Appendix 5B

Rule 5.3

Year to date

(9 months) \$A'000

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
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HUNNU COAL LIMITED

ABN

83 138 962 124

Quarter ended ("current quarter") 31 March 2010

Current quarter

\$A'000

Consolidated statement of cash flows

Cash flows related to operating activities

1.1	Receipts from product sales and related debtors			-
1.2	e (b) (c)	xploration and valuation development production administration	(1,471)	(2,744)
1.3	Dividends received		-	-
1.4	Interest and other item received	s of a similar nature	122	127
1.5	Interest and other costs of	finance paid	-	-
1.6	Income taxes paid		-	-
1.7	Other (provide details if r	naterial)	-	-
	Net Operating Cash Flo	ws	(1,951)	(3,273)
	Cash flows related to in			
1.8	Payment for purchases of		-	-
		(b)equity investments	-	-
1.9	Proceeds from sale of:	(c) other fixed assets (a)prospects	(281)	(285)
		(b)equity investments	-	-
		(c)other fixed assets	-	-
1.10	Loans to other entities		-	-
1.11	Loans repaid by other ent		-	-
1.12	Other (provide details if r			
	Cash acquired on acquisit Security deposits (refunded		-	-
	Tenement rehabilitation b		-	-
		· /		
	Net investing cash flows		(281)	(285)
1.13	Total operating and invest forward)	sting cash flows (carried	(2,232)	(3,558)

⁺ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(2,232)	(3,558)
	(brought forward)	(2,232)	(5,550)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	20,099	21,800
1.15	Share buy-back payment	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	Fundraising costs	(1,108)	(1,290)
	Net financing cash flows	18,991	20,510
	Net increase (decrease) in cash held	16,759	16,952
1.20	Cash at beginning of quarter/year to date	191	-
1.21	Exchange rate adjustments to item 1.20	(21)	(23)
1.22	Cash at end of quarter	16,929	16,929

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	216
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments for serviced office – \$90,000 (September 2009 to February 2010) Directors consulting fees and Directors fees - \$125,800

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	-	-

Estimated cash outflows for next quarter

	1000	2,000
	Total	2,000
4.2	Development	500
4.1	Exploration and evaluation	1,500
		\$A'000

Reconciliation of cash

show	nciliation of cash at the end of the quarter (as n in the consolidated statement of cash flows) to lated items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	16,929	191
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	16,929	191

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	-	-	-	-

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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 (description)				
7.2	 (above) (a) Increases through issues (b) Decreases through returns of capital, buy- backs, redemptions 				
7.3	⁺ Ordinary securities	160,500,002	109,000,002		
7.4	Changes during quarter (a) Increases through issues	100,000,000	100,000,000	\$0.20	\$0.20
	(b) Decreases through returns of capital, buy- backs, reconstruction pursuant to Deed of Company Arrangement	-	-	-	-
7.5	<pre>+Convertible debt securities (description)</pre>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured,				
7.7	Options - Directors and	15,000,000		Exercise price \$0.20	<i>Expiry date</i> 31/12/14
	Shareholders	1,000,000 1,000,000		\$0.20 \$0.40	31/12/12
7.8	Issued during quarter: - Employee	1,000,000		φ υ. 4 υ	31/12/12
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

⁺ 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:Tim Flavel...... Date: 30 April 2010..... (Company Secretary)

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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⁺ See chapter 19 for defined terms.