



30 January 2009

Manager of Company Announcements
ASX Limited
Level 6, 20 Bridge Street
Sydney NSW 2000
By E-Lodgement

QUARTERLY REPORT

Period Ended 31 December 2008

DECEMBER 2008 QUARTER – HIGHLIGHTS

Corporate

- Appointment of Mr Joseph Gutnick as Executive Chairman and Mr Ian Hastings and Mr Saul Michaelis as Non-Executive Directors.

Yambarra Project

- Interpretation of the VTEM airborne geophysical survey undertaken over the Door Creek anomaly area completed. Five targets identified, including a target in close proximity to the 'Door Creek' radiometric anomaly.
- The work programs for the granted tenements have been approved by local Aboriginal groups.

Arnhem Land Project

- The Company has made considerable progress with Aboriginal groups with respect to access to land.
- An Access agreement negotiated and 'recommendation for grant' received for EL330.
- 11 tenements have 'consent to negotiate' status and work programs approved for 4 tenements.

McArthur South Project

- RadonX survey completed on McArthur South project area. Anomalous radon responses are associated with one of the tested structures.



URANIUM EXPLORATION – NORTHERN TERRITORY

Top End Uranium Ltd (ASX: TEU) is a uranium focused exploration company with uranium and based metals mineral rights over an extensive 36,500km² land packages in the Northern Territory.

YAMBARRA PROJECT

The Yambarra Project area comprises a large mostly contiguous land holding located within a major tectonic zone that links the Pine Creek Orogen, one of Australia's richest mineral fields, to the Halls Creek Mobile Belt, which is also host to major mineral occurrences.

- **Rio Tinto Yambarra Farm-in – TEU Earning 100%**

The Company has a farm-in agreement with Rio Tinto to earn 100% interest for uranium in tenements in the Daly River region of the Northern Territory. These tenements have a total project area of 9,100km².

- **Substitute Exploration Licences**

The 12 granted Yambarra exploration licences reached the end of their 6 year term in September 2008 and the Company has submitted applications for tenements to be registered as 'substitute exploration licences'. This not only extends the exploration period for an additional 4 years but also results in considerable savings in terms of statutory rents.

