



**MAGMA
METALS**
LIMITED
ABN 72 114 581 047

Magma Metals Limited

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26th October 2009

ASX: MMB

QUARTERLY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2009

HIGHLIGHTS

Thunder Bay North Platinum Project, Ontario

- Initial Mineral Resources were estimated as:

Indicated: 4.6Mt @ 2.6g/t Pt+Pd, 0.3% Cu & 0.2% Ni

Inferred: 3.6Mt @ 2.1g/t Pt+Pd, 0.3% Cu & 0.2% Ni

Combined: 8.2Mt @ 2.4g/t Pt+Pd, 0.3% Cu & 0.2% Ni

- On a platinum equivalent (PtEq) basis, combined Indicated and Inferred Resources were estimated as:

8.2Mt @ 2.6g/t PtEq for 690,000oz PtEq.

- Infill drilling in the Bridge Zone returned excellent results including:

BL09-153: 20m @ 4.95g/t Pt+Pd, 0.63% Cu & 0.33% Ni

including 11m @ 7.75g/t Pt+Pd, 0.98% Cu & 0.46% Ni.

- Exploration drilling in the Steepledge Lake Complex, 3km west of the resource area, returned encouraging results including:

SL09-13: 36m @ 2.51g/t Pt+Pd, 0.51% Cu & 0.23% Ni,

including 16m @ 3.47g/t Pt+Pd, 0.66% Cu & 0.28% Ni.

Corporate

- The following Board and Executive appointments were made: Peter Whitcutt and Neil Fearis as Non-Executive Directors, Jennifer Abols as Project Development Manager and Dr Bill Stone as Vice President Exploration – Canada.
- The Company filed its application to list on the Toronto Stock Exchange.

EXPLORATION

Magma Metals Limited and its wholly owned subsidiary Magma Metals (Canada) Limited (together, “Magma” or “Company”) conducted exploration programs during the September quarter and subsequently on its projects in the Thunder Bay region of northwest Ontario, Canada and at the Laura River and Mt Jewell projects in Western Australia. The results of these programs and plans for further exploration work in Canada and Australia are described below. The locations of the Company’s projects are shown in Figure 1.

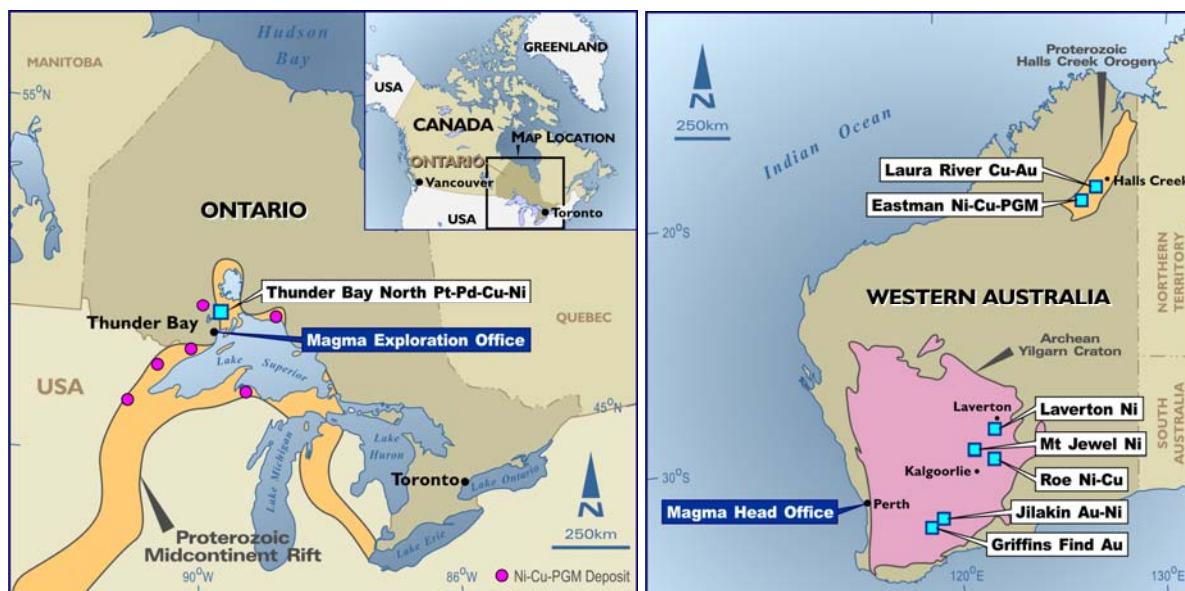


Figure 1. Project Locations

NORTHWEST ONTARIO, CANADA

Thunder Bay North Platinum Project (Magma 100%, with options to acquire 100% of various additional claims)

