

30 April 2009

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

Dear Sir/Madam

**ACTIVITIES REPORT FOR THE QUARTER
ENDED 31 MARCH 2009**

RED HILL IRON ORE JOINT VENTURE

The Red Hill Iron Ore Joint Venture (RHIOJV) is managed by API Management Pty Ltd (API), a company equally owned by Aquila Resources Ltd and AMCI Inc. API has other iron ore interests in the West Pilbara and is advancing these interests together with the RHIOJV as the West Pilbara Iron Ore Project (WPIOP). Currently the RHIOJV represents nearly 85% of the resources the subject of the current definitive feasibility study (DFS). This study is under the management of API and referred to as the West Pilbara Iron Ore Definitive Feasibility Study - Stage One.

Red Hill Iron Limited (RHI) holds a 40% interest in the RHIOJV which will reduce to 20% upon the project delivering first ore to customers. API is lending RHI all of its share of project costs repayable only out of future revenue surpluses. RHI has the additional option of being able to convert its project interest to a 2% FOB royalty at any time until first delivery of ore to customers.

Progress was made during the quarter with the decision to focus DFS attention on the use of Anketell Point, near Cape Lambert, as the preferred port site for the project, although consideration will still be given to alternative port and rail options. Mine planning, infrastructure, engineering, marketing and the pursuit of approvals continued during the quarter whilst mining and product development work on site was curtailed by the onset of adverse weather conditions.

The DFS is now expected to be completed during the second quarter of calendar 2010.

DFS PROGRESS

Mine infrastructure engineering, process plant arrangements and materials handling systems were advanced in conjunction with simulation modelling. Mine planning and scheduling was advanced as various extraction and processing scenarios were examined.

Work continued gathering relevant environmental data relating to flora and vegetation, fauna, soil and landscapes, hydrology, noise and vibration, greenhouse and dust impacts.

Project mine and rail components were referred to the Commonwealth assessment agency in January 2009.

The groundwater exploration program was progressed, though slower than planned due to heavy rainfall, and consultation with stakeholders of the project continued.

The winze programme was suspended during January due to heavy rainfall and recommenced at the end of March. This work will be completed during the next quarter and will provide additional material for sample preparation which is required for the second stage of sinter test work at CISRI in Beijing. The current programme of sample preparation, materials handling analysis and sizer testing continued.

The marketing team visited China and Taiwan to increase awareness of the project while advancing its understanding of the requirements of the steel mills and continuing the progression to formal commercial relationships. There are now six Memoranda of Understanding in place with steel mills. These agreements outline the process for shared test work and evaluation of project ore and are a step towards the goal of entering Letters of Intent with the steel mills confirming their willingness to purchase project ore.

The steel mills continue to provide strong encouragement for the development of the project recognising the significant tonnage potential and independence of these resources from existing dominant producers.

IRON ORE EXPLORATION

Exploration activity continued during the March Quarter 2009 focussing on;

- Finalisation of the revised Trinity Bore resource estimate.
- Continuation of RC drilling on the Kens Bore and Mulga Bore prospects with the aim of expanding resources and upgrading classification.

RC drilling recommenced at the Kens Bore deposit, with a total of 36 drill holes for 2,260 metres being completed following a delayed commencement of field programmes as a result of wet weather.

Results received for drilling completed in late 2008 have further enhanced the Kens Bore CID potential. Infill drill holes have continued to return broad, high iron and low alumina intercepts. The initial line of drilling targeting the extension of the CID in areas previously untested has returned consistent 20 metre intercepts of near surface CID.

Results received from RC drilling during the quarter (depicted on the attached Figures 1 and 2) are set out in Tables 1 and 2 below. The highlights included:

Kens Bore Infill drilling:

- 36 metres at 58.82% Fe, 2.89% Al₂O₃, 4.37% SiO₂, 0.076% P, 0.013% S and 8.16% LOI from 18 metres downhole in drill hole KBRC271;
- 34 metres at 58.09% Fe, 3.44% Al₂O₃, 4.69% SiO₂, 0.074% P, 0.014% S and 8.22% LOI from 20 metres downhole in drill hole KBRC270;

Kens Bore Extension drilling:

- 20 metres at 56.95% Fe, 3.51% Al₂O₃, 5.38% SiO₂, 0.073% P, 0.016% S and 8.89% LOI from 2 metres downhole in drill hole KBRC216;
- 20 metres at 57.63% Fe, 3.13% Al₂O₃, 4.83% SiO₂, 0.088% P, 0.015% S and 9.18% LOI from 22 metres downhole in drill hole KBRC232;

Trinity Bore:

- 16 metres at 58.04% Fe, 3.66% Al₂O₃, 4.47% SiO₂, 0.107% P, 0.015% S and 8.26% LOI from 20metres downhole in drill hole TBRC730;
- 26 metres at 57.18% Fe, 4.04% Al₂O₃, 5.40% SiO₂, 0.079% P, 0.027% S and 8.27% LOI from surface in drill hole TBRC755.

