

## Quarterly Activities Report for period ending 31 March 2010

### Section 1 – Exploration Activities in New South Wales and Queensland

The Company continued its joint venture exploration activities in both New South Wales and Queensland

#### New South Wales

##### Kiawarra EL 6269 – (Silver Mines Ltd Joint Venture)

Under a Joint Venture Agreement, Silver Mines Ltd (SVL) are earning 50% of EL 6269 by expending \$95,000 on exploration.

Results recorded from recent IP programs show a clear IP anomaly exists around the Walla Walla historical workings with values reaching 40 millivolts/volt against background values of < 10 millivolts/volt. The IP response appears to be caused by a non-outcropping linear structure with a strike length of over 600m. The results of Line 500N (figure 1) showed a very obvious ‘pants leg anomaly’ profile indicating that the IP method was indeed picking up a chargeability response in the vicinity of the main shaft. Figure 2 is a plan view of the anomaly at 400m RL (approximately 250m depth from surface).

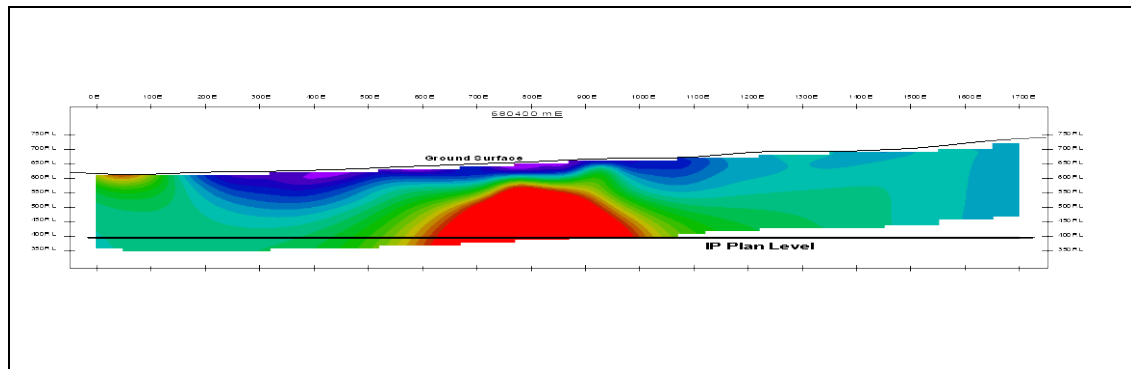


Figure 1: Section at 500 mN (local grid)

