporate

- **Andy Haslam** appointed as Territory's **Managing Director and Chief Executive Officer** on 23 April 2009.
- Standstill Agreement extended until 12 August 2009 for the **restructuring of Territory's debt arrangements**.
- Securities placed into **voluntary suspension** to enable the Company to continue confidential discussions with various parties for a proposed **Debt Reconstruction** of the Company. Once finalised, the Company will make an announcement to inform the Market of the proposed arrangements and will seek the reinstatement of the securities for trading on the ASX.
- **Shareholder approval** obtained on 16 July 2009 for the 2007 life-of-mine Marketing and Off-take Agreement with Noble Group and the granting of the beneficial interest of the security arrangements to Noble under the Standstill arrangements.

OVERVIEW

Territory Resources Limited ("Territory" or "the Company") achieved record operational results during the June 2009 Quarter, reflecting the continued flow-through of the benefits of the re-aligned operational and strategic focus at its 100%-owned Frances Creek Iron Ore Mine in the Northern Territory.

While the market downturn continued to be felt during the Quarter – with a significant build-up in iron ore stockpiles in China resulting in spot iron ore prices remaining at around a 40% discount to 2008 contract prices – prices have recovered from their lows since the end of the Quarter. While the environment remains challenging for all iron ore companies, the recently improved market conditions have benefited Territory, particularly in light of its increased production profile and improving operating cost structure at Frances Creek.

As reported previously, Territory has signed conditional agreements for long-term sales commitments with three steel producers in China to cover 2.0Mtpa (million tonnes per annum) of production of lump and fines ore from the Frances Creek operation over the next three years. These agreements will become binding once the Chinese benchmark price is agreed, allowing the annual prices to be agreed by the parties.



The annual prices for these sales agreements will be based upon the annual benchmark prices for Western Australian iron ore. During the June Quarter, Japanese and Korean Steel mills agreed to a 33% and 40% discount respectively to the 2008 benchmark prices for fines and lump ore. However, recent events in China have resulted in further delays in settling the benchmark prices.

Despite the difficult environment in the iron ore market, the Company was able to maintain a fully sold position through its strong association with Noble Group in Hong Kong, with seven shipments totalling **511,676 tonnes** of high-grade lump and fines ore completed during the Quarter.

The Company produced and delivered sufficient tonnages to Darwin Port to achieve its budgeted eight shipments for the Quarter; however, due to a delayed vessel, the loading of the 8th shipment commenced during the Quarter but was not completed until 1 July 2009 and therefore revenue could not be fully included in the Quarter.

Adverse exchange rate movements during the Quarter with the rapid rise in the Australian/US Dollar exchange rate resulted in lower Australian dollar revenues that adversely impacted on operating cash flows. This impact has been partially offset by increased shipments and a reduction in cash operating costs. However, market conditions and prevailing spot iron ore prices during the first half of the Quarter were at the lowest prices received by the Company since commencing production and this, as well as costs associated with standstill agreements, has resulted in a negative operating cash flow for the Quarter.

During the Quarter, the Company borrowed A\$4.2 million to deliver into its currency hedging portfolio as each of the contracts fell due. Subsequent to the end of the Quarter, the Company has crystallised the remainder of its foreign exchange hedge contracts into a A\$1.8 million short term debt facility, with the total debt relating to the hedge book commitments now standing at A\$17.4 million. The Company does not have any further foreign exchange contracts or obligations in place. Also during the Quarter, the amount owing to Noble Group was increased by advance payments on sales of A\$4.2 million. The total debt to Noble is currently US\$45.9 million (A\$54.2 million). The loans are repayable on the expiry of the extended standstill term (12 August 2009), or such later date as is agreed between the parties.

During the Quarter, Territory continued to constructively progress discussions with its financiers regarding a potential Debt Reconstruction of the Company. To facilitate these discussions, the Company placed the trading of its securities into voluntary suspension.

The Company believes it will be able to achieve a satisfactory resolution and a long-term debt restructure and, once the terms are settled, the trading of its securities will recommence as the Company will be in a position to fully inform the Market of proposed arrangements and seek reinstatement to the official list.



OPERATIONS

Production

The Frances Creek Iron Ore Mine continued to ramp up production during the June Quarter towards its targeted annualised, steady-state production rate of 2.2Mtpa. Production increased to a record **199,862 tonnes** for the month of June, confirming that the operation has now achieved the annualised 2.2Mtpa production rate.

Total material movement for the June Quarter was in line with budget with mining activities achieving above budget ore movement for the Quarter, primarily due to mining reaching the ore body at Helene 6/7 and operations now realising the benefits of the stripping and efforts made during the wet season.