RESOURCE ESTIMATES

The Trinity Bore Mineral Resource estimate was revised following the completion of an extensive programme of reverse circulation drilling. The revised Mineral Resource estimate of 106.56 million tonnes at 54.62% iron represents an increase of 71.71 million tonnes from the previously released Mineral Resource. A further resource update is anticipated by mid-year following the analysis of more recent drilling at the Ken's Bore prospect.

Resource Estimate – TRINITY BORE DEPOSIT									
Resource Classification	Tonnes Mt	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	S %	LOI %	Mn %	MgO %
Measured	18.83	55.73	6.00	3.85	0.098	0.018	9.73	0.03	0.12
Indicated	54.85	54.53	7.88	3.79	0.047	0.022	9.70	0.03	0.12
Inferred	32.88	54.12	8.08	4.03	0.057	0.023	9.74	0.04	0.08
TOTAL	106.56	54.62	7.61	3.87	0.059	0.022	9.72	0.03	0.11

These calculations were based on a specific gravity of 2.8 tonnes per cubic metre and used an iron lower cut-off of 52.0%, and an aluminium upper cut-off of 4.70%.

With the increase of the Trinity Bore resource the total Mineral Resource within the RHIOJV now stands at 421.9 million tonnes at 56.63% iron.

TOTAL RHIOJV Resource Inventory									
Resource Classification	Tonnes Mt	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	S %	LOI %	Mn %	MgO %
Measured	74.88	57.56	5.62	3.34	0.085	0.018	8.14	0.02	0.07
Indicated	225.55	56.57	6.24	3.78	0.071	0.02	8.43	0.03	0.10
Inferred	121.44	56.17	6.18	3.77	0.068	0.016	9.06	0.03	0.10
TOTAL	421.88	56.63	6.11	3.70	0.072	0.017	8.56	0.03	0.09