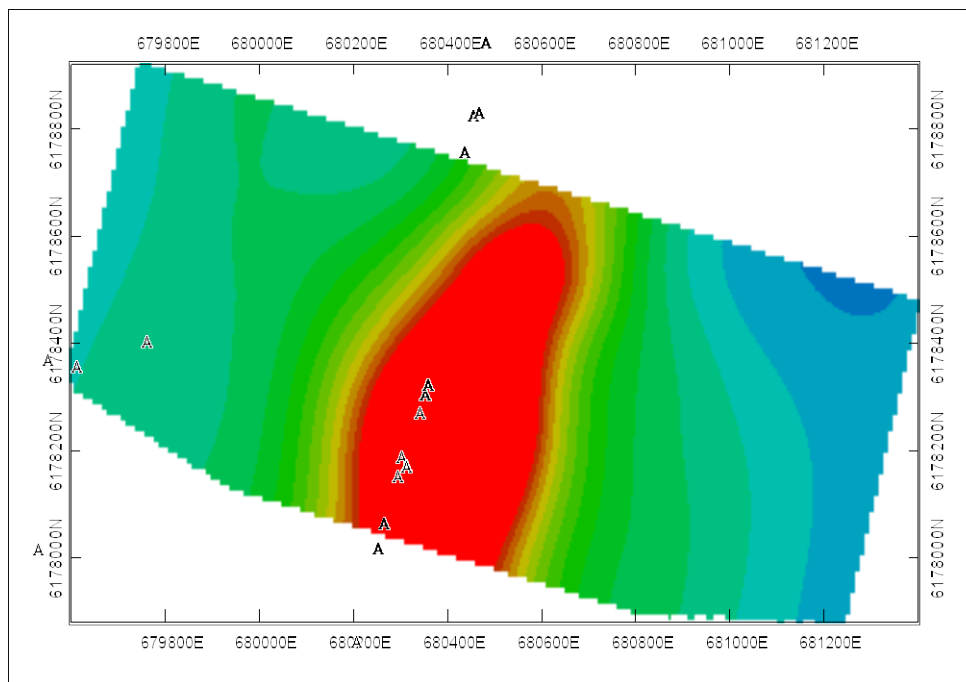


Figure 2: Plan of anomaly at 400 mRL (250 metres below surface).

A seven hole RC drilling program is planned with work beginning May-June 2010. The primary aim of the drilling program is to intersect mineralisation at a reasonably shallow depth (25-75m) in the area of the IP anomaly and along its strike length. The secondary aim would be to 'twin' holes that did intersect mineralisation, at steeper angle to prove continuance of mineralisation at depth.

#### Torrington EL 6389 (YTC Resources Ltd Joint Venture)

There was no work on EL 6389 during the quarter. Mapping & rock chipping programme over the "emerald zone" sheeted greisen vein area is planned for next quarter.

#### Emmaville EL 6431, EL 6384 and ELA 3880

Exploration on EL 6384 and EL 6431 is focussed on both tin and silver/base metals.

#### *Tin*

Tin exploration is on both the alluvial paleochannels containing the Vegetable Creek, Y-Water and Graveyard deep leads as well as the sheeted vein systems at the headwaters of the paleodrainages. The sheeted veins are thought to be the primary source of much of the tin in the Emmaville area.

The Company continued with its efforts to seek a joint venture partner to assist in funding exploration over these tenements.

### *Silver/Base Metals*

A mapping and rock chip sampling program carried out by SVL in EL 6431 under a letter of agreement in the 2009-10 period has identified target areas in the Swynys area over the Wellingrove-Tangoa Fault extends northward, and in the Strathbogie area over the extension of the Webbs Consols Fault (figure 3).