Resource Estimates

SRK Consulting (Canada) Inc (“SRK”), based in Toronto, has compiled independent initial resource estimates for the project. The resource estimates are based on 333 diamond drill-holes, for 50,416m, completed by Magma over a 3.4km strike length of the Current Lake Intrusive Complex, a mafic-ultramafic magma conduit. A detailed announcement describing the resources, including the assumptions, parameters and methods used in their estimation, was released on 7th September 2009. This should be referenced to provide the detail and context for the following Mineral Resource estimates:

Indicated Resources:	4.6Mt @ 2.6g/t Pt+Pd, 0.3% Cu & 0.2% Ni
Inferred Resources:	3.6Mt @ 2.1g/t Pt+Pd, 0.3% Cu & 0.2% Ni
Combined:	8.2Mt @ 2.4g/t Pt+Pd, 0.3% Cu & 0.2% Ni

The resources contain approximately 322,000oz platinum, 302,000oz palladium, 24,000t copper and 17,000t nickel.

On a platinum equivalent (PtEq) basis (see Company announcement dated 7th September 2009 for the methodology and parameters used in the estimation of platinum equivalents), the Mineral Resources were estimated as:

Indicated Resources:	4.6Mt @ 2.9g/t PtEq for 425,000oz PtEq
<u>Inferred Resources:</u>	<u>3.6Mt @ 2.3g/t PtEq for 265,000oz PtEq</u>
Combined:	8.2Mt @ 2.6g/t PtEq for 690,000oz PtEq

Approximately 87% (based on contained metal) of the combined Indicated and Inferred Resources are within an **optimized pit shell containing 7.3Mt @ 2.6g/t PtEq for 601,000oz PtEq** at a 1.0g/t PtEq cut-off grade (Figure 2). The remaining approximately 13% of the combined Indicated and Inferred Resources are within an **underground body containing 0.85Mt @ 3.3g/t PtEq for 89,000oz PtEq** at a 2.0g/t PtEq cut-off grade.

Approximately 62% of the resources are in the Indicated category. The average grade of the material in the Indicated Resource category is approximately 25% higher than that of material in the Inferred Resource category.

The Inferred Resources are in the deeper parts of the resource in the Bridge Zone and Beaver Lake Zone. A large infill drilling program is being planned in these areas to upgrade the Inferred Resources to the Indicated category over the next six to eight months.

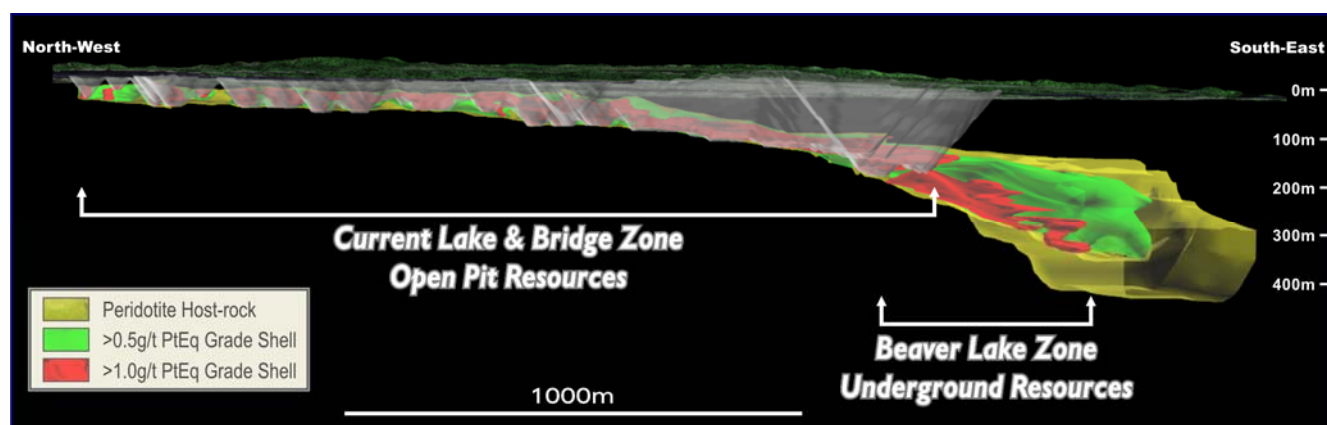


Figure 2. Open-Pit and Underground Resource Areas

Beaver Lake Zone – Infill and Extension Resource Drilling

During the quarter 28 diamond holes were drilled for 9,110m, mainly on a 100m x 50m grid in the eastern part of the Beaver Lake area. Some of this drilling was completed on existing drill sections to provide more detailed information within the resource model (Figure 3). Most of the drilling was conducted on three new 100m-spaced sections to the east of the resource to extend the mineralization in that direction. This drilling has identified an east-west trending mineralized trough in the floor of the intrusion, sub-parallel to a similar structure to the south (Figure 3). Infill drilling is being planned to establish the significance of this structure.