Table 1 Kens Bore Intercepts

Hole ID	East	North	From	To	Intercept	Al2O3 %	SiO2 %	P %	S %	LOI %
KBRC201	415303.3	7561757.2	14	34	20.00 m @ 55.62 % Fe	4.12	5.66	0.054	0.020	9.90
KBRC202	415500.0	7561760.9	16	38	22.00 m @ 56.37 % Fe	4.01	5.30	0.066	0.020	9.24
KBRC203	415291.8	7561868.6	6	22	16.00 m @ 55.22 % Fe	4.72	7.28	0.064	0.021	8.06
KBRC205	415706.5	7561790.9	16	30	14.00 m @ 57.14 % Fe	3.47	4.98	0.088	0.014	9.22
KBRC207	415722.2	7561924.7	16	32	16.00 m @ 55.32 % Fe	3.92	6.64	0.053	0.013	9.50
KBRC216	416450.8	7561204.3	2	22	20.00 m @ 56.95 % Fe	3.51	5.38	0.073	0.016	8.89
KBRC217	416500.9	7561153.6	6	26	20.00 m @ 55.52 % Fe	3.90	6.29	0.077	0.013	9.53
KBRC218	416333.6	7561475.3	0	12	12.00 m @ 55.93 % Fe	4.28	6.29	0.063	0.019	8.40
KBRC225	416924.0	7560856.2	0	14	14.00 m @ 55.34 % Fe	3.96	5.97	0.090	0.023	10.40
KBRC227	416797.8	7560700.8	0	16	16.00 m @ 55.38 % Fe	3.68	5.33	0.109	0.025	11.03
KBRC228	416624.2	7560879.1	0	12	12.00 m @ 57.58 % Fe	3.61	5.10	0.074	0.023	8.35
KBRC229	416524.1	7560935.9	0	12	12.00 m @ 57.33 % Fe	3.51	5.06	0.072	0.021	8.86
KBRC232	416596.7	7561100.3	22	42	20.00 m @ 57.63 % Fe	3.13	4.83	0.088	0.015	9.18
KBRC233	416700.6	7561111.0	18	34	16.00 m @ 57.54 % Fe	3.38	4.84	0.078	0.015	8.99
KBRC234	416803.7	7561089.0	0	20	20.00 m @ 55.16 % Fe	4.03	7.39	0.062	0.014	8.53
KBRC235	416892.4	7561102.8	0	14	14.00 m @ 57.80 % Fe	3.57	4.85	0.063	0.020	8.34
KBRC237	417202.0	7560107.2	0	14	14.00 m @ 57.73 % Fe	3.19	5.81	0.066	0.016	7.71
KBRC238	417202.0	7560012.8	0	14	14.00 m @ 55.39 % Fe	3.89	6.56	0.077	0.019	9.78
KBRC239	417398.2	7560077.0	32	46	14.00 m @ 57.76 % Fe	3.74	4.74	0.107	0.007	8.30
KBRC241	417800.0	7559708.7	28	52	24.00 m @ 57.10 % Fe	3.94	5.09	0.105	0.008	8.51
KBRC242	417901.5	7559566.1	28	40	12.00 m @ 57.53 % Fe	3.66	4.49	0.105	0.007	8.77
KBRC243	418001.6	7559588.1	34	52	18.00 m @ 54.58 % Fe	4.34	7.03	0.134	0.008	9.80
KBRC244	418098.0	7559502.7	26	38	12.00 m @ 55.63 % Fe	4.38	5.55	0.119	0.008	9.83
KBRC247	418277.1	7559332.9	28	50	22.00 m @ 55.39 % Fe	4.27	6.83	0.094	0.007	9.02
KBRC251	416902.4	7560144.8	0	22	22.00 m @ 54.87 % Fe	4.51	6.43	0.062	0.021	10.07
KBRC254	416900.3	7560206.4	0	24	24.00 m @ 57.13 % Fe	3.55	4.85	0.085	0.015	9.40
KBRC270	419114.1	7558804.0	20	54	34.00 m @ 58.09 % Fe	3.44	4.69	0.074	0.014	8.22
KBRC271	419106.9	7558700.3	18	54	36.00 m @ 58.82 % Fe	2.89	4.37	0.076	0.013	8.16
KBRC272	419097.0	7558610.4	18	48	30.00 m @ 59.31 % Fe	2.85	4.25	0.071	0.013	7.47
KBRC273	419099.4	7558498.4	34	46	12.00 m @ 56.62 % Fe	3.34	6.23	0.103	0.013	8.86
KBRC275	419096.3	7558299.0	36	54	18.00 m @ 56.58 % Fe	3.87	6.62	0.128	0.011	7.81
KBRC276	418997.0	7558694.0	40	60	20.00 m @ 56.74 % Fe	4.21	7.04	0.096	0.008	6.91
KBRC277	418898.0	7558699.7	16	44	28.00 m @ 56.11 % Fe	4.52	6.86	0.069	0.011	7.90
KBRC279	418899.9	7558503.6	22	50	28.00 m @ 56.73 % Fe	3.81	6.45	0.097	0.008	8.09
KBRC281	418898.2	7558298.8	40	56	16.00 m @ 58.85 % Fe	3.02	4.31	0.167	0.007	7.78
KBRC282	418903.5	7558095.5	42	60	18.00 m @ 57.61 % Fe	3.48	5.80	0.120	0.008	7.49
KBRC283	418907.2	7557959.2	30	46	16.00 m @ 58.02 % Fe	3.29	5.46	0.085	0.008	7.84
KBRC284	418894.3	7558197.9	44	58	14.00 m @ 58.64 % Fe	2.76	4.70	0.105	0.007	8.02
KBRC287	418802.6	7557976.5	32	46	14.00 m @ 57.84 % Fe	3.62	5.26	0.093	0.007	7.80

