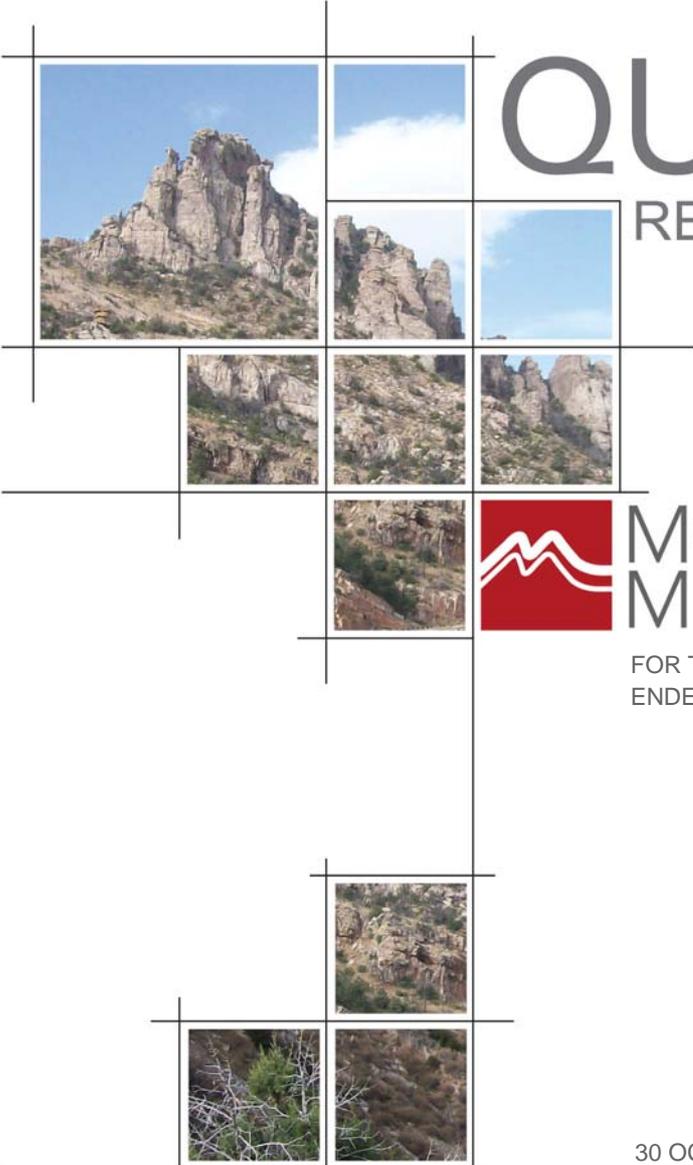


# QUARTERLY REPORT



**MONARO  
MINING NL**

FOR THE THREE MONTHS  
ENDED 30 SEPTEMBER 2009

30 OCTOBER 2009

ASX ANNOUNCEMENT

## CONTENTS

Exploration Overview	2
Uranium Projects	3
Gold and Base Metal Projects	8
Appendix 5B	11
Corporate Information	16

## FURTHER INFORMATION

For further information please contact Mart Rampe, Executive Director, on +61 2 4647 9566 or Jim Malone, Chairman, on +61 419 537714.

Media: Fortbridge +612 9331 0655

## HIGHLIGHTS

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**Successful capital raising of \$3 million to sophisticated investors. Placement oversubscribed. Funds to enhance key North American projects**

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**250% increase in inferred uranium resources at Rio Puerco deposit, New Mexico USA**

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**Vale commits to second year of exploration and moves to Operator status over the Apache Basin uranium project, Arizona USA**

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**Kyrgyz uranium assets sold. Monaro to retain 25% free carried interest until Pre-Feasibility study**

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## 1 CORPORATE

A Placement to sophisticated investors of 33,333,333 fully paid ordinary shares at \$0.09 per share to raise \$3 million before costs was completed at the end of October. The Placement was strongly supported among a range of sophisticated investors, and was issued pursuant to Section 708 of the Corporations Act. The placement will be issued in two tranches as follows:

**Tranche 1:** \$1.4 million for the issue of 15,445,685 ordinary shares, to be completed within the company's 15% share issue capacity pursuant to ASX listing rule 7.1; and

**Tranche 2:** \$1.6 million for the issue of 17,887,648 ordinary shares will be issued following the approval of shareholders at the Annual General Meeting to be held on 30 November 2009.

The settlement of application funds and issue of shares for Tranche 1 is anticipated to take place on 30 October 2009. A total of 15,445,685 new ordinary shares will be issued bringing total issued capital to 118,816,915 shares. Settlement for Tranche 2 is expected to take place in early December 2009.

Monaro will use the bulk of the funds raised through the Placement to enhance the company's 100% owned uranium projects at Rio Puerco in New Mexico and Apex-Lowboy in Nevada, USA. This will include exploration and resource definition drilling, additional geophysical and geochemical surveys as well as advancing environmental and planning matters on both project areas. In addition, funding will also be applied to the Company's gold projects and general working capital requirements.