Better results from this drilling program included:

BL09-123: 20.0m @ 1.93g/t Pt+Pd, 0.20% Cu & 0.16% Ni from 134.0m, including 11.0m @ 2.36g/t Pt+Pd, 0.25% Cu & 0.18% Ni, including 3.0m @ 7.60g/t Pt+Pd, 0.70% Cu & 0.30% Ni.

BL09-127: 17.0m @ 1.82g/t Pt+Pd, 0.18% Cu & 0.16% Ni from 240.0m, including 6.0m @ 4.01g/t Pt+Pd, 0.41% Cu & 0.23% Ni, including 2.1m @ 8.69g/t Pt+Pd, 0.89% Cu & 0.46% Ni.

BL09-131: 20.0m @ 1.58g/t Pt+Pd, 0.18% Cu & 0.21% Ni from 239.0m, including 8.0m @ 3.00g/t Pt+Pd, 0.33% Cu & 0.27% Ni.

BL09-136: 18.0m @ 1.86g/t Pt+Pd, 0.20% Cu & 0.22% Ni from 276.0m, including 3.0m @ 3.26g/t Pt+Pd, 0.34% Cu & 0.30% Ni.

BL09-137: 17.0m @ 2.37g/t Pt+Pd, 0.26% Cu & 0.21% Ni from 269.0m, including 3.0m @ 3.25g/t Pt+Pd, 0.34% Cu & 0.25% Ni.