Table 2 Trinity Bore Intercepts

Hole ID	East	North	From	To	Intercept	Al2O3 %	SiO2 %	P %	S %	LOI %
TBRC620	429124.4	7525192.7	18	30	12.00 m @ 58.05 % Fe	2.84	5.57	0.079	0.042	7.86
TBRC622	429296.2	7525193.2	22	34	12.00 m @ 56.17 % Fe	4.00	5.82	0.070	0.030	9.35
TBRC664	430397.7	7527214.8	12	26	14.00 m @ 54.93 % Fe	5.10	6.07	0.049	0.019	9.79
TBRC665	430438.3	7527293.5	14	32	18.00 m @ 55.34 % Fe	4.48	6.90	0.048	0.018	8.94
TBRC668	430194.6	7527374.9	14	26	12.00 m @ 55.28 % Fe	3.87	6.95	0.058	0.027	9.46
TBRC674	433193.0	7529472.1	0	18	18.00 m @ 56.22 % Fe	3.80	5.71	0.102	0.019	9.47
TBRC677	433100.8	7529408.2	2	14	12.00 m @ 56.52 % Fe	3.62	5.39	0.090	0.015	9.55
TBRC690	432048.6	7528899.2	4	16	12.00 m @ 56.18 % Fe	3.89	5.22	0.057	0.014	9.86
TBRC691	431879.6	7529001.3	6	22	16.00 m @ 56.40 % Fe	3.86	4.70	0.138	0.015	9.87
TBRC692	432037.8	7528998.6	6	20	14.00 m @ 55.53 % Fe	4.48	4.91	0.086	0.018	10.48
TBRC696	431810.7	7528608.6	2	24	22.00 m @ 56.09 % Fe	4.09	5.92	0.103	0.025	8.97
TBRC697	431748.0	7528397.3	8	26	18.00 m @ 55.64 % Fe	3.40	5.73	0.093	0.020	10.41
TBRC698	431880.2	7528408.1	2	18	16.00 m @ 54.83 % Fe	4.44	6.87	0.064	0.018	9.58
TBRC699	431806.6	7528211.1	10	30	20.00 m @ 55.77 % Fe	3.49	6.31	0.115	0.017	9.57
TBRC700	431813.9	7528252.0	8	28	20.00 m @ 56.61 % Fe	3.54	5.52	0.093	0.012	9.37
TBRC725	433506.5	7529628.3	0	16	16.00 m @ 55.25 % Fe	3.29	6.44	0.113	0.014	10.37
TBRC727	433405.6	7529574.0	2	16	14.00 m @ 56.09 % Fe	2.99	6.23	0.118	0.013	9.72
TBRC729	433312.2	7529505.8	2	22	20.00 m @ 55.59 % Fe	3.25	7.11	0.109	0.023	9.38
TBRC730	431709.8	7528184.1	20	36	16.00 m @ 58.04 % Fe	3.66	4.47	0.107	0.015	8.26
TBRC732	431762.8	7528003.2	8	32	24.00 m @ 55.65 % Fe	4.37	5.81	0.088	0.016	9.80
TBRC733	431514.5	7527993.5	8	28	20.00 m @ 54.32 % Fe	3.89	8.13	0.072	0.025	9.67
TBRC734	431582.9	7528001.6	14	30	16.00 m @ 56.81 % Fe	3.34	5.62	0.068	0.020	9.33
TBRC737	431796.2	7527795.7	14	30	16.00 m @ 55.09 % Fe	3.92	7.40	0.065	0.016	9.33
TBRC740	431297.4	7527600.8	10	24	14.00 m @ 55.73 % Fe	3.85	6.56	0.063	0.021	9.54
TBRC741	431488.4	7527601.6	18	32	14.00 m @ 56.03 % Fe	3.48	6.35	0.072	0.013	9.25
TBRC743	431290.1	7527329.9	12	28	16.00 m @ 56.14 % Fe	3.90	5.59	0.074	0.017	9.57
TBRC744	431297.3	7527406.3	18	30	12.00 m @ 57.43 % Fe	3.29	4.76	0.072	0.019	9.33
TBRC753	430899.5	7527504.0	2	22	20.00 m @ 54.89 % Fe	3.61	8.40	0.062	0.014	8.76
TBRC755	430702.0	7527502.2	2	28	26.00 m @ 57.18 % Fe	4.04	5.40	0.079	0.027	8.27
TBRC756	430500.1	7527705.1	16	30	14.00 m @ 55.90 % Fe	4.15	5.67	0.062	0.024	9.57
TBRC759	430696.9	7527763.3	14	26	12.00 m @ 55.20 % Fe	4.59	6.22	0.054	0.030	9.49
TBRC761	430900.6	7527794.9	4	18	14.00 m @ 57.29 % Fe	3.54	4.99	0.040	0.039	9.21
TBRC764	431091.5	7527787.2	6	24	18.00 m @ 56.07 % Fe	3.75	6.23	0.053	0.029	9.35
TBRC765	431063.3	7527843.1	6	22	16.00 m @ 55.79 % Fe	4.11	6.07	0.046	0.030	9.51

GOLD & BASE METAL EXPLORATION

- First pass RAB drilling at the Urandy prospect intersected significant gold mineralisation in two adjacent holes. Follow up RC drilling commenced late April.
- Evaluation of the Bloodwood gold and manganese prospect RAB drilled last year defined targets for follow up RC drilling that commenced late April
- During the Quarter RHI reviewed the status of the Red Hill Iron – Cullen Resources Joint Venture. Based on the results generated to date Red Hill Iron decided to withdraw from the Joint Venture .