A total of **777,209** tonnes of ore were crushed for the Quarter (March 2009 Quarter: 557,644 tonnes) which resulted in the production of **282,180** tonnes of high-grade lump ore (March 2009 Quarter: 216,197 tonnes) and **95,522** tonnes of high-grade fines (March 2009 Quarter: 157,739 tonnes).

The tonnage of ore crushed during the Quarter was higher than budget due to operational efficiencies resulting from preventative maintenance of the plants being implemented during the Quarter. During the Quarter, the Company also began to realise the benefits of having commissioned the second dry crushing and processing plant earlier in the year. The two dry plants, operating in tandem with the mobile wet crushing plant, provide the Company with the necessary infrastructure and capacity to meet both its existing production targets as well as the new stretch goals moving forward.

New mine optimisations will see the mining fleet being increased from two to three in the latter part of 2009. The new pit optimisations and mine plans have been completed for the Stage 4 pit at Helene 6/7 to access the larger ore body that extends down-dip under the pit floor, as confirmed by the new geological interpretation of the mineralisation. During the Quarter, the Company upgraded the Helene 6/7 Resource by 112% after confirming extensions to the geological structure (see below).

The strong operational focus on ore production activities resulted in a further reduction in cash operating costs during the Quarter. A significant milestone was achieved in the month of June with cash operating costs reducing to **A\$46.84/tonne FOB Darwin**. The average cash operating cost for the Quarter was A\$50.11/tonne.

Mining Activities

During the Quarter, mining activity focused on ore production from the Thelma Rosemary, Ochre Hill and Helene 6/7 open pits.



Port and Shipping

During the Quarter, Territory completed seven shipments of high-grade lump and fines ore to Chinese customers totalling **511,676 tonnes**, taking the total number of shipments to 31. This represents exports of 2.25 million tonnes of high-grade product since operations commenced in September 2007.

Exploration

Reverse Circulation drilling for the June Quarter totalled 108 holes for 10,505 metres. Drilling activities focused on assessing the extent of deeper mineralisation at the flagship Helene 6/7 deposit and also on re-assessing Jasmine Central prior to mining.

A heritage survey was completed along the Northern Tenements access track, permitting remedial work to be undertaken prior to the Company's Resource Exploration Geologists gaining light vehicle access to the area north of the Ochre Hill deposit. The remaining strike length over the prospective Wildman Formation was investigated and ground-truthed for outcropping hematite mineralisation. The Company's geologists visited geophysical targets generated during the wet season and assessed their prospectivity. Appropriate drilling programs have been developed to fully test the Northern Tenement area prior to the onset of the 2009 wet season.

Resource models were generated in-house for Helene 6/7 and Jasmine Central. Pits were re-optimised using new parameters and, where appropriate, new resource models developed. The increased mining Reserve is a result of both Resource upgrades and pit optimisation parameters that better reflect improved mining and cost performance.

Helene 6/7

Drilling at the Helene 6/7 deposit totalled 52 holes for 5,082 metres, with a program executed during the Quarter to fully assess the deeper mineralisation so it could be upgraded to a JORC-compliant reportable Resource and included in pit optimisation work. The drilling and subsequent in-house Resource modeling resulted in a 122% tonnage increase at Helene 6/7. The results of this work were reported in ASX releases on 27 April and 1 June 2009:

Helene 6/7 Resource Report at 50% Fe Cut-Off								
Class	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	Mn (%)	LOI (%)	Density (g/cm ³)
Indicated	3.66	59.53	8.54	3.65	0.09	0.07	1.52	3.25
Inferred	0.38	58.71	9.02	3.83	0.11	0.08	1.47	3.25
Total	4.04	59.45	8.58	3.67	0.09	0.07	1.51	3.25

Figure 1 – Helene 6/7 JORC-compliant Resource Report, 50% Fe cut-off. Depleted to June 2009