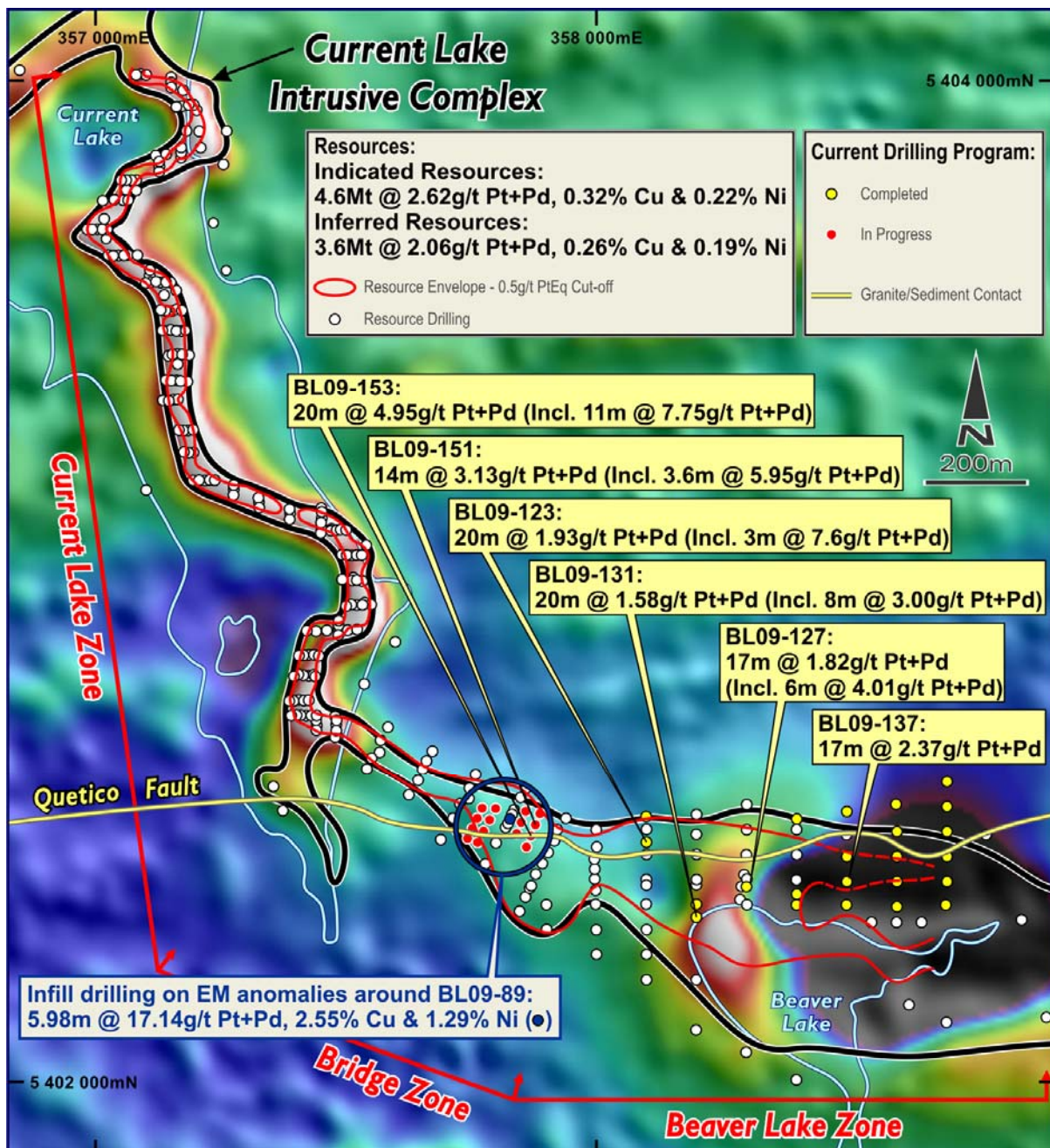


Figure 3. Current Lake Intrusive Complex - Magnetics and Drilling

Bridge Zone – Infill Drilling

A 25m x 20m infill diamond drilling program commenced during the quarter in the Bridge Zone to test down-hole electro-magnetic (DHEM) anomalies in the vicinity of an intersection

of semi-massive and massive sulphides in drill-hole BL09-89, which returned an intersection of **5.98m @ 17.14g/t Pt+Pd, 2.55% Cu & 1.29% Ni** from 157.25m (Figure 3). The planned drilling program comprises 15 holes for 3,225m. To date, 11 holes have been completed for 2,358m.

Peridotite has been intersected in 7 holes and strong disseminated sulphides, with sulphide veinlets in places, have been observed in 5 holes over thicknesses of 12 to 20m. Results have been received for the first two holes that intersected peridotite (Tables 1 and 2), which included the following excellent intersections:

**BL09-151: 14.0m @ 3.13g/t Pt+Pd, 0.33% Cu & 0.21% Ni from 162m,
including: 3.6m @ 5.95g/t Pt+Pd, 0.63% Cu & 0.44% Ni.**

**BL09-153: 20.0m @ 4.95g/t Pt+Pd, 0.63% Cu & 0.33% Ni from 157m,
including: 11.0m @ 7.75g/t Pt+Pd, 0.98% Cu & 0.46% Ni.**

Steepledge Lake – Exploration Drilling

During the quarter 32 diamond holes were drilled from a barge on Steepledge Lake, about 3km west of Current Lake, for 6,210m (Figures 4 and 5). The objective of the drilling was to investigate the mineralization potential of the northern part of the Steepledge Lake Intrusive Complex. Most of the drilling was completed within an 800m strike length of the magnetic anomaly in the eastern part of Steepledge Lake (Figure 5). Several of the planned holes could not be drilled due to the combined depth of water and mud in some areas. These targets will be drill-tested from the ice next winter.

Peridotite was intersected in 26 holes and assays have been received for 24 of these. A zone of mineralization approximately 300m long was defined which contained the following intersections:

**SL09-06: 0.5m @ 8.11g/t Pt+Pd, 2.27% Cu & 0.37% Ni from 34.5m,
2.0m @ 2.27g/t Pt+Pd, 0.40% Cu & 0.20% Ni from 44.0m,
9.0m @ 1.24g/t Pt+Pd, 0.24% Cu & 0.18% Ni from 67.0m,
11.0m @ 1.28g/t Pt+Pd, 0.25% Cu & 0.25% Ni from 96.0m.**

**SL09-08: 10.2m @ 1.28g/t Pt+Pd, 0.21% Cu & 0.17% Ni from 29.8m,
8.0m @ 1.08g/t Pt+Pd, 0.20% Cu & 0.19% Ni from 46.0m,
7.0m @ 1.23g/t Pt+Pd, 0.28% Cu & 0.24% Ni from 82.0m.**

**SL09-13: 36.0m @ 2.51g/t Pt+Pd, 0.51% Cu & 0.23% Ni from 34.0m,
including 16.0m @ 3.47g/t Pt+Pd, 0.66% Cu & 0.28% Ni.**

SL09-29: 3.0m @ 3.09g/t Pt+Pd, 0.43% Cu & 0.24% Ni from 67.0m.

Drill-hole data for previously unreported results are shown in Tables 1 and 2.

The magma conduit at Steepledge Lake is different in some aspects to that at Current Lake. It appears from the drilling so far to be a wider and thicker body. In addition, the average Pt:Pd ratio appears to be slightly lower and the combined Cu and Ni values significantly higher than in the Current Lake Intrusive Complex (Table 3). The difference in these ratios indicates the likelihood that a separate and distinct pulse of magma formed the Steepledge conduit.