URANDY GOLD PROSPECT

This prospect is located in a zone of structural dilation, adjacent to a major growth fault. The target is epithermal gold mineralisation hosted by shales and dolomites belonging to the Mt McGrath Formation which overlies a thick basaltic Cheela Springs sequence. Extensive zones of carbonate alteration, quartz sulphide veining occur with anomalous copper +/- gold arsenic geochemistry. The contact between the two formations is formed by a low angle reverse fault.

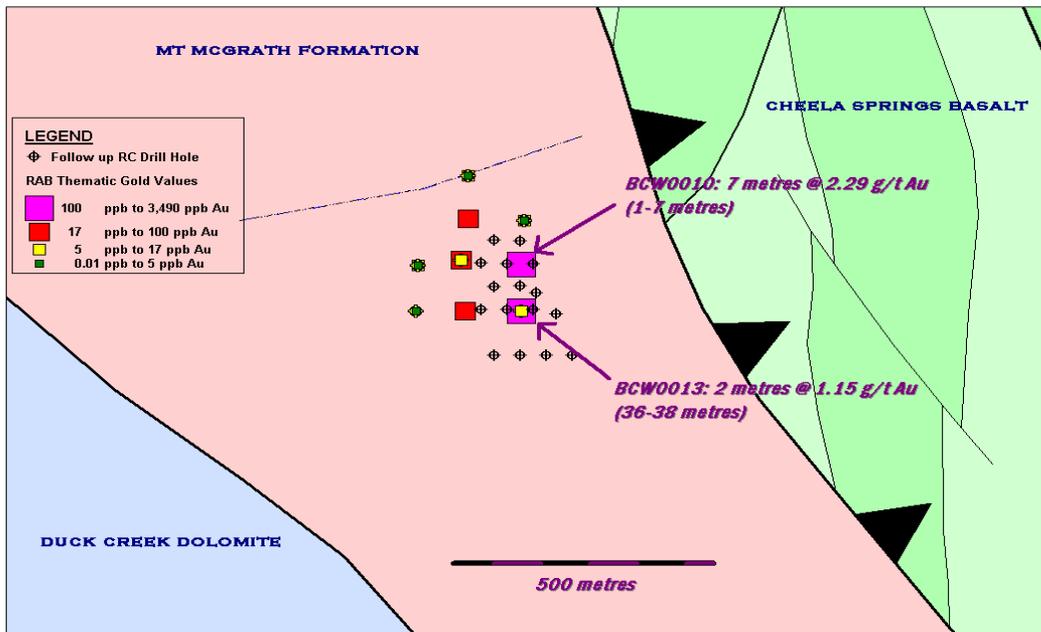
The recently completed RAB drilling program revealed gold mineralisation in two adjoining holes:

Drill hole BCW0010 intersected 7 metres @ 2.29 ppm gold between 1 and 7 metres, and

Drill hole BCW0013, located 100 metres south, intersected 2 metres @ 1.15 ppm gold between 36 and 38 metres.

The mineralisation occurs in bleached altered shales within a broad zone of sericitic alteration, ferruginisation, and locally abundant quartz veining. The gold is associated with elevated arsenic values of up to 970 ppm.