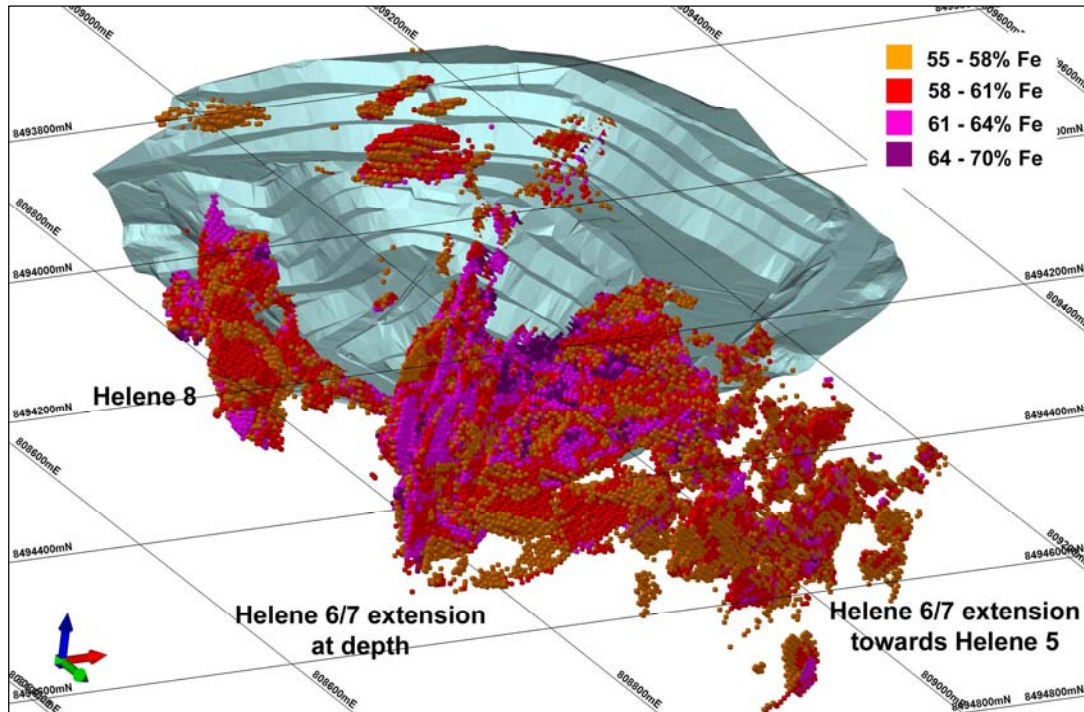


Figure 2 – April 2009 Helene 6/7 model with remaining resource below the current Helene 6/7 pit floor now unconstrained by geological folding. Additional mineralisation extends west to Helene 8 deposit (included in the Helene 6/7 resource report) and north to Helene 5 deposit (a separate resource report). Block model loaded for material Fe>55%

Jasmine Drilling

A total of 56 holes for 5,423 metres of drilling was completed at the Jasmine deposits, comprising 4,757 metres for 52 holes at Jasmine Central; 228 metres for three holes at Jasmine West; and 438 metres for seven holes at Jasmine East.

Drilling at Jasmine Central improved confidence in the Resource prior to proposed mining. While the Resource reported a similar tonnage, the distribution of the mineralisation has changed and is now biased towards deeper material. The effect of this on the mining Reserve is currently being assessed and re-modelled.

Field Mapping and Ground-Truthing

All remaining tenements outside the immediate vicinity of the Frances Creek mining area were ground-truthed and mapped by Territory's Exploration Geologists during the Quarter. Outcropping ironstone mineralisation was classified and ranked by its potential to deliver direct-shipping hematite iron mineralisation.

A number of targets were generated north of Ochre Hill at Saddles and east of Frances Creek at the Frances Creek East prospect. These will be assessed during the September Quarter, with the objective of either establishing a preliminary JORC-code compliant resource where drilling yields results, or rationalising the Company's tenement position where drilling beneath iron-rich outcrops yields no ore-grade mineralisation.



Drilling Services

The Drilling Contractor's surface reverse circulation drilling division mobilised a new, larger capacity Schramm T685 Reverse Circulation drilling rig in June 2009. This rig is better suited to allow access to the more rugged terrain expected over the remaining drilling areas.

Frances Creek Resource and Reserves Report

The Frances Creek Resources and Reserves inventory has been increased by ongoing exploration and Resource and Reserves upgrades for individual deposits, after taking into account depletion by mining.

Optimisation work on new resource models is ongoing. Resources for the Helene 6/7, Helene 5 and Thelma Rosemary deposits are reported at a 50% Fe cut-off grade since this cut-off generates a fines component that can be blended without the need for upgrade through wet treatment and washing.