## 2 EXPLORATION OVERVIEW

The tempo of exploration activities has continued to increase during the last quarter, resulting in a number of significant developments for the Company. Of most significance has been the upgrading of the uranium mineral resource at the Rio Puerco deposit in New Mexico, USA. This is based on an intensive program of drill hole re-evaluation and interpretation, resulting in a 250% increase in the JORC inferred uranium mineral resource.

Elsewhere, the first phase of drilling has been completed on the Bernard gold/manganese/uranium project located in Arizona, USA. Assay data for the completed program will be available shortly.

Further boosting the USA program, Vale Exploration Canada has advised the Company of its intention to become the Operator of the Apache Basin joint venture and commit to the second year of exploration.

The Company was also pleased to advise that it has secured a sale agreement for the Kyrgyz uranium assets. The Company will however retain a 25% free carried interest, whilst the incoming party advances one or more of the projects to Pre-Feasibility.

The following sections provide further detail on the Company's projects.

## 3 URANIUM PROJECTS

### 3.1 Rio Puerco Uranium Project: New Mexico, USA (Monaro 100%)

A detailed, independent re-evaluation of the Rio Puerco mine data-set has resulted in a significant increase in the project's uranium "inferred" resource inventory. This re-evaluation, which was initiated to update the previous estimate (4.5 million pounds at 0.12% U<sub>3</sub>O<sub>8</sub>), has seen the JORC "Inferred" mineral resource inventory increased some 250% to 11.4 million lbs. The following table outlines resource estimates based on several differing eU<sub>3</sub>O<sub>8</sub> cut-off grades.

<b>Cut Off Grade*</b>	<b>Tonnes</b>	<b>Average Grade</b>	<b>Tonnes</b>	<b>Lbs</b>
<b>% eU<sub>3</sub>O<sub>8</sub></b>	<b>U<sub>3</sub>O<sub>8</sub> Ore</b>	<b>% eU<sub>3</sub>O<sub>8</sub></b>	<b>U<sub>3</sub>O<sub>8</sub></b>	<b>U<sub>3</sub>O<sub>8</sub></b>
0.03	5,994,968	0.09	5,154	11,362,640
0.05	3,584,925	0.12	4,214	9,290,481
0.10	1,298,081	0.27	3,464	5,778,493

\*See Annexure 1 for explanation of eU<sub>3</sub>O<sub>8</sub>

This resource upgrade was based on the evaluation of 764 drill holes by a block modeling program, and validated using the cross sectional method. Confirmatory drilling will now be required to validate the historical drilling, define the disequilibrium and assess the potential for other metals such as molybdenum and vanadium. The project is considered to hold potential for either conventional underground or in-situ leach (ISL) mining. The Company believes that confirmatory drilling has the potential to convert the resource into a "measured" category relatively quickly.

A distinct advantage of the Rio Puerco project is that there is significant mining infrastructure already in place, including a 260 metre, 4 metre-diameter concrete lined shaft and multiple drives. This work was completed by Kerr McGee in the 1970s for the purposes of mine development and bulk metallurgical sampling and processing. This infrastructure will save the Company millions of dollars in mine development costs should it be found that conventional mining is the preferred method of extraction.

As part of the re-evaluation study, the potential to increase the extent of uranium resources was also assessed as the host uranium formation extends across to other nearby claims held by the Company. Previous drilling by the Company and other published data indicates that further work is warranted to test for potential extensions.

The Rio Puerco mine area is secured by 32 claims over Sections 18 (Betty Claims) and 24 (Syncline Claims). The company also holds a number of claims to the east and west of the prospect, the positions of which are outlined in Figure 1.