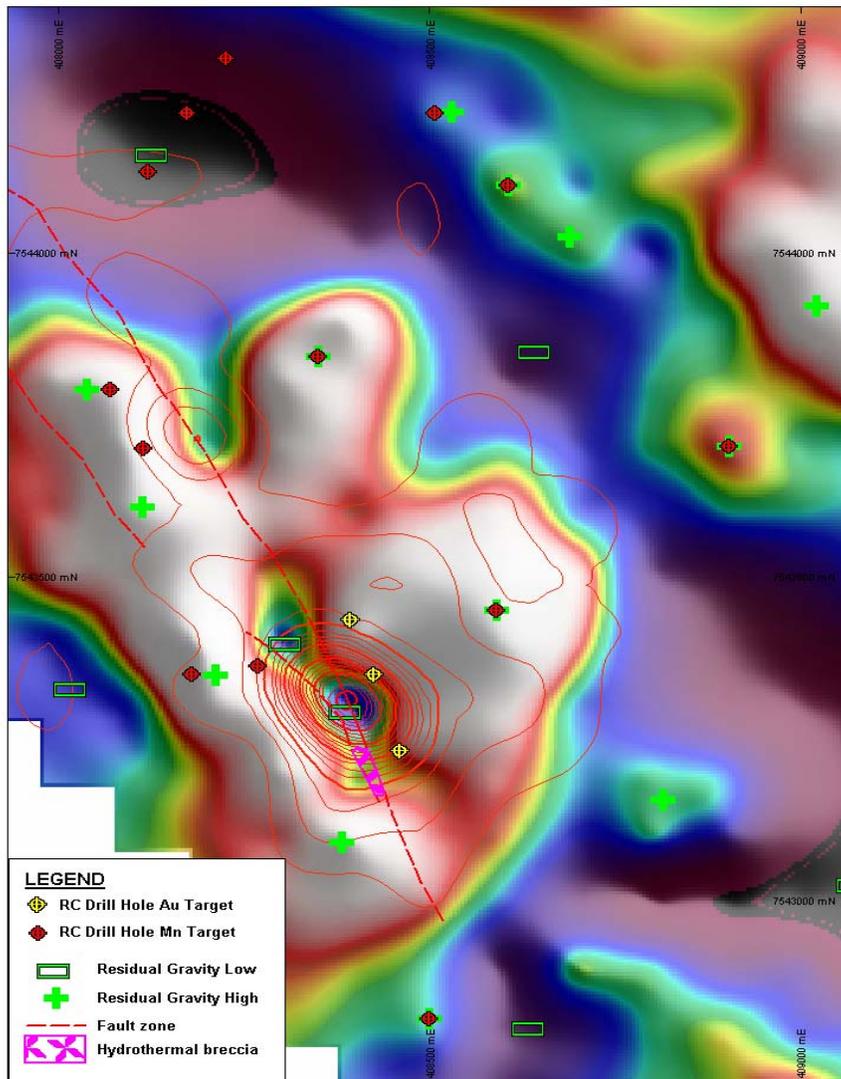
The dimensions of the system are as yet undefined. An RC drilling program commenced just after quarter's end to follow up these results and determine the geometry and economic potential of the mineralisation.



Plan showing the follow up RC drilling and solid geology of the Urandy Gold prospect.

BLOODWOOD PROSPECT

The necessary approvals to drill at Bloodwood were received during the quarter and RC drilling has commenced. The drilling will target a selection of manganese and gold targets defined by a combination of the gravity survey, soil geochemistry and geological mapping. RAB drilling in the December quarter revealed some strong indications of manganese with one hole intersecting 15 metres of 15.3% manganese. In addition, last year's exploration defined a strong gold – arsenic in soil anomaly coincident with a distinct gravity low and north-west trending structural zone containing a felsic breccia.



Plan showing the Bloodwood prospect gravity with the current drilling locations

Yours faithfully,

Neil Tomkinson
Chairman

Competent Person Statement

The information in this announcement that relates to the Trinity Bore Mineral Resources and the iron ore assay results in Tables 1 and 2 is based on information compiled by Mr Stuart H Tuckey. The information in this announcement that relates to the Catho Well North, Cardo Bore East, Cardo Bore North, Cochrane, Jewel, Kens Bore and Upper Cane Mineral Resources is based on information compiled by Mr Stuart H Tuckey, Dr Sia Khosrowshahi and Mr Jani Kalla who are members of the Australian Institute of Mining and Metallurgy. Mr Tuckey is full-time employee of the API Management Pty Ltd. Dr Khosrowshahi and Mr Kalla are employees of Golder Associates Pty Ltd. Messers Tuckey, Khosrowshahi and Kalla have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Tuckey, Dr Khosrowshahi and Mr Kalla consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report under the title Gold and Base Metal Exploration was compiled by Mr Tim Boddington who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Boddington is a fulltime employee of the company. Mr Boddington has sufficient experience which is relevant to the style of mineralisation and types of deposits 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 Boddington consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

