

About Mintails

- Mintails owns substantial gold, uranium and sulphur bearing tailing materials located in South Africa's historic Witwatersrand Basin.
- Through its ownership of extensive plant, equipment and infrastructure Mintails is in the process of becoming a significant producer of gold and potentially uranium and sulphuric acid with processing facilities on both its West and East Rand locations.

Issued Capital : 695.2m shares
: 820.9m shares
(fully diluted)

Major Shareholders

: Kintara Ltd 11.05%
: Rex Harbour & Associates 9.35%
: JP Morgan Chase & Co 8.42%
: Merrill Lynch & Co 7.11%
: Henderson Global Investors Ltd 6.24%

Directors

: Pat Smyth, Chairman
: Dick van der Walt, CEO
: Basie Maree, Executive Director
: George Beaumont, Non-executive Director
: Peter Worland, Non-executive Director
: Charles Scorer, Non-executive Director
: Peter Chapman, Non-executive Director

Website: www.mintails.com.au

This report includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

These factors include, among other things, commercial and other risks associated with estimation of uranium and gold resources, the meeting of objectives and other investment considerations, as well as other matters not yet known to the Company or not currently considered material by the Company.

Mintails accepts no responsibility to update any person regarding any error or omission or change in the information in this presentation or any other information made available to a person or any obligation to furnish the person with further information.

Highlights

- Commenced Construction of Mogale Slime Phase 1 Project
- Commenced Implementation of Mogale Sand Upgrade Project
- Appointment of New General Manager for the West Rand Operations
- Appointment of Group Communication Manager
- Unconditional Placement Commitments of AUD 4,635,000 and AUD 2,735,000 (subject to shareholder approval) subsequent to end of Quarter

Overview

The Company completed the sale of its interest in the Elsburg JV during the quarter. This enabled the Company to commence the construction of the Mogale Slime Phase 1 Project and the Mogale Sand Upgrade Project.

The construction of the Mogale Slime Phase 1 Project gained significant momentum during this quarter. Fraser Alexander (Pty) Ltd – Tailings Division ("Fraser Alexander") commenced the construction of an hydraulic reclamation and pump transfer station. Stelios Project Management (Pty) Limited ("Stelios") commenced construction of the Gold Processing Plant at Mogale. As was previously reported, one of the major advantages of the Mogale Slime Phase 1 Project is that it incorporates a major portion of the previously – partially completed "Wergo Plant".

By incorporating this infrastructure, the Company was able to limit the budget for the completion of Mogale Slime Phase 1 to ZAR 95 million (approximately AUD 15 million), and benefited from historical construction timelines in order to target completion of the project by last quarter 2009. At the end of this quarter, Stelios and Fraser Alexander reported that the project was on budget and on time.

As previously reported, the Company intends to apply ZAR10 million (approximately AUD1.6million) towards the upgrade of the sand processing and milling circuit. These upgrades have commenced and the Company should reap the benefits in production from the last calendar quarter of this year.

The Company is also pleased to announce that it has strengthened its team with the appointment of Chris Robbertse and Carina Morgan. Chris Robbertse is a Metallurgist with vast mining experience, and joins the Company as General Manager at Mogale Gold Mine. He has 32 years experience in gold and uranium operations with a significant portion of his career spent in the processing of tailings. He is widely recognised as an industry expert. Carina Morgan has joined the Company as Group Communication Manager. With her wealth of experience in the industry, we look to bolster communication with all stakeholders.

The Company has also undertaken an estimation on the potential sulphur content of its tailing dumps on the West Rand. The results of that assessment will be released in the near future.

Subsequent to the end of the quarter, the Company received institutional support for a capital raising of AUD 4,635,000 (unconditional) and AUD 2,735,000 (subject to shareholder approval). The Company will use the funds, already committed by the capital raising, to complete the Mogale Slime Phase 1 Project. The balance of the funds to be raised is intended to be used for rehabilitation funding and completion of Feasibility Studies of its projects on the West Rand and initiatives to extract value from its joint venture interests held in Ergo Mining

WEST RAND OPERATIONS

Resource and Competent Person Reporting

The status of the Company's tailing assets on the West Rand was last reported in September 2008. These assets are being assessed for three Tailings Storage Deposits (i.e. 1L23-25, 1L28 and 1L13-15). The intention of this exercise is to evaluate the gold and uranium content of these dumps and to also establish potential sulphur content.