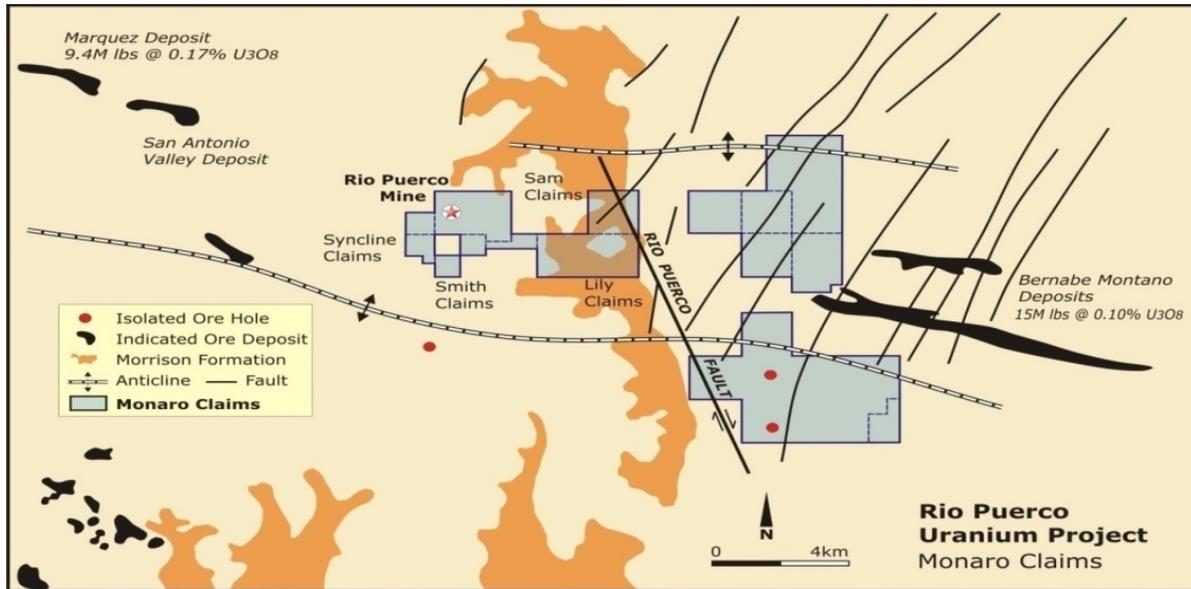


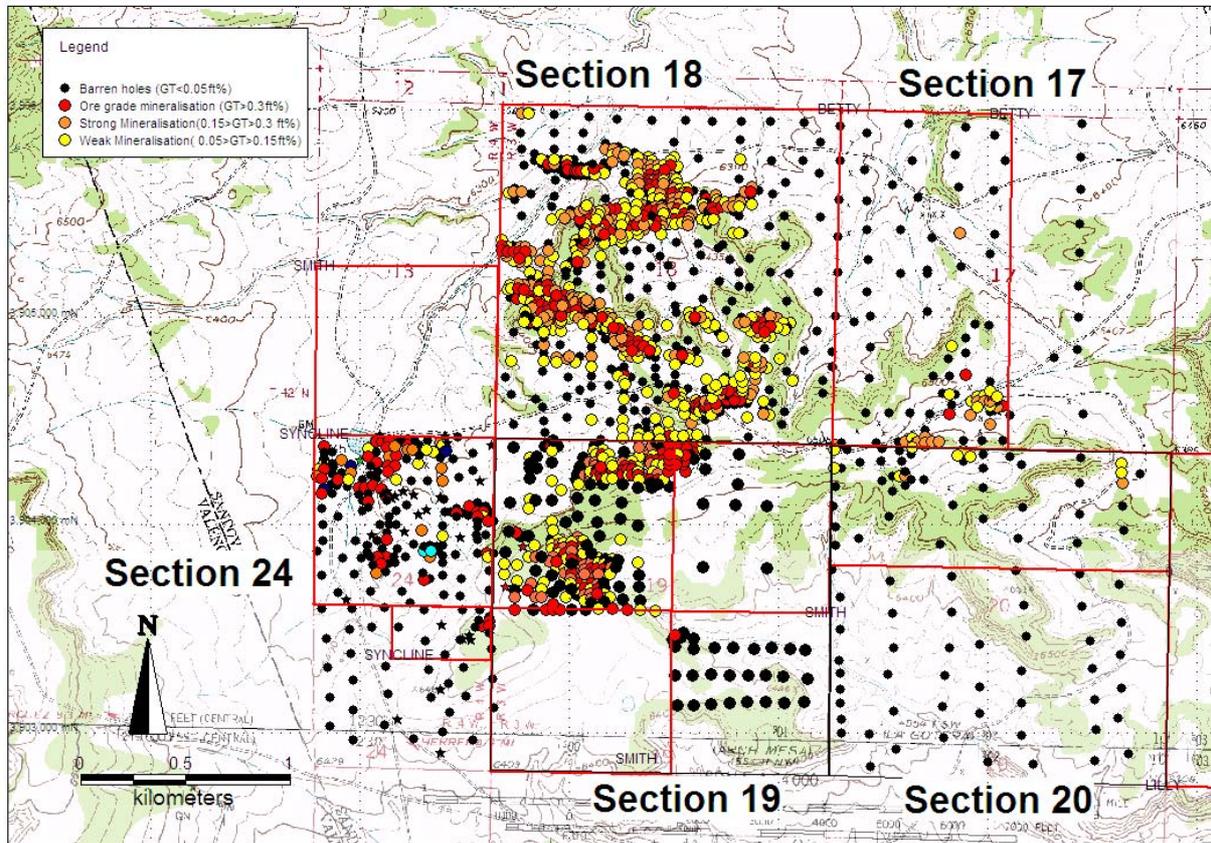
FIGURE 1: LOCATION OF MONAROS CLAIMS AT THE RIO PUERCO PROJECT

That the Company's Rio Puerco uranium project is located in one of the world's greatest uranium provinces is unquestioned. The Grants Mineral Belt has produced approximately 340M lbs of uranium and is set to resume its mantle of a premier world producing region. The Company's deposit is located only 55 kms east of the Mt Taylor uranium deposit and 65 kms from the Roca Honda uranium deposit. The Mt Taylor uranium mine has produced approximately 8 Mlbs of U<sub>3</sub>O<sub>8</sub> before it was shut down in the late 1980s. This deposit is now owned by Rio Grande Resources Corporation and a recent Company release indicates that this deposit now contains over 100 M lbs of U<sub>3</sub>O<sub>8</sub> with an average grade of 0.15% to over 2.0%. The deposit is currently being evaluated for development as an in-situ leach operation. The Roca Honda deposit is owned by Strathmore Minerals Corporation and based on their published company information contains approximately 33M lbs of U<sub>3</sub>O<sub>8</sub> with grades varying from 0.17% to 0.23%.

Previous exploration reports indicate that the Rio Puerco deposit was discovered in 1968 on Section 24, when uranium mineralisation was intersected by drilling to a depth of 254.5m. Between 1970 and 1980, Kerr-McGee reportedly spent US\$17.5 million in proving up and developing a resource of approximately 7 million pounds U<sub>3</sub>O<sub>8</sub> on land in and around the Rio Puerco mine. A total of 815 holes were drilled for 183,604m on Section 18 and 271 holes for 55,259m were drilled on Section 24 (Figure 2). These two sections contain the bulk of the Rio Puerco Resource which has been previously reported by Monaro to contain 1.93 million tonnes of ore with an average grade of 0.12% U<sub>3</sub>O<sub>8</sub> (4.6 million pounds contained U<sub>3</sub>O<sub>8</sub>).

The surface geology at Rio Puerco is dominated by the Upper Cretaceous Mancos Shale, which is flat-lying and deeply dissected. The Mancos Shale consists of a series of shale and sandstone beds. Underlying the Mancos Shale is the Lower-Upper Cretaceous Dakota Sandstone and the Upper Jurassic Morrison Formation, which actually outcrop outside of Sections 18 and 24. In descending order, the Morrison Formation comprises of:

- The Jackpile Sandstone Member;
- The Brushy Basin (mudstone) Member with lenses of sandstone; and
- The Westwater Canyon Member comprising the 'A', 'B', 'C' and 'D' sandstone horizons and interbedded with variable thickness shale beds.