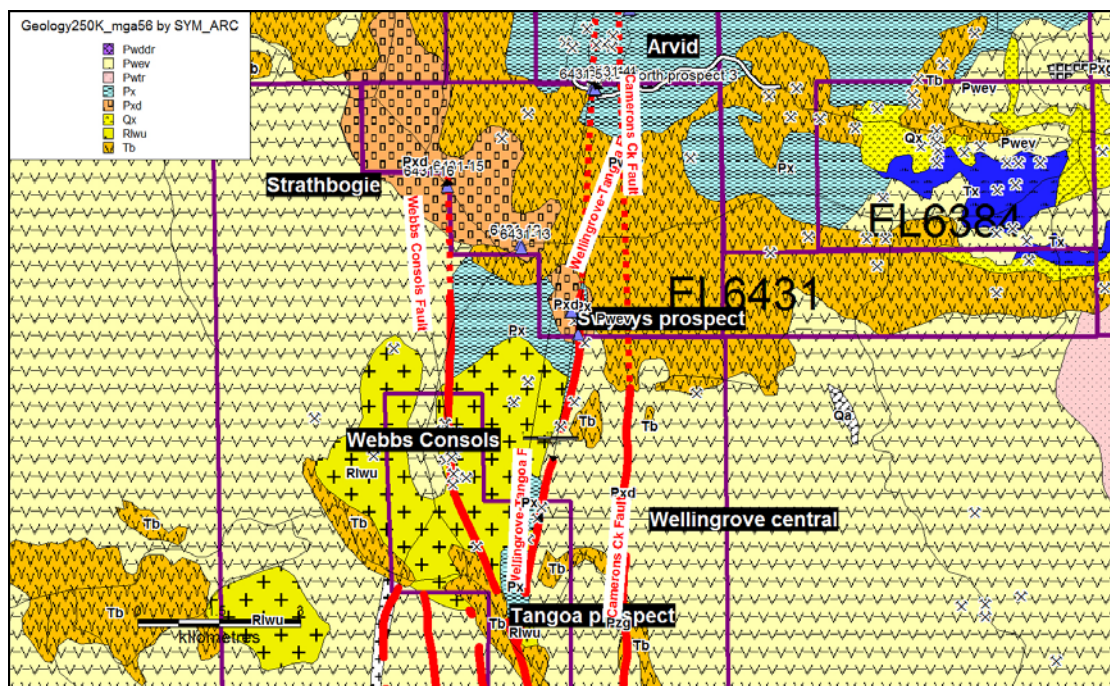


Figure 3: Rock chip sampling and geological mapping over the Western part of EL6431 showing the relationship with the Webbs Consols, Wellingrove and Tangoa mineralisation. Webbs Silver Mine is further 9 km north of the Arvid prospect.

SVL proposes to carry out a 2-3 line Induced Polarisation (IP) survey over the Swynys workings area in the second quarter of 2010. This work is to assess the moderate grade but extensive mineralisation in this area at greater depth with the possibility of generating drill targets. If this work is encouraging, the IP survey would be extended to include the Strathbogie area.

## Queensland

### **Connors Arch Joint Venture**

This group, in which SmartTrans Holdings Limited (“SmartTrans”) is in joint venture with Australia Oriental Minerals NL, covers eight tenements in the South Connors Arch Province which is prospective for porphyry-style copper-gold deposits and epithermal gold deposits. The Company has the following interests in these projects:

- 40% equity in three tenements at Mount Mackenzie;
- 45.92% equity in two tenements at Waitara; and
- 100% in three tenements at Marlborough Fault (SmartTrans is currently earning 51% and has the right to earn 80% equity).

#### *Mount Mackenzie Prospect EPMs 10006 and 12546 (40% equity))*

Located at Coppermine Creek in Central Queensland, Mount Mackenzie is an advanced exploration project. Diamond drilling by SmartTrans, together with the development of a comprehensive geological and geophysical model, has demonstrated that Mt Mackenzie is one of the largest hydrothermal (high-sulphidation) systems in eastern Australia.

Drilling encountered significant gold and copper values in lead-zinc-silver mineralized breccias and extensive, intensely sulphidic, alteration under cover rocks at the “Instinct” Prospect located 500m to 1000m west of Mt Mackenzie.

SmartTrans believes there is significant potential for high grade deposits at Mount Mackenzie. SmartTrans is seeking a suitable joint venture partner for this project and is in discussions with a number of active Australian gold producers and explorers.

Marlborough Fault Project EPMs 14500, 14501 and 14502 (SmartTrans earning 51% equity)

This project comprises three tenements that have the potential to develop large porphyry-style deposits and high grade structurally-controlled gold deposits in dilational fault irregularities and fault intersections.

A review of the tenements to assess their potential for porphyry-style mineralisation is currently in progress. Magnetics, geology, geochemistry and structural data are being used as a backdrop for interpretation. There was no field work during the period.

Connors Range Joint Venture EPMs 11134 and 12361 (approximately 45.92% equity)

This project comprises two tenements in the northern Lachlan - New England fold belt that include the Waitara porphyry (Cu/Mo) and the Waitara Epithermal (Au) prospects.

SmartTrans is seeking a suitable joint venture partner for this project and is in discussions with a number of active Australian gold producers and explorers. There was no field work on this project during the quarter.

*The information in Section 1 of this report is based on information compiled by Phillip Kimber, who is a Member of the Australasian Institute of Mining and Metallurgy. Phillip Kimber has sufficient experience which is relevant to the style of mineralisation and type of deposit 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.' Mr Kimber consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*



## **Section 2 - Indonesian Coal Project**

The Company's interest in the coal mining concession at Muara Teweh in Central Kalimantan is held via its 30% owned associate company, Asiatic Coal Pte Limited ("ACPL").