Reconnaissance drilling is currently in progress to investigate the potential of a 1.4km strike length of the conduit on land to the south of Steepledge Lake (Figure 5).

Table 1. Significant Exploration Drilling Results (not reported previously)

Drill Hole	From (m)	To (m)	Length (m)	Pt (g/t)	Pd (g/t)	Pt+Pd (g/t)	Cu (%)	Ni (%)	Pt+Pd Cut-Off (g/t)
BL09-151	162.00	176.00	14.00	1.64	1.49	3.13	0.33	0.21	1.0
including	171.00	174.60	3.00	3.07	2.88	5.95	0.63	0.33	3.0
BL09-153	157.00	177.00	20.00	2.59	2.36	4.95	0.63	0.33	0.5
including	160.00	171.00	11.00	4.07	3.68	7.75	0.98	0.46	5.0
SL09-29	35.00	35.55	0.55	1.66	2.59	4.25	0.80	0.53	1.0
	67.00	70.00	3.00	1.49	1.60	3.09	0.43	0.24	1.0

Results are reported for intercepts >1.0g/t Pt+Pd at the lower cut-off grades shown in the right hand column; these may include internal intervals up to 2m below the cut-off grade

Table 2. Drill Hole Collar and Depth Information (not reported previously)

Drill Hole	Easting (m)	Northing (m)	Azimuth (Deg)	Dip (Deg)	Depth (m)
BL09-151	357884	5402522	0	-90	232
BL09-153	357875	5402504	0	-90	234
SL09-29	354037	5404059	0	-90	234

Table 3. Comparison of Average Metal Ratios in the Current and Steepledge Lake Complexes

Ratio	Pt:Pd	(Cu+Ni)/(Pt+Pd)
Current Lake Complex	1:0.9	0.2
Steepledge Lake Complex	1:1.2	0.3

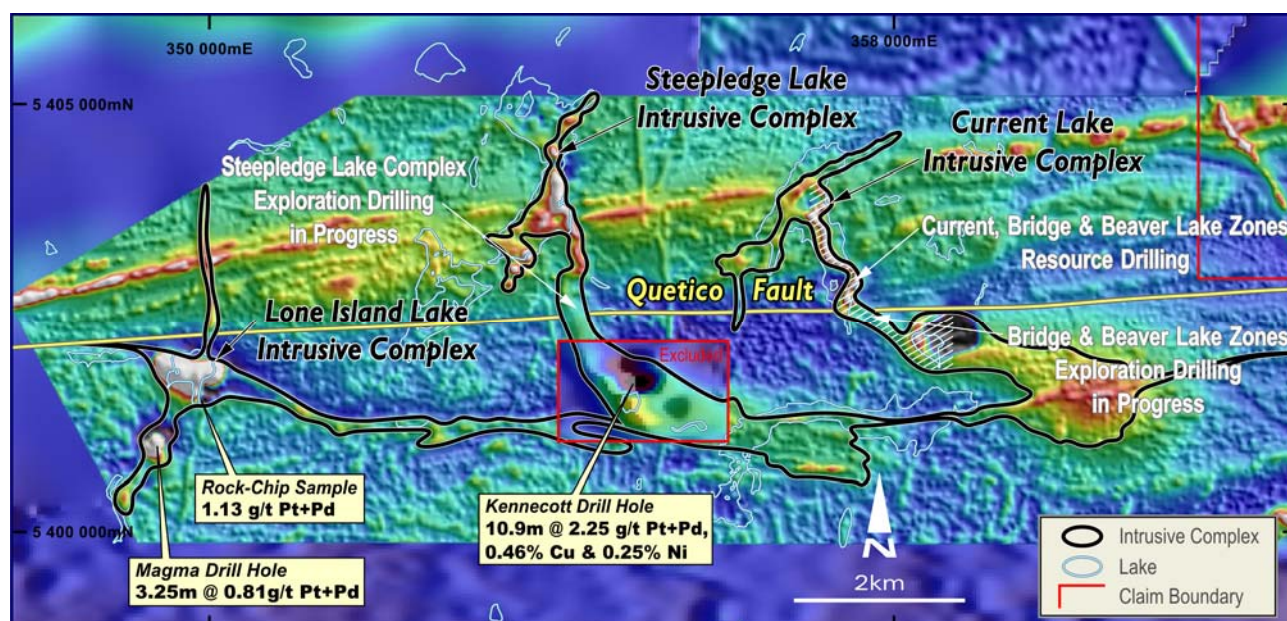


Figure 4. Intrusive Complexes on Magnetics Showing Locations of Exploration Programs