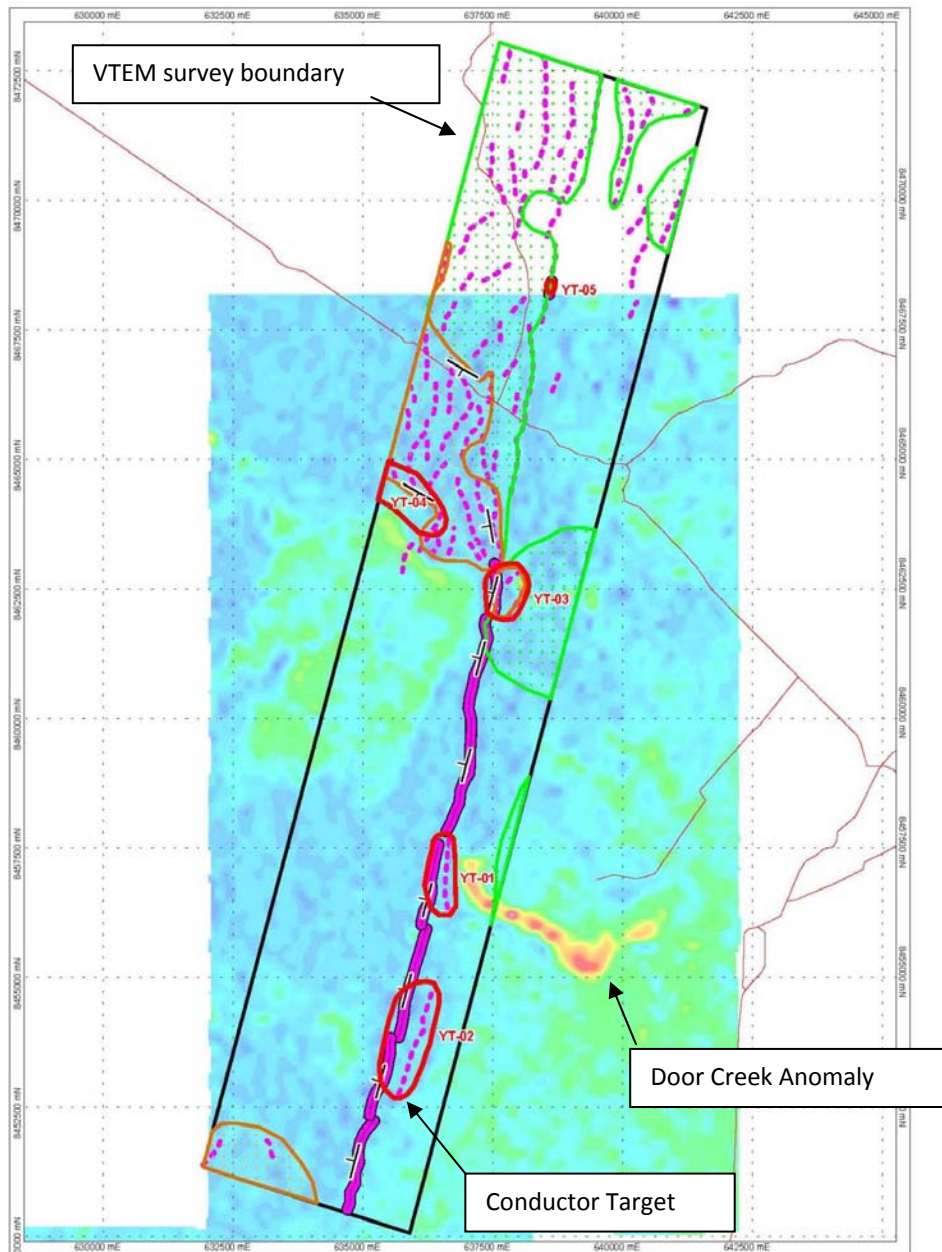
- **Airborne Survey**

Top End Uranium Ltd undertook a VTEM airborne geophysical survey within its Yambarra Project in 2008. The survey flown by Geotech Pty Ltd comprised a total 500 line km focussing on the priority Door Creek uranium anomaly and associated prospective geological elements. The data from this survey has been processed and the detailed interpretation has been completed by Southern Geoscience Consultants. The purpose of the survey was to identify potential host rocks from which the Door Creek uranium anomaly could be derived and to this end a total of 5 conductor targets have been identified. One of the targets lies at the headwaters of the drainage containing the 'Door Creek' radiometric anomaly (Figure 1). After appropriate ground inspection and assessment the Company will proceed to drill test these selected targets on cessation of the wet season and as soon as ground access permits.

- **Access**

The Yambarra Project consists of 10 exploration tenements with approval received for work programs allowing general reconnaissance and the follow-up of anomalies generated from the VTEM airborne survey.

Figure 1: VTEM Survey



ARNHEM LAND PROJECT

The Arnhem Land Project Area lies within a region that is host to significant and in some instances world class unconformity related uranium related mineralisation. The Company has identified 23 target areas in the Arnhem Land Project for initial ground follow-up once access is available.

- **Access**

The Arnhem Land Project comprises 39 exploration tenements of which 6 tenements are granted. The Company has made significant progress in its efforts to gain access to these project tenements 37 of which are subject to ALRA access conditions. Currently 4 tenements are granted and have work programs approved, 11 tenements have 'Consent to Negotiate' status and 1 tenement, EL330, has been 'Recommended for Grant' following the successful negotiation of an 'Access Agreement'.