The Frances Creek JORC-compliant Resource Report (inclusive of Reserves in *Figure 5*) is detailed below:

Deposit	Indicated			Inferred			Total		
	Tonnes	Fe (%)	P (%)	Tonnes	Fe (%)	P (%)	Tonnes	Fe (%)	P (%)
Helene 3 ⁽²⁾	512,244	63.0	0.08	39,948	61.3	0.10	552,192	62.9	0.08
Helene 5 ⁽¹⁾	1,778,330	58.2	0.09	231,036	57.8	0.11	2,009,367	58.2	0.09
Helene 6/7 ⁽¹⁾	3,659,297	59.5	0.09	381,520	58.7	0.11	4,040,816	59.5	0.09
Helene 9 ⁽²⁾	174,478	59.7	0.13	14,961	58.3	0.13	189,439	59.6	0.13
Helene 11 ⁽²⁾	178,626	60.0	0.14	141	55.2	0.15	178,767	60.0	0.14
Jasmine Central ⁽²⁾	784,854	61.6	0.09	76,693	61.0	0.07	861,547	61.5	0.09
Jasmine East ⁽²⁾	210,403	60.8	0.06	156,298	58.6	0.06	366,701	59.9	0.06
Ochre Hill ⁽²⁾	423,245	58.8	0.24	11,563	56.7	0.55	434,808	58.8	0.25
Saddle East ⁽²⁾				101,131	58.7	0.08	101,131	58.7	0.08
Thelma 01 ⁽²⁾	13,891	59.9	0.13	326,459	58.4	0.14	340,350	58.5	0.14
Thelma-Rosemary ⁽¹⁾	1,017,935	58.2	0.18	353,573	58.4	0.16	1,371,508	58.3	0.17
Totals	8,753,303	59.5	0.11	1,693,322	58.6	0.12	10,446,626	59.4	0.11

Figure 3 – Frances Creek Resource Inventory, depleted to June 2009. Note (1) Resources quoted at 50% Fe cut-off grade; Note (2) Resources quoted at 55% Fe cut-off grade

The Millers deposit is reported separately because it is a different style of mineralisation when compared to the microplaty hematite mineralisation resource inventory. The deposit at Millers comprises manganese-rich goethite mineralisation which currently does not meet product specification blend requirements, however, it may represent a separate saleable product once market conditions improve:



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	Indicated			Inferred			Total		
	Tonnes	Fe (%)	P (%)	Tonnes	Fe (%)	P (%)	Tonnes	Fe (%)	P (%)
Millers	1,269,944	53.2	0.11	10,301	52.0	0.18	1,280,245	53.2	0.11
Total	1,269,944	53.2	0.11	10,301	52.0	0.18	1,280,245	53.2	0.11

Figure 4 – Millers JORC-compliant Resource Inventory, reported at 50% Fe cut-off

The Frances Creek JORC-compliant Reserve Report is detailed below:

	Probable Ore Reserves				
	Tonnes	Fe (%)	P (%)	SiO ₂ (%)	Al ₂ O ₃ (%)
Helene 3 ⁽²⁾	307,782	63.8	0.06	5.1	2.2
Helene 5 ⁽¹⁾	853,355	57.9	0.07	10.2	3.6
Helene 6/7 ⁽¹⁾	2,250,574	60.3	0.08	8.3	3.5
Helene 9 ⁽²⁾	166,791	59.8	0.13	5.9	2.4
Helene 11 ⁽²⁾	153,086	60.2	0.13	6.0	2.9
Jasmine Central ⁽²⁾	201,970	61.3	0.12	8.7	2.8
Jasmine East ⁽²⁾	192,876	60.8	0.06	7.4	3.2
Ochre Hill ⁽²⁾	311,783	59.0	0.18	9.9	2.8
Thelma-Rosemary ⁽²⁾	626,709	58.5	0.18	8.0	4.3
Totals	5,064,926	59.8	0.10	8.3	3.4

Figure 5 – Frances Creek Reserve Inventory, depleted to June 2009. Note (1) Reserves quoted at 50% Fe cut-off grade; Note (2) Reserves quoted at 55% Fe cut-off grade

Corporate

Mr Andy Haslam was appointed as the Company's Managing Director and Chief Executive Officer on 23 April 2008.

During the Quarter, the Company entered into an amendment to the sale agreement for the Warrego Tailings Project and Tenements to Aard Metals Limited. Under this amended agreement, the settlement of the sale occurred on 20 May 2009. Under the agreement, Territory will receive 5 million shares should Aard (or an associated entity) list within three years from settlement and the amendment also provides for royalty payments.

During the Quarter, the Company entered into a conditional agreement for the disposal of 171,282,253 shares in Matilda Zircon Limited (formerly known as Olympia Resources Limited) and for the assignment of the A\$1.75 million loan in consideration of receiving \$1.75 million in cash. The sale agreement was completed on 24 July 2009 with the Company receiving the funds and disposing of its entire interest in Matilda Zircon.

Subsequent to the end of the Quarter, the Company also sold its entire 10.74% substantial holding in Northern Mining Limited comprising 11,028,928 shares for \$264,694.