**FIGURE 2: HISTORICAL DRILLING CARRIED OUT BY KERR MCGEE OVER SECTIONS 18 AND 24 AND ADJACENT CLAIMS**

From the downhole wireline logs it appears that most of the uranium mineralisation occurs within the Westwater Canyon Member near or at the contact between sandstone and shale units. Aerial photo interpretation indicates that the structure around the project area is generally flat-lying or gently warped along E-W and N-S oriented fold axes. The folds are tighter locally and deflect into major N-S striking faults (e.g. Rio Puerco Fault).

Mineralisation at Rio Puerco is postulated to be of the Peneconcordant sandstone hosted type, characteristic of the Grants Uranium District. These deposits are irregular in shape, are roughly tabular and usually elongated. They range from a few metres in width and length to several tens to hundreds of metres long and occur within humate-rich sandstone. The uranium is sourced from nearby volcanics as well as from the devitrification of tuff deposited within the sandstones. The uranium is concentrated within humic acid percolating through the aquifer from the surface, to be eventually trapped by changes in lithofacies or structures and converted to humate during diagenesis and changes in groundwater salinity.

The dominant ore mineral is reported to be Coffinite, which is associated with the humate found within the sandstone layers. Uraninite and uranium-organic complexes associated with the humate are not uncommon. The humate is also enriched in a number of other metals including vanadium, selenium and molybdenum. However, none of these elements appear to have received any attention by past explorers. The ore deposits are in general lenticular, tabular masses of interstitial humate and uranium minerals that are roughly parallel to the bedding and generally elongated in the direction of sediment transport of the host rock. Although two general types of deposits are recognized in the area, the Rio Puerco Deposit is believed to be a primary deposit.

Based on the re-evaluation, the Rio Puerco ore body appears to extend into adjacent sections 17, 19, and 20 (see Figure 2), with a number of historical drill holes apparently striking ore grade mineralisation. Whilst summary results of drilling have been reported, drill logs to support the data have yet to be found. As a consequence, previous reporting of resources within these areas can only be considered as exploration targets.

It is considered that these nearby exploration targets can, in total, range from 400,000 tonnes to 800,000 tonnes with grades varying between 0.05% and 0.20% U<sub>3</sub>O<sub>8</sub>. This is equivalent to approximately 1.3 to 2.6 million lbs of U<sub>3</sub>O<sub>8</sub>. It should be noted that in this case, the potential quantity and grade is conceptual in nature, that there is insufficient exploration data to define a mineral resource and that it is uncertain whether further exploration will result in the determination of a mineral resource. A drilling program to test the extensions of mineralisation in the adjacent claims has been formulated.

