

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

Kairiki Energy Limited

ABN

34 002 527 906

Quarter ended ("current quarter")

31 March 2009

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(1,191)	(27,365)
(b) development	-	-
(c) production	-	-
(d) administration	(175)	(1,295)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	16	233
1.5 Interest and other costs of finance paid	(453)	(453)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
- GST Refunds	-	70
- Exploration refunds	-	25
Net Operating Cash Flows	(1,803)	(28,785)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	(790)
(b) equity investments	-	-
(c) other fixed assets	-	(3)
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)		
- Cash secured re convertible note	(4)	(1,019)
- Bonds repaid	80	80
Net investing cash flows	76	(1,732)
1.13 Total operating and investing cash flows (carried forward)	(1,727)	(30,517)

1.13	Total operating and investing cash flows (brought forward)	(1,727)	(30,517)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc (net of costs)	-	1,314
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings – convertible notes (net of costs)	(2)	12,362
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net financing cash flows		(2)	13,676
Net increase (decrease) in cash held		(1,729)	(16,841)
1.20	Cash at beginning of quarter/year to date	2,870	15,171
1.21	Exchange rate adjustments to item 1.20	21	2,832
1.22	Cash at end of quarter (note 1)	1,162	1,162

Note 1: Restricted cash of \$1,019,000 is also held. Refer 1.12 above.

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	132
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

- payment of executive salaries;
- payment of directors fees; and
- payment of consulting fees.

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

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 – convertible note	15,171 (US\$10,370)	15,171 (US\$10,370)
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	250,000
4.2 Development	-
Total	250,000

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	582	1,870
5.2 Deposits at call	580	1,000
5.3 Bank overdraft	-	-
5.4 Other	-	-
Total: cash at end of quarter (item 1.22) ⁽¹⁾	1,162	2,870

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	M29/141		100%	10%
	P29/1817		100%	10%
	P29/1818		100%	10%
	P29/1819		100%	10%
	P29/1820		100%	10%
	P29/1821		100%	10%
	P29/1822		100%	10%
	P29/1823		100%	10%
	E31/405		100%	10%
	M25/24		100%	10%
	M25/83		100%	10%
	M25/91		100%	10%
	M25/129		100%	10%

6.2	Interests in mining tenements acquired or increased	P25/1932	100%	10%
		P25/1933	100%	10%
		P25/1934	100%	10%
		P25/1937	100%	10%
		P25/1938	100%	10%
		P25/1940	100%	10%
		P25/1942	100%	10%
		P25/1944	100%	10%
		P25/1993	100%	10%
		E25/345	100%	10%
	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) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities <i>(description)</i>				
7.2	Changes during quarter				
7.3	+Ordinary securities	439,159,998	439,159,998		Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities <i>(description)</i> Convertible Notes	10,000,000	-	US\$1 per note	US\$1 per note
7.6	Changes during quarter				
7.7	Options <i>(description and conversion factor)</i>	4,250,000	-	<i>Exercise price</i> 10 cents	<i>Expiry date</i> 30/6/2009
		3,750,000	-	12 cents	30/6/2009
		2,500,000	-	10.5 cents	3/10/2009
		1,250,000	-	13.5 cents	3/10/2010
		500,000	-	30 cents	31/5/2011
		3,300,000	-	30 cents	30/11/2009
		2,200,000	-	35 cents	30/11/2009
			-		
			-		
7.8	Issued during quarter				

7.9	Exercised during quarter				
7.10	Expired during quarter (forfeiture)	1,250,000	-	13.5 cents	3/10/2010
7.11	Debentures (totals only)				
7.12	Unsecured notes (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 ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: L Brown
(Director)

Date: 29 April 2009

Print name: LAWRENCE BROWN

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.