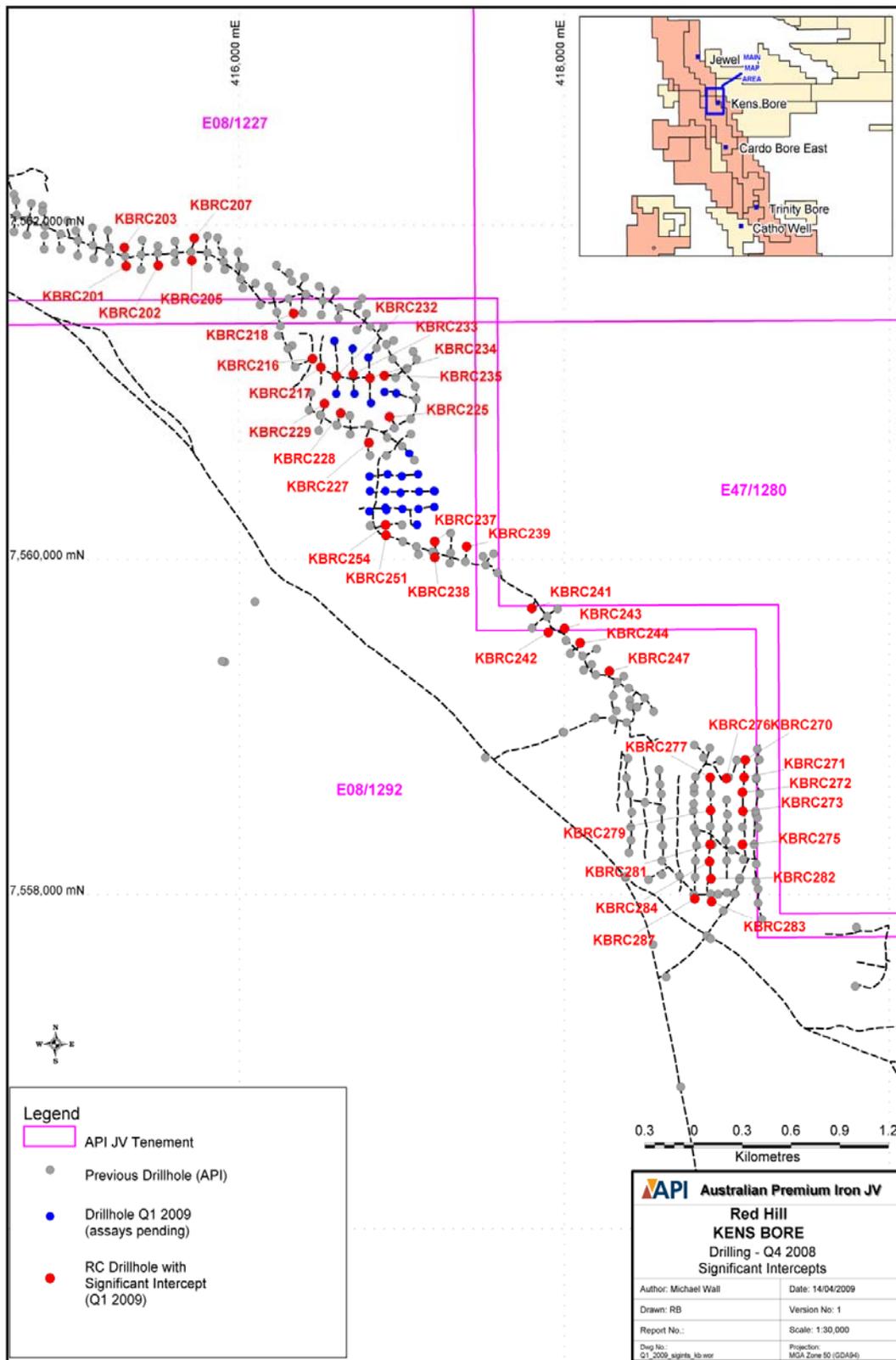


Figure 1 – Kens Bore intercepts

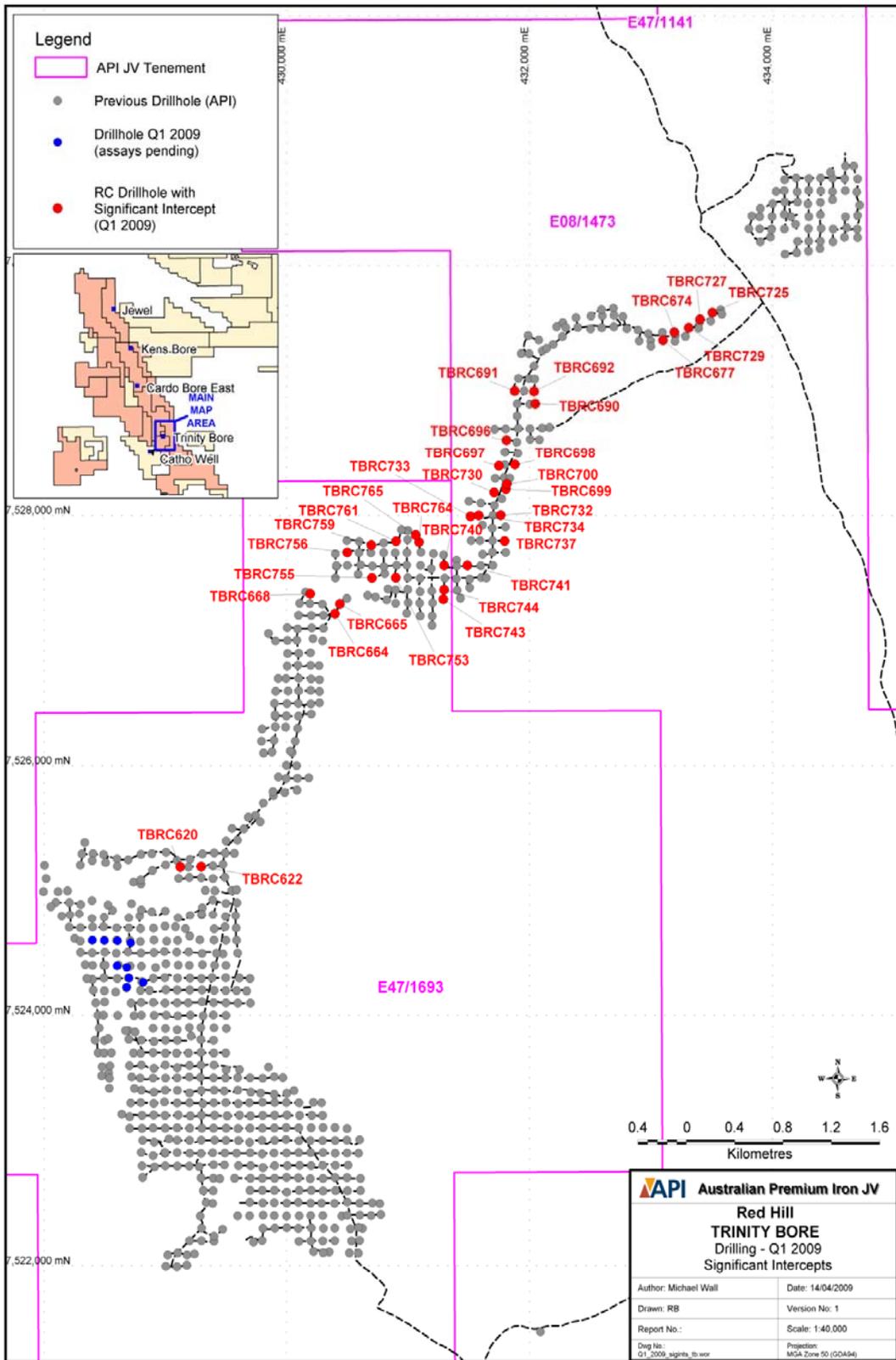


Figure 2 – Trinity Bore intercepts

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

RED HILL IRON LIMITED

ABN

44 114 553 392

Quarter ended ("current quarter")

31 March 2009

Consolidated statement of cash flows

Cash flows related to operating activities

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) Exploration & evaluation	(169)	(1,152)
(b) Development	-	-
(c) Production	-	-
(d) Administration	(78)	(328)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	138	501
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material): Receipts	-	33
Payment – Security Deposit	(32)	(32)
Net Operating Cash Flows	(141)	(978)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(1)	(1)
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) Payment	-	-
Net investing cash flows	(1)	(1)
1.13 Total operating and investing cash flows (carried forward)	(142)	(979)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(142)	(979)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	298
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 (provide details if material)	-	-
	Net financing cash flows	-	298
	Net increase (decrease) in cash held	(142)	(681)
1.20	Cash at beginning of quarter/year to date	8,074	8,613
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	7,932	7,932

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	40
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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	375
4.2 Development	-
Total	375

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	234	122
5.2 Deposits at call	698	5,920
5.3 Bank overdraft	-	-
5.4 Term Deposit	7,000	2,032
5.5 Other (Bank accepted bills)	-	-
Total: cash at end of quarter (item 1.22)	7,932	8,074

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	E08/1770	Relinquished	100%	0%
6.2 Interests in mining tenements acquired or increased	None			

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	41,715,686	41,715,686		Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	200,000	-	Exercise price \$1.10	Expiry date 28 Nov 2009
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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.

Peter Rutledge

Sign here: (Company secretary)

Date: **30 April 2009**

Print name: **Peter Rutledge**

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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* 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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