MCARTHUR SOUTH PROJECT

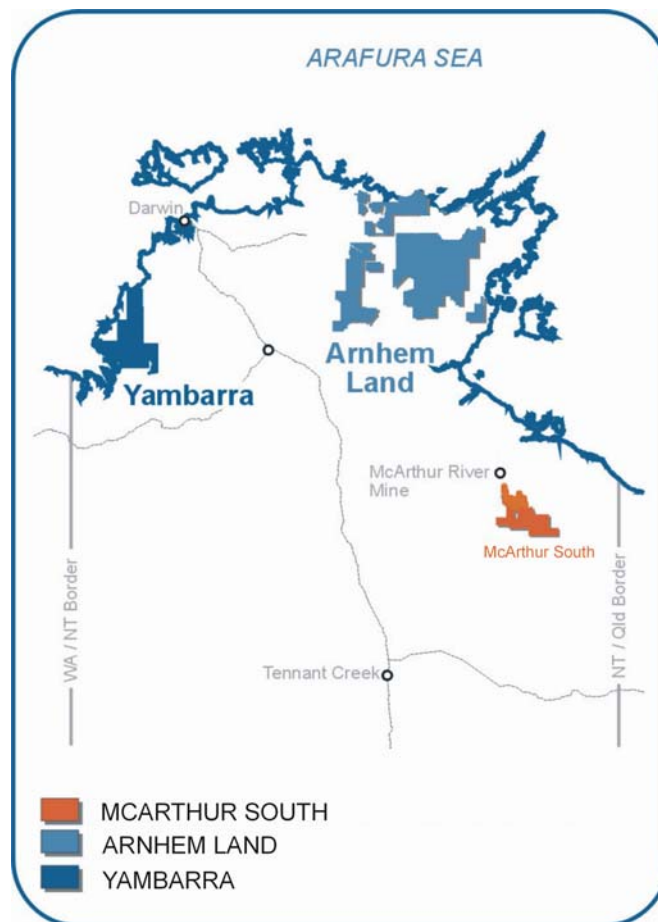
The McArthur South Project consists of 8 granted exploration tenements.

- **RadonX Survey**

The McArthur South Project consists of 8 exploration tenements. During the quarter a 'RadonX' survey was completed over an area where deep structures were interpreted to intersect favourable stratigraphy for hosting uranium mineralisation at depth. This technique utilises carbon based receptors which can infer the presence of buried uranium deposits by measuring gamma radiation from Radon gas daughter products which percolates up from the deposit and is trapped in the carbon receptors.

One of the structures has reported anomalous radon responses on three adjacent grid lines which represents a strike distance of approximately 500m. A follow-up infill survey will be required to better define and interpret these anomalous responses. This will be undertaken after cessation of the wet season.

Figure 2: TEU Project Tenements



CORPORATE

During the quarter, the Board has undergone a significant restructure with the appointment of Mr Joseph Gutnick as Executive Chairman and Messrs Ian Hastings and Saul Michaelis as Non-Executive Directors following the departure of Messrs Andrew Haythorpe, David Riekie, Glenister Lamont, Ian Richer and John Hopkins.

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

Top End Uranium Ltd

ABN

48 124 943 728

Quarter ended ("current quarter")

31 December 2008

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6months) \$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	(207)	(403)
(b) development	-	-
(c) production	-	-
(d) administration	(282)	(511)
(e) ore processing evaluation	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	119	253
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Insurance proceeds	-	-
Net Operating Cash Flows	(370)	(661)
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 from other entities	65	100
1.11 Loans repaid to other related entities	(65)	(100)
1.12 Other – Security deposits	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(370)	(661)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(370)	(661)
	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 (share issue costs)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(370)	(661)
1.20	Cash at beginning of quarter/year to date	6,760	7,051
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	6,390	6,390

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	(231)
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

<p>1.2 (a),(c)</p> <ul style="list-style-type: none"> - Remuneration of Directors: <ul style="list-style-type: none"> - Managing Director \$60,000 - Executive Director \$15,402 - Non-Executive Directors <u>\$34,372</u> <li style="text-align: right;"><u>\$109,774</u> - Payments to a related party (North Australian Diamonds Ltd) of \$121,156 for exploration recharges and corporate costs under a administration and services agreement.

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

-

+ 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	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration & Evaluation	(240)
4.2 Development	-
4.3 Administration	(267)
Total	(507)

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	161	106
5.2 Deposits at call	6,229	6,654
5.3 Bank overdraft	-	-
5.4 Other (money held on behalf of shareholders)	-	-
Total: cash at end of quarter (item 1.22)	6,390	6,760

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	EL 24500	50% reduction	100%	100%
	EL 24737	50% reduction	100%	100%
6.2 Interests in mining tenements acquired or increased	Nil			

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>	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	65,958,684	49,424,441		
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>	Nil			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			Exercise Price	Expiry Date
	Tranche 1 5,000,000	Nil	20	28/11/2010
	Tranche 2 6,000,000	Nil	20	26/02/2012
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>	Nil			
7.12 Unsecured notes <i>(totals only)</i>	Nil			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: J. I. Gutnick Date: 30 January 2009
Director

Print name: Joseph Gutnick

Notes

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