In order to advance the definition of the deposit and upgrade the JORC category to a higher level, a drilling program focused predominantly within Section 18 (See Figure 2) has been recommended. The objectives of the program have been defined as follows:

- Completion of a series of diamond drill holes next to recorded high, medium and low grade holes. The results from this drilling will aid in better determining the grade distribution as well as testing for variance in disequilibrium with grade;
- A series of percussion or mud rotary drill holes have been recommended for selected locations to “twin” existing holes and confirm the grade using downhole gamma ray, and gamma-ray spectrometry;
- A number of drill holes have been recommended to close off mineralisation;
- Obtain samples for metallurgical purposes even though the bulk sample was processed with satisfactory recoveries in the 90+% range.

In addition to the above specific recommendations, a number of other tasks have been recommended, viz:

- Surrounding water wells to be tested for tracer mineralisation;
- Undertake field spectroscopy studies of all available and future core samples to identify alteration haloes around the ore bodies;
- Conduct soil and vegetation sampling and analysis for traces of various metals which may assist in the delineating of vectors to mineralisation.

### **3.2 Apache Basin Joint Venture: Arizona, USA (Monaro reducing to 40%)**

The Company’s joint venture partner in the Apache Basin uranium project, Vale Exploration Canada Inc. (“VEC”), a wholly owned subsidiary of Vale S.A. (“Vale”), has exercised its option under the conditions of its letter agreement with Monaro’s wholly owned subsidiary Uranium Corporation Arizona LLC (“UCA”), to move to become the Operator of the project. Under the terms of the letter agreement, Vale is required to spend US\$3.25M (by way of option payments) to earn a 60% interest in a number of claims covered by the joint venture’s “Area of Influence” – see Figure 3. Thereafter, further expenditure will be pro-rata to each party’s respective interests.



**FIGURE 3: LOCATION OF APACHE BASIN PROJECT**

The prospectivity of the project area is based on the Unconformity model and its similarities with the Canadian Athabasca Basin, one of the world's premier uranium provinces. Well-developed uranium mineralisation occurs in the Dripping Springs Quartzite, which is the upper target zone and is associated with well-developed structural controls expressed as strong linear radiometric anomalies consistent in placement with the known mineralisation and structural trends. Based on the currently available information, the project is highly attractive on a conceptual basis as it represents a significant regional "play" with the possibility of yielding multiple targets. The Company is confident that this potential will unfold during the coming months as a drilling program is to be undertaken in early 2010 to test a number of newly defined uranium anomalies.

### **3.3 Apex-Lowboy Uranium: Nevada, USA (Monaro 100%)**

The Company is currently completing an airborne radiometric survey and data interpretation program. The airborne work is designed to delineate the extent of uranium mineralisation in and around the Apex mine as well as additional uranium targets between the Apex and Lowboy prospects.

Upon the completion of the interpretive work, a drilling program will be planned to validate existing sub-surface data and extend the known limits of uranium mineralisation.

### **3.4 Kyrgyz Uranium Projects (Monaro 100%)**

The Company has sold a 75% interest in the Kyrgyz Project to Gate Bridge Company Limited (“GBC”); a Hong Kong-based resource company. Under the terms of a Heads of Agreement, the Company will retain a free-carried 25% interest in the project until such time as GBC generates a Pre-Feasibility study on any one of the licence areas covered by the agreement.

The agreement is subject to the completion of due diligence investigations by GBC, which it expects to complete in the following weeks. Upon execution of a share sale agreement, GBC will sole fund all exploration and administrative costs associated with the project.

GBC is a Hong Kong-based Company owned by a consortium of Hong Kong and Chinese investors and was formed by Mr Geoff Hill, Chairman of International Pacific Securities.

GBC proposes to focus on the development of uranium resources in Asia and elsewhere with a view to meeting future Chinese demand.

### **3.5 Northern Territory - Fog Bay and Liverpool Projects (earning up to 75%)**

No exploration activities were undertaken during the quarter on these tenements. Discussions were underway with the joint venture partners regarding the future of this project.

## **4 GOLD & BASE METAL PROJECTS**

### **4.1 Bernard gold/uranium/manganese Project: Arizona, USA (reducing to 49%)**

Phase one of an exploration drilling program at the Bernard Project was completed in September 2009. In all, 1076m (3530 feet) of drilling was completed in seven holes. With the exception of rotary drilling to install surface casing, NQ core was drilled exclusively on all holes. Hole lengths ranged from 87m (284 feet) to 272m (892 feet).

The exploration program is being funded by Cristol Enterprises LLC (“Cristol”) under the auspices of a A\$5.1M farm-in agreement with Monaro’s wholly owned subsidiary Uranium Company of Arizona LLC (“UCA”).

