

# Appendix 5B

## Mining exploration entity quarterly report

Name of entity

**AUSTRAL AFRICA RESOURCES LIMITED**

ABN

36 060 774 227

Quarter ended ("current quarter")

31 December 2009

### Consolidated statement of cash flows

	Current Quarter \$A'000	Year to date (6 Months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	4	18
1.2 Payments for		
(a) exploration and evaluation	(3)	(3)
(b) development	-	-
(c) production	-	-
(d) administration	(304)	(455)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	4
1.5 Interest and other costs of finance paid	(27)	(43)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	(17)	(17)
<b>Net operating cash flows</b>	<b>(343)</b>	<b>(496)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(5)	(5)
1.9 Proceeds from sale of		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	5	6
1.10 Loans to other entities (note 3)	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>1</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(343)</b>	<b>(495)</b>

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1.13	Total operating and investing cash flows (brought forward)	(343)	(495)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	903
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	20	25
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - costs of issues	(5)	(27)
	<b>Net Financing Cash Flows</b>	15	901
	<b>Net increase (decrease) in cash held</b>	(328)	406
1.20	Cash at beginning of quarter/year to date	925	191
1.21	Exchange rate adjustments to Item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	597	597

**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	127
1.24	Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Payments include:  
 Directors fees to non-executive directors  
 Consulting fees to non-executive directors on normal commercial rates  
 Fees paid to businesses associated with directors for:  
     Company secretarial and support services

**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

N/A

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

N/A

## 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 outlays for next quarter

	\$A'000
4.1 Exploration and evaluation	40
4.2 Development	-
<b>TOTAL</b>	40

## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	597	925
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	-	-
<b>Total: cash at end of quarter (item1.22)</b>	597	915

## Changes in interests in mining tenements

	Tenement Reference	Nature of Interest [note (4)]	Interest at Beginning of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	N/A		
6.2	Interests in mining tenements acquired or increased	N/A		

**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 <b>Preferences securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks, redemptions				
7.3 <b>Ordinary securities</b> <i>Fully paid</i>	1,806,612,588	1,806,612,588		
7.4 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks				
7.5 <b>Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted				
7.7 <b>Options</b>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				