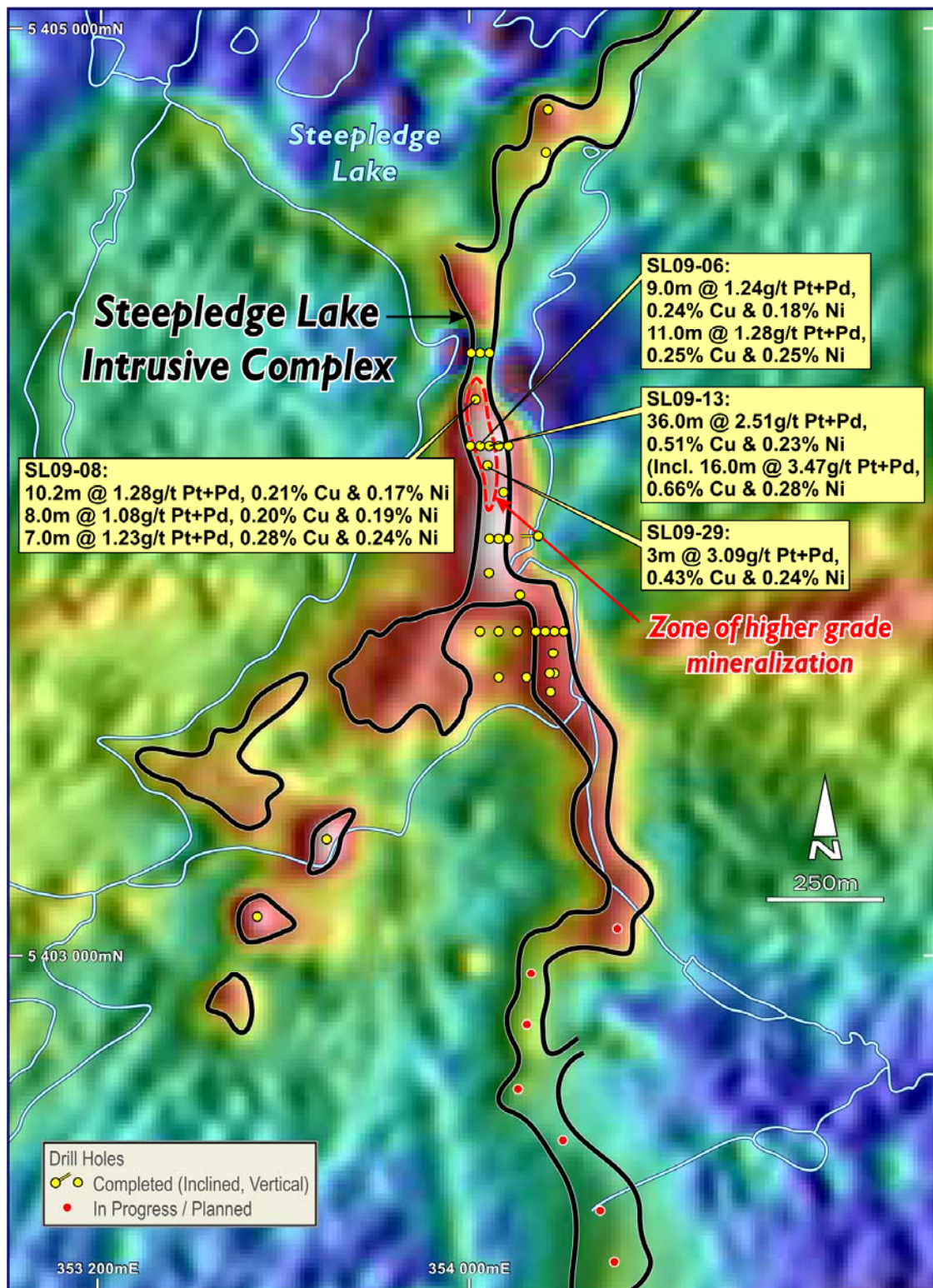


Figure 5. Steepledge Lake Intrusive Complex

Scoping Study

A Scoping Study (Preliminary Economic Assessment) on the defined resources is planned to commence in the December quarter 2009. The focus of the study will be on three key aspects of the project, metallurgy and process engineering, mining options and

environmental and permitting requirements. It is planned to complete the study in the June quarter 2010.

WESTERN AUSTRALIA

Exploration programs which commenced or were planned during the quarter on projects in Western Australia are described below. No work was carried out on the Eastman and Roe projects during the quarter.

Laura River Project (Magma earning 70%)

A two-hole diamond drilling program was completed for 1,136.7m to test an iron-oxide copper-gold target at the Amphitheatre prospect in this project in the East Kimberley. Assay results are pending.

Mt Jewell Nickel Project (Magma 80%)

A LANDTEM surface electro-magnetic (EM) survey is in progress at this project. This will cover approximately 10km of strike of the nickel-prospective komatiite sequence between the GSP and Ringlock prospects. The survey is designed to detect EM conductors which could represent massive sulphide bodies to a depth of approximately 300m.