The exploration model adopted for the Bernard program is similar to that used at the Copperstone Mine (currently being operated by American Bonanza Corporation) located approximately 70kms to the south west in a similar geological setting. This mine has produced some 500,000 oz of Au at an average grade of 3.8 g/t Au and the mine has currently defined resources of approximately 400,000 oz Au. It is considered that the Company’s Bernard claims are also prospective for deposits of this size and tenor.

The principal focus of the exploration program is gold mineralisation associated with “detachment faulting” occurring within a complex of sediments and intrusives of variable age. The detachment faulting tends to be a flat lying zone which separates “Upper Plate” and “Lower Plate” rocks.

Upper Plate rocks consist of a variety of lithologies varying from Paleozoic to Tertiary in age and are locally highly faulted and tectonically juxtaposed. Lower Plate units contain Proterozoic through to Mesozoic rocks which have been variably metamorphosed and altered.

Within Lower Plate rocks, there are numerous sub-parallel structures which often host gold and copper bearing breccias zones. Numerous prospect pits, open cuts, adits and shafts are located in or near these breccias zones. The Bernard gold vein is the most significant prospect within the claim block and recent rock chip sampling by the Company has confirmed the prospectivity of the project, yielding gold values between 5.1 and 9.6 g/t Au as well as high copper, zinc and lead values.

The location of the Bernard tenements in its geological setting as well as the location of the drill hole positions is outlined in Figure 4.

