



30 October 2009

ZEDEX MINERALS LIMITED (ASX:ZDX) - QUARTERLY REPORT

QUARTERLY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2009

HIGHLIGHTS

Bau Gold Project (East Malaysia)

- A Bau Gold Project "Mine Scoping Study" was commenced.
- Stage 1 of a technical programme to assess the economic feasibility of recovering gold by reprocessing BYG mine tailings has been completed.
- Geological examination of geophysical targets peripheral to the Jugan gold deposits returned positive surface indications of possible mineralization at depth in three out of five sites examined.

Olympus Investment

Olympus Pacific Minerals Inc in which Zedex holds an approximate 26% shareholding,

- announced the extension of the joint venture mining license at Phuoc Son to July 2011
- announced the mandating of Macquarie Bank Limited for \$20m loan facility to fund mine expansion
- announced resumption of toll treatment of Phuoc Son High Grade Gold Ore with a trucking permit to Dec 2010.

Zedex also holds a 2% gross production royalty in respect of Olympus' share of gold production at its Bong Mieu gold project.

BAU GOLD PROJECT (Zedex 50.5%)

Introduction

The Bau Gold Project comprises consolidated Mining and Exploration tenements that collectively cover more than 828 km² of the most highly-prospective ground within the historic Bau Goldfield, in Sarawak, East Malaysia. Operating since 1864, this goldfield has estimated historic gold production of more than 3 M.oz gold and recently recorded production of 1.5 million oz of gold. Regional analogy with goldfields across the border in Kalimantan suggests significantly greater remaining potential.

Pursuant to JV with a local Malaysian company, Zedex may earn majority interest by funding exploration up to "Decision to Develop". Since commencement of the JV, Zedex has explored the central goldfield area. An independent consultant has formally established a JORC status gold resource of 1.612 M.oz. This comprises three near-surface deposits (Jugan, Pejiru and Sirenggok), with a subordinate contribution from auriferous tailings at the historic BYG Gold Mine. Potential for a further 3.3 to 4.5 M.oz gold has also been estimated (by independent consultant) in deposit extensions and closely adjacent zones. Other (as yet unexplored) potential remains within peripheral zones. All of the resource estimated deposits lie within granted "mining" tenements (ie. either Mining Licences or Mining Certificates).

2009 September Quarter Results

Central Bau Exploration Programme:

Recent re-analysis of an airborne 3D Dighem geophysical dataset covering the Jugan shale basin revealed 11 anomalies peripheral to the Jugan gold deposit that exhibit identical magnetic and resistivity signatures. On August 16, a ground examination was made of those anomalies lying to the south of the Kanan River. Three sites were inaccessible but three out of another five sites revealed positive indicators (local goethite gossan zones with minor sulphidic, discontinuous, drusy quartz veining, at anomalies 03, 07 and 08). Although these zones are assessed as being of low-priority, they will later be followed-up to determine whether drilling may be warranted.

JORC Status Resources:

During the September quarter 2009, no additions were made to the JORC status resource inventory, which currently remains at 1.612Moz, as shown (by sector) in the table below:

BAU GOLD PROJECT JORC STATUS RESOURCES (as at 30/06/09)					
SECTOR	Tonnes (Mt)	Grade (g/t Au)	Cutoff (g/t Au)	Category	Gold (oz)
Sirenggok	7.185	1.34	0.75	Inferred	310,000
Pejiru	8.576	2.24	1.00	Inferred	497,000
Jugan (above RL -110m)	9.226	1.66	1.00	Indicated	492,000
Jugan (RL -110 to -200m)	2.514	2.202	1.00	Inferred	178,000
BYG Mine Tailings	1.291	1.332	0.62	Indicated	55,000
BYG Mine Tailings	1.878	1.332	0.62	Inferred	80,000
Total:					1,612,000

BYG Tailings Resource

At the BYG mine site, auriferous tailings within ML109 (3.2 M tonnes @ 1.33 g/t gold, for 135,000 oz of contained gold) have previously been block-modelled and independently estimated to JORC status (refer to November, 2008 announcement).

During the Quarter, a technical assessment was commenced to determine how much of this gold may be economically recoverable by tailings re-processing. Interim results are as follows:

STAGE 1

Stage 1 activities included: auger sampling, physical characterization, permeability, particle size analysis, Wilfley tabling and assay of the various Wilfley table launder products.

Tailings samples from selected locations were obtained by auger sampling, due to the tailings being too soft to bear the weight of other machinery. Two problems with the auger sampling were however identified:

- None of the auger holes reached bottom. Thus, earlier tailings generations that may be of higher grade towards the bottom were not sampled.
- The auger samples contain a disproportionate volume of slimes, indicating that down-hole contamination by slimes has probably diluted the gold grades by an unquantifiable amount.