Laverton Nickel Project (Magma earning 100% Ni-Cu-PGM rights)

Ten conductors identified from an extensive LANDTEM survey over the 40km-long Red Flag Ultramafic Unit have been selected for drill testing. The reverse circulation drilling program to test these nickel-sulphide targets will comprise approximately 10 holes for 2,000m and is planned to be completed in the December quarter 2009.

Griffins Find Gold Project (Magma option to acquire 100%)

During the quarter Magma acquired an option to purchase a 100% interest in the Griffins Find gold exploration project, approximately 300km southeast of Perth. The Company made an announcement on this acquisition on 9th July 2009, which contains details on the terms of the option and the attributes of the project.

Approximately 55,000 ounces of gold at a grade of 2.8g/t was mined from two shallow open-pit mines (approximately 55m & 20m deep) in the 1980's in the project area. There is a large gold-anomalous area around these open pits which forms a gold system "footprint" of at least 4km x 2km in size. Within this footprint anomalous gold values have been recorded in soil samples and shallow rotary air-blast and air-core drilling. There are very few drill-holes deeper than 100m outside of the immediate vicinity of the larger open-pit mine. The size of this footprint in relation to the small open-pit mines is encouraging and could indicate potential for a substantial gold system.

An analysis of historic exploration data and recent work conducted by the current tenement holder indicates that there are several high-quality drilling targets.

Jilakin Project (Magma 100%)

Exploration licence applications were lodged for an area of approximately 650km² 30km northeast of the Griffins Find Project (Figure 1). This area covers a 50km strike extent of an interpreted greenstone belt, which is almost entirely under soil cover in the wheat belt about

300km southeast of Perth. This belt is thought to be prospective for gold and nickel mineralization.

CORPORATE

A number of Board and senior management appointments were made during the quarter as the Company prepares for the next phase of its development:

- Peter Whitcutt and Neil Fearis were appointed as Non-Executive Directors.
- Dr Keith Watkins was appointed Executive Chairman.
- Dr Bill Stone was appointed Vice-President Exploration – Canada (effective 30 November 2009).
- Jennifer Abols was appointed Project Development Manager, principally for the Thunder Bay North project.

The Company's Board and Senior Management team now comprise:

Executive Directors & Senior Management:

- Keith Watkins: Executive Chairman
- Ralph Porter: Executive Director – Exploration, Australia
- Max Cozijn: Executive Director – Corporate
- Graeme Scott: Chief Financial Officer & Company Secretary
- Bill Stone: Vice-President – Exploration, Canada (from 30 November 2009)
- Allan MacTavish: Exploration Manager – Thunder Bay Projects
- Jennifer Abols: Project Development Manager

Non-Executive Directors:

- Terry Burgess (Managing Director & CEO, Oz Minerals Ltd)
- Peter Whitcutt (Group Director Strategy & Business Development, Anglo American plc)
- Neil Fearis (Consultant, Minter Ellison)

As previously advised, Magma is pursuing a dual listing on the Toronto Stock Exchange (TSX) and recently lodged its listing application with the TSX. It is anticipated that this exercise will be completed in the December quarter 2009.

The total issued capital of Magma Metals Limited at 30 September 2009 was 163,636,282 shares. Details of 22,299,140 unlisted options are provided below:

Unlisted Options:

- 1,054,500 Unlisted 20c Options expiring 30/6/11
- 4,000,000 Unlisted 20c Director Options expiring 31/10/11
- 1,000,000 Unlisted 50c Options expiring 31/7/12
- 2,500,000 Unlisted employee Options exercisable at prices ranging from 35c to \$1.00 and expiring over periods from 1/05/11 to 05/04/14.
- 2,050,000 Unlisted 83c Director Options expiring 31/10/12.
- 11,694,640 Unlisted 50c Options expiring 9/05/10

Magma retained \$14 million in cash at the end of the quarter.

Additional information on Magma and its projects is available on the Company's website at www.magmametals.com.au.

Please direct enquiries or requests for further information to:

Keith Watkins
Executive Chairman
Magma Metals Limited

Telephone: +61 (0)8 9324 1500

Email: keith.watkins@magmametals.com.au

Competent Person's Statement:

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled or reviewed by Dr Keith Watkins and/or Mr Ralph Porter, the Executive Chairman and Executive Director – Exploration, Australia of Magma Metals Limited, respectively, who are both Members of the Australasian Institute of Mining and Metallurgy. Both Dr Watkins and Mr Porter have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Dr Watkins and Mr Porter consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Note: Drill-hole location and detailed assay data for all drill-holes mentioned in this report but not provided herein have been provided in previous announcements during the quarter. These are available on the Company's website at www.magmametals.com.au.