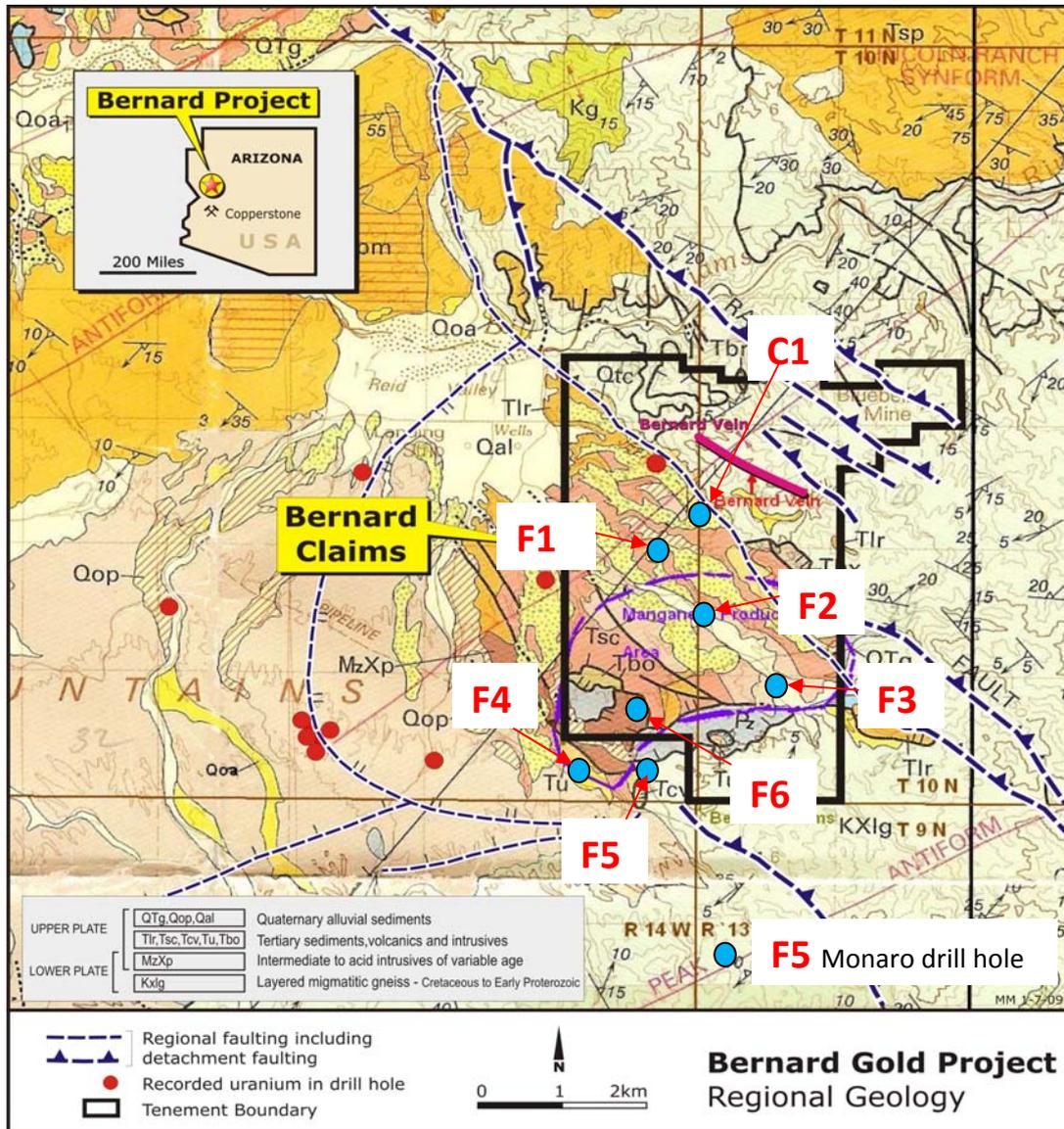


FIGURE 4: LOCATION OF BERNARD CLAIM BLOCK, UNDERLYING GEOLOGY AND DRILL HOLE LOCATIONS

The extent of visual mineralisation, alteration, brecciation, quartz and calcite veining throughout many of the drill holes suggests that an extensive mineralised system may be present. It is thus anticipated that subject to the receipt of all laboratory results, a comprehensive interpretation can be undertaken which will provide the basis for the next phase of drilling.

## 4.2 Mayfield Gold and Copper Project: NSW (Monaro reducing to 25%)

During the quarter, Capital Mining Limited (“Capital”) completed a complete review of the historic data set and announced a mineral resource estimate for the Mayfield copper-gold project.

An inferred resource of 4.0 million tonnes at 0.4% copper, 0.6g/t gold, 8.4g/t silver was estimated containing 77,000 oz gold, 16,000 tonnes copper and 1.2 million oz silver. Other attributes of the deposit included:

- 87% of resource is oxide material potentially amenable to low cost mining and treatment;
- Separate resource of acid soluble zinc oxide at 2.7% zinc containing 19,000 tonnes zinc;
- Favourable skarn hosted mineralisation open along strike and at depth;
- Magnetite resource potential being investigated;
- Regional exploration potential enhanced and drill targets identified in adjacent structures.

Under a Heads of Agreement with Monaro Mining NL, Capital is earning a 75% interest in the tenement by the expenditure of \$200,000, subject to Monaro electing to contribute after Capital has earned 51%.

The resource was estimated using a 0.3% copper cut-off and includes material in a tabular body of mineralisation 630m long by up to 180m in depth. The resource was estimated according to JORC 2004 guidelines from a high quality historic drill database that was supplemented by new survey control and bulk density data.

Resource infill and exploration drilling is planned for the December quarter.

## 4.3 Other NSW Projects

No exploration activities were conducted on any of the Company’s gold and base metal projects located in NSW during the quarter. Further activities on the Captains Flat base-metal project, where Ironbark Gold Limited and NSW Base Metals Limited are earning a 75% interest, have been on hold whilst the existing agreement is updated and refreshed to accommodate a number of operational changes.

## 4.4 Potential Divestment of NSW Projects

The Company has entered into negotiations regarding the proposed divestment of its non-uranium assets, with the view to further enhancing the value of its existing uranium portfolio. The Company believes that by focusing more exclusively on its USA uranium projects, it will generate even more value for its existing shareholders. Options regarding the divestment process will be considered during the coming weeks.

**Mart Rampe**  
**Executive Director**

### COMPETENT PERSON

*The review of exploration activities and results contained in this report is based on information compiled by **Mr Mart Rampe**, a Member of the Australasian Institute of Mining and Metallurgy and who is an Executive Director of the Company. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mart Rampe consents to the inclusion of this information in the form and context in which it appears in this report.*

## 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

<b>Monaro Mining NL</b>
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ABN

<b>99 073 155 781</b>
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Quarter ended ("current quarter")

<b>30 September 2009</b>
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### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(624)	(624)
(b) development	-	-
(c) production	-	-
(d) administration	(588)	(588)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net operating cash flows</b>	<b>(1,206)</b>	<b>(1,206)</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	12	12
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Contributions from joint venture	257	257
1.13 Payments for joint venture operations	(302)	(302)
1.14 Other	-	-
<b>Net investing cash flows</b>	<b>(33)</b>	<b>(33)</b>
1.15 Total operating and investing cash flows (carried forward)	<b>(1,239)</b>	<b>(1,239)</b>

1.15	Total operating and investing cash flows (brought forward)	(1,239)	(1,239)
	<b>Cash flows related to financing activities</b>		
1.16	Proceeds from issues of shares, options, etc.	-	-
1.17	Proceeds from sale of forfeited shares	-	-
1.18	Proceeds from borrowings	-	-
1.19	Repayment of borrowings	(3)	(3)
1.20	Dividends paid	-	-
1.21	Other	-	-
	<b>Net financing cash flows</b>	(3)	(3)
	<b>Net increase (decrease) in cash held</b>	(1,242)	(1,242)
1.22	Cash at beginning of quarter/year to date	1,693	1,693
1.23	Exchange rate adjustments to item 1.20	(40)	(40)
1.24	<b>Cash at end of quarter</b>	411	411