AOM was advised by ACPL that the mobilisation of mining equipment to the Muara Teweh site has been delayed due to Indonesian regulatory matters that ACPL are hopeful of resolving by the next quarter.

During the quarter, ACPL sold approximately 11,000 tonnes of coal from the bulk sampling stockpile at Muara Teweh, generating additional working capital for the operations. ACPL has advised, however, that operating losses are expected for the quarter arising from unforeseen circumstances and the aforementioned regulatory matters.

## Tenements held by Australia Oriental Minerals NL

<i><b>Tenement Number</b></i>	<i><b>Current Area (sub-blocks / units)*</b></i>	<i><b>Remarks</b></i>
<b><i>Queensland</i></b>		
EPM 10006	35	Mt Mackenzie JV: AOM:40%, SMA 60%
EPM 12546	8	Mt Mackenzie JV: AOM:40%, SMA 60%
EPM 17515	65	Mt Mackenzie West JV: AOM:40%, SMA:60%
EPM 11134	17	Connors Arch JV: AOM 45.92%, SMA 54.08%
EPM 12361	2	Connors Arch JV: AOM 45.92%, SMA 54.08%
EPM 14500	175	Marlborough Fault JV: AOM 100% (SMA earning 51%)
EPM 14501	220	Marlborough Fault JV: AOM 100% (SMA earning 51%)
EPM 14502	198	Marlborough Fault JV: AOM 100% (SMA earning 51%)
<b><i>New South Wales</i></b>		
EL 6384	6	Emmaville
EL 6431	14	Emmaville
EL 6389	9	Emmaville (JV: AOM 100%; YTC earning 80%)
EL 6269	19	Kiawarra ( Joint Venture with SVL)

\* 1 unit (NSW) = 1 sub-block (Qld.) = 1' latitude x 1' longitude = approx. 3 sq. km.

SMA - SmartTrans Holdings Limited, YTC - YTC Resources Limited,  
SVL – Silver Mines Limited

# 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

Australia Oriental Minerals NL

ABN

84 010 126 708

For the period ending

31 March 2010

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>		Three Months ending 31 March 2010 \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(15)	(15)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(41)	(41)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	<b>Net Operating Cash Flows</b>	<b>(55)</b>	<b>(55)</b>
<b>Cash flows related to investing activities</b>			
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 to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(55)</b>	<b>(55)</b>

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(55)	(55)
	<b>Cash flows related to financing activities</b>		
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 (capital raising costs)	(13)	(13)
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(68)	(68)
1.20	Cash at beginning of year to date	489	489
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of the period</b>	421	421

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

	Three Months \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	22
1.24 Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

Consulting fees to Chan Kim Fan (Executive Director), Director Fees & related party SRM Pte Ltd

**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

NA

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

NA

**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 and evaluation	15
4.2 Development	-
4.3 Production	-
4.4 Administration	40
<b>Total</b>	<b>55</b>

### 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.

	Three Months \$A'000	YTD \$A'000
5.1 Cash on hand and at bank	421	421
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of three months (item 1.22)</b>	<b>421</b>	<b>421</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of year	Interest at end of 3 months
6.1 Interests in mining tenements relinquished, reduced or lapsed		Changes to the mining tenement schedule for the quarter will be reported in the Quarterly Report and Tenement Schedule for the Quarter ended 31 March 2010		
6.2 Interests in mining tenements acquired or increased				

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of 31 March 2010**

*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>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	2,181,078,901	2,181,078,901		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>(description and conversion factor)</i>	43,000,000		Exerciseable at 3c	Expire 31/12/2013
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

## 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 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: .....Date: 22 April 2010  
(Company secretary)

Print name: Andrew Bursill  
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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