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

MAGMA METALS LIMITED

ABN

ABN 72 114 581 047

Quarter ended ("current quarter")

30 SEPTEMBER 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to Date (3 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 (net)	(2,815)	(2,815)
(b) development	-	-
(c) production	-	-
(d) administration (net)	(544)	(544)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	147	147
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(3,213)	(3,213)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(101)	(101)
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) - Bonds	-	-
Net investing cash flows	(101)	(101)
1.13 Total operating and investing cash flows (carried forward)	(3,314)	(3,314)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(3,314)	(3,314)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc. (Net)	120	120
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(4)	(4)
1.18	Dividends paid	-	-
1.19	Other – Trade Creditors/Debtors	-	-
	Net financing cash flows	116	116
	Net increase (decrease) in cash held	(3,198)	(3,198)
1.20	Cash at beginning of quarter/year to date	17,053	17,053
1.21	Exchange rate adjustments to item 1.20	44	44
1.22	Cash at end of quarter	13,899	13,899

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	172
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

Nil

- 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

Nil

+ See chapter 19 for defined terms.

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/bonds	94	94

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	3,000
4.2 Development	-
Total	3,000

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	1,067	753
5.2 Deposits at call	12,832	16,300
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	13,899	17,053

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	Refer Covering Quarterly Activity Report attached hereto		
6.2	Interests in mining tenements acquired or increased	Refer Covering Quarterly Activity Report attached hereto		

+ 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 (cents)	Amount paid up per security (cents)
7.1 Preference ⁺securities <i>(description)</i>	Nil	Nil	-	-
7.2 Changes during quarter	-	-	-	-
7.3 ⁺Ordinary securities	163,636,282	163,636,282	Various	Fully Paid
7.4 Changes during quarter				
(a) Increases through Issue				
- placement	-	-	-	-
- option exercise	411,250	411,250	20¢	Fully Paid
- option exercise	75,000	75,000	50¢	Fully Paid
- tenements	-	-	-	-
(b) Decreases through return of capital, buy-backs				
7.5 ⁺Convertible debt securities <i>(description)</i>	Nil	Nil	-	-
7.6 Changes during quarter	-	-	-	-
7.7 Options			<i>Exercise Price</i>	<i>Expiry Date</i>
<i>Unlisted Options 20¢</i>	1,054,500	-	20¢	30/06/2011
<i>Unlisted Options 20¢</i>	4,000,000	-	20¢	31/10/2011
<i>Unlisted Options 50¢</i>	75,000	-	50¢	01/09/2011
<i>Unlisted Options 75¢</i>	75,000	-	75¢	01/09/2012
<i>Unlisted Options \$1</i>	100,000	-	\$1	01/09/2013
<i>Unlisted Options 50¢</i>	200,000	-	50¢	01/05/2011
<i>Unlisted Options 75¢</i>	300,000	-	75¢	01/05/2012
<i>Unlisted Options \$1</i>	500,000	-	\$1	01/05/2013
<i>Unlisted Options 50¢</i>	1,000,000	-	50¢	31/07/2012
<i>Unlisted Options 83¢</i>	2,050,000	-	83¢	31/10/2012
<i>Unlisted Options 50¢</i>	11,694,640	-	50¢	09/05/2010
<i>Unlisted Options 35¢</i>	250,000	-	35¢	05/01/2012
<i>Unlisted Options 40¢</i>	300,000	-	40¢	05/01/2013
<i>Unlisted Options 55¢</i>	450,000	-	55¢	05/01/2014
<i>Unlisted Options 50¢</i>	75,000	-	50¢	05/04/2012
<i>Unlisted Options 75¢</i>	75,000	-	75¢	05/04/2013
<i>Unlisted Options \$1</i>	100,000	-	\$1	05/04/2014
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter				
<i>Unlisted Options 20¢</i>	411,250	-	20¢	30/06/2011
<i>Unlisted Options 50¢</i>	75,000	-	50¢	09/05/2010
7.10 Expired during quarter	-	-	-	-

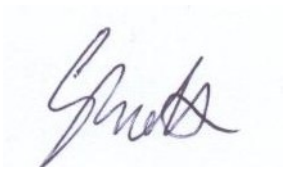
+ See chapter 19 for defined terms.

7.11 Debentures <i>(totals only)</i>	Nil	Nil
7.12 Unsecured notes <i>(totals only)</i>	Nil	Nil

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.

2 This statement does give a true and fair view of the matters disclosed.



Sign here:
(Company Secretary)

Date:**26 October 2009**.....

Print name:**Graeme Scott**.....

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+ See chapter 19 for defined terms.