Wilfley tabling of the tailings samples revealed that the tailings are readily amenable to gravity differentiation into the following splits:

- **Slimes.** Although slimes are unlikely to contain significant gold, this needs to be confirmed by assay of representative samples.
- **Light Fraction.** This fraction possibly contains silica-encapsulated gold. During tabling, it was also found to contain a significant carbon component, which probably derives from the

inadvertent release of possibly gold-loaded process carbon from the Bukit Young Goldmines gold recovery circuit. It is thought that this carbon may account for 40-60% of the tailings gold content. The carbon and non-carbon components therefore need to be assayed separately to determine their respective gold contents.

- **Heavy Fraction**, This fraction was found to contain visible sulphides that probably contain most of the gold, as well as a possible "free gold" component. The sulphides were found to separate quite readily.

165 kg of tailings samples in 9 sealed plastic pails were air-freighted for fire assay to determine which (gravity) fractions carry significant gold values. This assay work is currently in progress. Sufficient sample was also shipped to provide for subsequent Stage 2 Metallurgical Test-work.

STAGE 2 (Tailings Metallurgical Test-work):

Subject to receipt of the above assay results, a metallurgical test programme will be devised to quantify the gold distribution between three fractions: Free-gold, Cyanide-leachable gold and Non-leachable gold. Initial tests will comprise bottle roll and column-leaching (of those fractions that contain significant gold), in order to determine what gold percentage may be recoverable by (low-cost) cyanide leaching. Any non-leachable gold will likely lie within the carbon component. Gold within the carbon may prove recoverable by simple (low-cost) ashing. Free gold (if any), will likely be recoverable by (low-cost) gravimetric methods. Any residual (non-leachable) gold will likely be silica-encapsulated, the commercial recovery of which might entail a (more expensive) oxidation method.

The economic viability of a tailings gold recovery operation cannot be predicted until these results are to hand. Additional tailings resources have also been identified from five historical mining operations.

Metallurgical Studies:

No new metallurgical test-work was conducted during the Quarter.

Mine Scoping Study:

During the Quarter, the Bau Gold Project "Mine Scoping Study" reported in the previous quarter, was commenced. The scoping study is focussed primarily upon the previously announced 1.612 M.oz gold JORC status resource and the additional potential geological target. A 10-day site visit was made in August 2009, during which field visits were made to the BYG mine site and principal resource areas and literature reviews were conducted at the Bau office.

Open-pit and/or underground mining concepts will be developed for each of the principal deposits being block modelled. It is anticipated that eventual outcomes from this study will also include financial modelling, a critical development path and quantification of developmental funding requirements.

Forward Programme

Central Bau Exploration:

No field work is currently proposed for the 4th Quarter of 2009.

Mine Scoping Study:

The Bau scoping study is scheduled for completion by early December. This will determine the technical programme to be conducted during 2010. It is envisaged that the Bau scoping study results will identify a critical development path to allow sequential mining development of Bau resources within the earliest possible timeframe.

BYG Tailings Resource

It is envisaged that receipt of Stage 1 assay results and Stage 2 metallurgical test-work results will be available in time to allow completion of an interim tailings gold recovery report by late October. Contingent upon positive results, engineering and environmental analyses of the mine-site would then be scheduled.

Sarawak Regional Exploration Programme:

The company holds a large regional tenement portfolio on which exploration is presently suspended owing to the global recession. It is envisaged that this programme will resume following improvement in market conditions.

TIEN THUAN GOLD PROJECT (Zedex 100%, 75% development interest)

Introduction

The Tien Thuan Gold Project lies some 50 km West of the port city of Quy Nhon in Binh Dinh Province. The project area broadly encompasses about 100 km² of hilly terrain containing numerous hard rock and alluvial gold occurrences, within and peripheral to a large, multiphase intrusive complex of predominantly felsic composition.

Prior exploration by the Vietnamese Geological Survey (DGMV) during 1990-93 recorded six sub-parallel, closely spaced quartz veins hosted by a granitic intrusive. DGMV assays revealed gold values ranging up to 157 g/t Au, with 35% of all samples reporting above 3.0 g/t Au.

Zedex has since mapped and sampled three intrusive related vein-swarms, confirming the presence of multiple quartz veins of potentially economic grade and width.

The Binh Dinh Provincial Government has granted an Investment Certificate to the Zedex subsidiary: Binh Dinh New Zealand Gold Company (BNG). Pursuant to the Investment Certificate, Zedex may earn 75% equity in the Tien Thuan Project, by funding exploration through to completion of a bankable feasibility study (such funding to be repayable from future profits). Upon reaching a "decision to mine", project development will be jointly funded on a pro-rata basis.

2009 September Quarter Results

During the September quarter 2009, exploration field work at the Tien Thuan Gold Project was wholly suspended, owing to the effects of the global recession.

Ongoing Program

It is envisaged that construction of the Nui Bac Ma access track will be commenced as soon as practical after cessation of the current wet season and prior to a limited scout drilling program, planned to commence in the new year. Drilling is now required to delineate the mineralization at depth beneath identified ore-shoot outcrops.

Subject to available funding and the grant of additional tenure, exploration will also be extended into the prospective northerly sectors of Tien Long and Vinh Binh.