### 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	
1.25	Aggregate amount of payments to the parties included in item 1.2	192
1.26	Aggregate amount of loans to the parties included in item 1.10	-
1.27	Explanation necessary for an understanding of the transactions	
	Payments to directors for services to the group	

### 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

None
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- 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

None
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### 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	500
4.2 Development	-
<b>Total</b>	<b>500</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.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	113	215
5.2 Deposits at call	298	1,478
5.3 Commercial Bills	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>411</b>	<b>1,693</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL 25406: Partial relinquishment	Earning 35%	Nil	Nil
	EL 26420: Relinquished	Earning 35%	Nil	Nil
6.2 Interests in mining tenements acquired or increased	EL 7397 (Wymah)	Wholly owned	100%	100%
	EL 27512 (New Fog Bay East)	Earning 35%	Nil	Nil

## 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)	Amount paid up per security (see note 3)
7.1 <b>Preference +securities</b> (description)	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>				
Fully Paid	103,371,230	103,371,230	N/A	N/A
Part-Paid	5,000,000	Nil	0.001 cent	0.001 cent
7.4 Changes during quarter				
(a) Fully paid Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 <b>Convertible debt securities</b> (description)				
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>
Incentive	250,000	N/A	107 cents	19 April 2011
Incentive	275,000	N/A	50 cents	31 Dec 2009
Unlisted	1,535,714	N/A	35 cents	31 Dec 2009
Unlisted	600,000	N/A	35 cents	10 Sept 2010
Unlisted	200,000	N/A	45 cents	10 Sept 2010
Unlisted	500,000	N/A	120 cents	18 Feb 2012
Unlisted	400,000	N/A	20 cents	01 Jan 2012
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 <b>Debentures</b>	-	-		
(totals only)	-	-		
7.12 <b>Unsecured notes</b>	-	-		
(totals only)	-	-		

## 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:   
Company Secretary

Date: 30 October 2009

Print name: Anne Adaley

## 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* applies 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.

## CORPORATE INFORMATION

### Directors

Jim Malone	Chairman
Mart Rampe	Executive Director
Greg Barns	Non-Executive Director
Michael Duncan	Non-Executive Director

### Senior Management

Anne Adaley	Company Secretary/ Chief Financial Officer
Denis Geldard	Executive General Manager – USA Operations

### Registered Office

Suite 705, Level 7, St Martins Tower  
31 Market Street, Sydney NSW 2000

### Issued Capital

At 30 September 2009, Monaro Mining had on issue 103,371,230 ordinary shares, 5,000,000 partly-paid shares to .001 cents and 3,760,714 unlisted options.

### Stock Exchange Listings

Monaro Mining is listed on the Australian Securities Exchange (ASX Code: MRO) and the Frankfurt Stock Exchange (Xetra Code: M2H). Monaro shares are eligible for Over-The-Counter trading in the United States of America in the form of American Depositary Shares (ADS) under the symbol "MNOMY".

### Share Price Activity for the Quarter

Quarter	High	Low	Close
December 2008	\$0.29	\$0.06	\$0.08
March 2009	\$0.13	\$0.06	\$0.11
June 2009	\$0.14	\$0.06	\$0.07
September 2009	\$0.09	\$0.07	\$0.08

### Further Information on Monaro Mining NL

Visit: [www.monaromining.com.au](http://www.monaromining.com.au)  
 Mail: PO Box 1178  
 Queen Victoria Building  
 Sydney NSW 2000  
 Tel: +61 2 9264 7344  
 Fax: +61 2 9264 8933  
 Email: [info@monaromining.com.au](mailto:info@monaromining.com.au)

To be notified by email of future announcements, visit the website [www.monaromining.com.au](http://www.monaromining.com.au) and subscribe to Monaro Mining News.

### Shareholder Enquiries

Registries Limited manages the share register for Monaro Mining. Queries regarding the number of shares held, change of address and other matters regarding your shareholding should be directed to:-

Registries Limited  
 Level 7, 207 Kent Street  
 Sydney NSW 2000  
 Tel: +61 2 9290 9600  
 Fax: +61 2 9279 0664

### ADR Depository Bank

JPMorgan Chase Bank N.A.  
 Depository Receipts Group  
 4 New York Plaza  
 New York, NY 10004

Any enquiries regarding an individual ADR holding can be directed to JPMorgan Service Center:-

**By Phone:**  
 Toll - free US & Canada 800-990-1135  
 Outside the US 651-453-2128  
 Hearing Impaired 866-700-1652

**By Internet:**  
 Visit [www.adr.com](http://www.adr.com) and go to Shareholder Services

**By Email:**  
 Email: [jpmorgan.adr@wellsfargo.com](mailto:jpmorgan.adr@wellsfargo.com)

**By Mail:**  
 JPMorgan Chase Bank, N.A.  
 PO Box 64504  
 St. Paul, MN 55164-0504 USA