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On 16 July 2009 a General Meeting of shareholders was convened at which shareholders approved the provision of security to Noble under the terms of its lending arrangements, as well as the Company's 2007 marketing and off-take arrangements with Noble.

As at 30 June 2009, the Company had 264,606,388 shares and 12,808,000 options on issue.

Andy Haslam
Managing Director

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Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Ian Hassall, who is a Member of the Australian Institute of Mining and Metallurgy, and is a full-time employee of Territory Resources Limited. Mr Hassall 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 Hassall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This release may include forward-looking statements. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Territory Resources Limited, that could cause actual results to differ materially from such statements. Territory Resources Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

Exploration Targets

It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information above relating to the exploration targets for the Frances Creek Iron Ore Project should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore 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.

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

Territory Resources Limited

ABN

53 100 552 118

Quarter ended ("current quarter")

30 June 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12.months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	29,494	122,589
1.2 Payments for		
(a) production	(28,557)	(107,395)
(b) administration	(2,339)	(8,337)
(b) exploration	(165)	(500)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	27	616
1.5 Interest and other costs of finance paid	(106)	(1,186)
1.6 Income taxes paid		
1.7 Other (refer 1.25)	(498)	(2,763)
Net Operating Cash Flows	(2,144)	3,024
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) investment securities		
(b) exploration	(1,169)	(6,372)
(c) mine development	-	(7,455)
(d) property, plant & equipment	(131)	(10,346)
(e) security deposits	(8)	(8)
1.9 Proceeds from sale of:		
(a)prospects		
(b)equity investments	50	50
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(1,258)	(24,131)
1.13 Total operating and investing cash flows (carried forward	(3,402)	(21,107)

	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		-
1.15	Proceeds from borrowings	4,213	15,246
1.16	Repayment of borrowings	(446)	(1,154)
1.17	Payment of derivatives transactions	(4,213)	(15,246)
1.18	Advance payments on sales	4,227	21,916
1.19	Dividends paid		
1.20	Other (provide details if material)		
	Net financing cash flows	3,781	20,762
	Net increase (decrease) in cash held	379	(345)
1.21	Cash at beginning of quarter/year to date	1,194	1,918
1.22	Exchange rate adjustments to item 1.19		
	Cash at end of quarter	1,573	1,573

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
	Payments to Noble Group: Commission	637
	Interest	150
	Payments to Swick Mining Services (Non-executive chairman of Territory, Mr A Simpson and Non-executive director Mr Joe Ariti, are non-executive directors of Swick Mining Limited)	513
	Payment of salaries and fees to directors	99
1.23	Aggregate amount of payments to the parties included in item 1.1	1,399
1.24	Aggregate amount of loans to the parties included in item 1.1	-

1.25 Explanation necessary for an understanding of the transactions

- Standstill fees for debt restructuring (\$399k) and legal fees (\$99k).

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

- During the quarter the investment in Olympia Resources Limited ("Olympia") was impaired by \$12.7 million pursuant to the sale of 100% of Territory's interest in Olympia. Settlement occurred on 24 July 09. Details of the sale are contained in Territory's announcement to ASX on 6 May 09. Territory's notice of ceasing to be a substantial holder was lodged with the ASX on 28 July 09.

- 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	62,893	62,893
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1550
4.2 Development	0
Total	1,550

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	1,356	1,009
5.2 Deposits at call	217	185
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,573	1,194

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. (Interest in Warrego tenements not part of the Frances Creek operation)	MLC81	Owned	100%	0%
	MLC82	Owned	100%	0%
	MLC103	Owned	100%	0%
	MLC104	Owned	100%	0%
	MLC105	Owned	100%	0%
	MLC106	Owned	100%	0%
	MLC682	Owned	100%	0%
6.2 Interests in mining tenements acquired or increased	-	-	-	-

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	264,606,388	-	-	Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	-	-
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)	120,000 70,000 60,000 2,500,000 1,500,000 833,000 1,250,000 5,825,000 650,000		<i>Exercise price</i> 40.15c 50c 60c 90c 90c \$1.00 \$1.50 \$1.11 \$0.93	<i>Expiry date</i> 13 Oct 09 13 Oct 09 13 Oct 09 21 Aug 10 21 Dec 10 21 Dec 11 21 Dec 12 31 Mar 11 18 Apr 11
		12,808,000	-		
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-	-	-
7.12	Unsecured notes (totals only)	-	-	-	-

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: *Patrick McCole*
Company Secretary

Date: 29 July 2009.

Print name: Patrick McCole