ENMORE GOLD PROJECT

(Zedex 100% of two exploration licenses + earning 80% in two others)

Introduction

The Enmore Gold Project covers approximately 325 km² within the Enmore-Melrose Goldfield of north western New South Wales, Australia. The geological setting is broadly similar to that at the nearby Hillgrove Mine.

2009 September Quarter Results

No field work was undertaken on the Enmore project during the September 2009 Quarter. Fieldwork is currently suspended, owing to the effects of the global recession. The case for resumption of exploration will be reviewed following improvement in market conditions.

CORPORATE

At 30 September 2009 operations remained scaled back.

On 29 September the Company held its Annual General Meeting of Shareholders in Auckland, New Zealand. All nine resolutions proposed in the notice of meeting were passed by majority vote.

Olympus Investment

As at 30 September 2009, Zedex holds 65,546,043 shares in Olympus Pacific Minerals Inc ("Olympus"), representing a 26.27% interest on an undiluted basis. Olympus shares are currently trading at approximately CAD\$0.27 on the Toronto Stock Exchange, and Olympus' market capitalization on an undiluted basis is approximately A\$68.8 million. During the September 2009 quarter Olympus announced the following news:

- announced the extension of the joint venture mining license at Phuoc Son to July 2011
- announced the mandating of Macquarie Bank Limited for \$20m loan facility to fund mine expansion
- announced resumption of toll treatment of Phuoc Son High Grade Gold Ore with a trucking permit to Dec 2010.

For further information in respect of Zedex, please contact:

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Zedex is an active gold development company focused on being a leading player in the South East Asian and Pacific region.

JORC Statement

The information in this report relating to the mineral resources at the Bau Gold Project is based on information compiled by John Ashby who is a fellow of the Australasian Institute of Mining and Metallurgy and who is employed by Ashby Consultants Ltd. John Ashby has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to resource estimation 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." John Ashby consents to the inclusion in the report of the matters based on His information in the form and context in which it appears."

Scientific or technical information in this report has been prepared under the supervision of Rod Murfitt, Chief Geologist of the Company and a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Murfitt has sufficient experience which is relevant to the style of mineralisation 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" (the JORC Code). Mr Murfitt consents to the inclusion in this report of the Information, in the form and context in which it appears.

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

ZEDEX MINERALS LIMITED

ARBN

107 523 428

Quarter ended ("current quarter")

30 SEPTEMBER 2009

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter NZ\$'000	Year to date (6 months) NZ\$'000
1.1 Receipts from product sales and related debtors	42	87
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(93)	(372)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	-	2
1.5 Interest and other costs of finance paid	(28)	(60)
1.6 Income taxes paid	-	
1.7 Other (Bond Recovery)		
Net Operating Cash Flows	(401)	(916)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investment (c) other fixed assets	-	-
1.9 Proceeds from sale of: (a)prospects (b)equity investment (c)other fixed assets	-	1,110
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (Cash acquired on acquisition of company)		
Net investing cash flows	-	1,110
1.13 Total operating and investing cash flows (carried forward)	(401)	194

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(401)	194
	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	(100)	(413)
1.18	Dividends paid		
1.19	Other		
	Net financing cash flows	(100)	(413)
	Net increase (decrease) in cash held	(501)	(219)
1.20	Cash at beginning of quarter/year to date	690	408
1.21	Exchange rate adjustments to item 1.20		-
1.22	Cash at end of quarter	189	189

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 \$NZ'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

Legal fees (NZ\$3,173), Management Fees (NZ\$31,085), Consulting Fees (NZ\$6,037)

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

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	Amount available \$NZ'000	Amount used \$NZ'000
3.1 Loan facilities	1,350	1,000
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$NZ'000
4.1 Exploration and evaluation	70
4.2 Development	-
Total	70

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 \$NZ'000	Previous quarter \$NZ'000
5.1 Cash on hand and at bank	25	28
5.2 Deposits at call	164	662
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	189	690

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	-	-
6.2		Interests in mining tenements acquired or increased	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

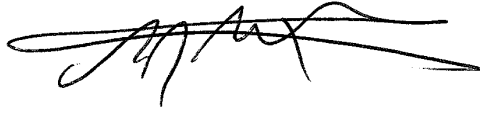
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	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				
7.3 +Ordinary securities	287,467,973	287,467,973		
7.4 Changes during quarter (a) Increases - acquisition of OYM shares -Settlement of creditor - option exercise (b) Decreases	322,929	322,929		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter				
7.7 Options <i>(description and conversion factor)</i>			Exercise price	Expiry date
	2,200,000	-	A\$0.25	30/4/2012
	1,000,000	-	A\$0.38	30/4/2012
	5,100,000	-	A\$0.25	15/6/2012
	250,000	-	A\$0.40	30/4/2012
7.8 Issued during quarter	1,000,000		A\$0.20	29/09/2011
	1,000,000		A\$0.35	28/09/2013
7.9 Exercised during quarter				
7.10 Expired during quarter	17,930,002		A\$0.40	28/08/2009
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ 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:  Date: 30 October 2009
(Company secretary)

Print name: Jane Baxter

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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