

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

CALLABONNA URANIUM LIMITED

ABN

71 099 247 408

Quarter ended ("current quarter")

30 September 2009

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$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	(47)	(47)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(260)	(260)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	12	12
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		(295)	(295)
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 to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (Cash acquired on acquisition of subsidiary)	-	-
Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)	(295)	(295)

+ See chapter 19 for defined terms.

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.13 Total operating and investing cash flows (brought forward)	(295)	(295)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	3,100	3,100
1.15 Proceeds from sale of forfeited shares	(66)	(66)
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other – costs of issue	-	-
Net financing cash flows	3,034	3,034
Net increase in cash held	2,739	2,739
1.20 Cash at beginning of quarter/year to date	2,219	2,219
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at end of quarter	4,958	4,958

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	104
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

N/A

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

On 23 September 2009 shareholders voted to approve an agreement to acquire unlisted uranium explorer Callabonna Uranium Limited (“Callabonna Uranium”). Under the terms of the agreement the Company issued 537.0 million shares in the Company in exchange for 44.75 Callabonna Uranium shares (including 60.0 million shares in the Company for 5.0 million Callabonna Uranium shares which converted from a Convertible Note as part of the transaction). Following completion of the deal Callabonna Uranium changed its name to Curnamona Uranium Limited and the Company (formerly MKY Resources Limited), with shareholder approval, changed its name to Callabonna Uranium Limited (ASX code: CUU).

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.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	450
4.2 Development	-
Total	450

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	2,074	150
5.2 Deposits at call	2,884	2,069
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,958	2,219

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	Nil			
	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter

+ See chapter 19 for defined terms.

6.2 Interests in
mining tenements
acquired or
increased

EL 3844	Owned by the Company's wholly owned subsidiary Frome Uranium Pty Ltd	Nil	100%
EL 3845	Owned by the Company's wholly owned subsidiary Frome Uranium Pty Ltd	Nil	100%
EL 3846	Owned by the Company's wholly owned subsidiary Frome Uranium Pty Ltd	Nil	100%
EL 3847	Owned by the Company's wholly owned subsidiary Frome Uranium Pty Ltd	Nil	100%
EL 3841	Owned by the Company's wholly owned subsidiary Frome Uranium Pty Ltd	Nil	100%
EL 3842	Owned by the Company's wholly owned subsidiary Frome Uranium Pty Ltd	Nil	100%
EL 4274	Owned by the Company's wholly owned subsidiary Frome Uranium Pty Ltd	Nil	100%
EL 4314	Owned by the Company's wholly owned subsidiary Frome Uranium Pty Ltd	Nil	100%
ELA 244/09	Application by the Company's wholly owned subsidiary Frome Uranium Pty Ltd	Nil	100%
EL 4224	Owned by the Company's wholly owned subsidiary Frome Uranium Pty Ltd	Nil	100%
EL 25956	Owned by the Company's wholly owned subsidiary Beetaloo Uranium Pty Ltd	Nil	100%
EL 25957	Owned by the Company's wholly owned subsidiary Beetaloo Uranium Pty Ltd	Nil	100%
EL 25958	Owned by the Company's wholly owned subsidiary Beetaloo Uranium Pty Ltd	Nil	100%
EL 26006	Owned by the Company's wholly owned subsidiary Arunta Uranium Pty Ltd	Nil	100%

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6.2	Interests in mining tenements acquired or increased (cont'd)	EL 26012	Owned by the Company's wholly owned subsidiary Arunta Uranium Pty Ltd	Nil	100%
		EL 26040	Owned by the Company's wholly owned subsidiary Arunta Uranium Pty Ltd	Nil	100%
		GEL 296	Owned by the Company's wholly owned subsidiary Callabonna Energy Pty Ltd	Nil	100%
		GEL 304	Owned by the Company's wholly owned subsidiary Callabonna Energy Pty Ltd	Nil	100%
		GEL 305	Owned by the Company's wholly owned subsidiary Callabonna Energy Pty Ltd	Nil	100%
		GEL 306	Owned by the Company's wholly owned subsidiary Callabonna Energy Pty Ltd	Nil	100%
		GEL 307	Owned by the Company's wholly owned subsidiary Callabonna Energy Pty Ltd	Nil	100%
		GEL 350	Owned by the Company's wholly owned subsidiary Callabonna Energy Pty Ltd	Nil	100%
		GELA 508	Application by the Company's wholly owned subsidiary Callabonna Energy Pty Ltd	Nil	100%
		GELA 509	Application by the Company's wholly owned subsidiary Callabonna Energy Pty Ltd	Nil	100%
		GELA 510	Application by the Company's wholly owned subsidiary Callabonna Energy Pty Ltd	Nil	100%
		EPMA 18181	Application by the Company	Nil	100%

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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)	Nil			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A			
7.3	+Ordinary securities	1,225,561,495	688,561,435	Fully Paid	Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	73,333,333 537,000,060 120,000,000 Nil	73,333,333 Nil 120,000,000	1.50 cents 2.5 cents 1.67 cents	1.50 cents 2.5 cents 1.67 cents
		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.5	+Convertible debt securities (description)	Nil			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil Nil			

+ See chapter 19 for defined terms.

7.7	Options (<i>each exercisable to convert to 1 fully paid ordinary share</i>)	60,000,000	Nil	<i>Exercise price</i> 2.5 cents	<i>Expiry date</i> 23 September 2011
		5,000,000	Nil	2 cents	31 May 2012
		5,000,000	Nil	4 cents	31 May 2012
		5,000,000	Nil	6 cents	31 May 2012
		30,000,000	Nil	1 cent	31 May 2012
7.8	Issued during quarter	60,000,000	Nil	2.5 cents	23 September 2011
7.9	Exercised during quarter	Nil			
7.10	Expired during quarter	Nil			
7.11	Debentures (<i>totals only</i>)	Nil			
7.12	Unsecured notes (<i>totals only</i>)	Nil			

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: Richard Edwards

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.

+ See chapter 19 for defined terms.

- 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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