The Company is making good progress towards identifying the sulphur content of these dumps and will be able to release information to the marketing in the near future.

Business Planning

Mintails has a total tailings asset of 322 million tonnes on the West Rand, 137 million tonnes of which is located in the 'Randfontein Cluster' (i.e. 18 million tonnes sand, 117 million tonnes slime). The remainder is contained in the Durban Roodepoort Deep/Rand Leases area ('DD/RL Cluster') located roughly ten kilometres South-East of the Randfontein Cluster.

The Randfontein Cluster is the focus of providing tailings for gold production. This focus will involve processing 135–180kt per month in the existing Mogale Sands Plant, commissioning the Mogale Phase 1 Slimes Plant in November 2009 to process an additional 350kt per month and adding Mogale Phase 2 Slimes in late 2010. The latter, Mogale Phase 2 Slime expansion is currently being developed at conceptual level. If approved and funding for the expansion is secured, it will result in a further increase in tonnage throughput and hence gold extraction, the magnitude of which has still to be more fully assessed.

The FUG (Flotation Uranium Gold) option or 'Uranium' model, currently in the pre-feasibility stage, represents an enhancement of the gold process. It is currently being considered for implementation in 2012.

Gold bullion and uranium yellow-cake would, under this scenario, be produced from a flotation concentrate. The final decision ultimately, to pursue the FUG circuit will initially depend on the outcome of the FUG pre-feasibility study. Thereafter it will rest on the ability of the Company to raise the required funds for pilot plant test work, feasibility requirements and ultimately the funding needed to build the required metallurgical complex.

The DD/RL Cluster of dumps is now receiving attention. This area is currently secured by a prospecting right. Desktop investigations and drilling of the deposits are being planned and conceptual studies are expected to be concluded by December 2009.

The impact of the reduced gold price in ZAR terms, if remaining at these levels, is anticipated to have a significant impact on the cash flow of the Company for the remainder of this year. The Company announced after the close of the quarter that a changed policy regarding rehabilitation funding introduced a contingency risk that would be unfunded should the Department of Minerals insist on its implementation, and that the reduced gold price and operational constraints would require the Company to access funding to complete its previously stated objectives. The Company therefore, subsequently to the end of the quarter, had to consider an offer for its SA Assets from DRDGold as a possible alternative to shareholding funding, and canvassed the option of the disposal of its assets to its shareholders.

The Company however, received significant shareholder support to complete the Mogale Slime Phase 1 Project and consequently, rejected the DRDGold offer. The Company announced a capital raising of up to AUD 15 million at 4.5 cents, having secured unconditional commitments of AUD 4,635,000 and AUD 2,735,000 (subject to shareholder approval) at the time of such announcement. The funds already committed to the capital raising, enables the Company to complete the Mogale Slime Phase 1 Project. The balance of the capital raising is intended to secure funding for the rehabilitation contingency and positions the Company to complete its feasibility studies regarding projects on both the East and West Rand.

Mogale Sands Operation

Mogale Sands Operation processed 390,000 tonnes of sand producing 3765oz's for the quarter.

The sand operation is still in a process of upgrade and therefore still suffered breakdowns in the mining section, resulting in the production output for the quarter being below target.

The production variance resulted in a cumulative cash loss of approximately AUD 200,000 for the quarter. The actual gold price received in ZAR terms was materially lower for the quarter. This gold price differential in ZAR terms, compared to budget equates to reduced revenue of approximately AUD 468,000 for the quarter, and was due predominantly, to the strengthening of the Rand against the American dollar.

Whilst the total production for the quarter was below target the progressive cash contribution for the calendar year January 2009 to May 2009 remains positive at approximately AUD 430,000. The Company expects to see the benefits of the upgrade in infrastructure to this circuit in the second half of this year.

Mogale Slimes Project

Management is pleased to announce that good progress is being made on the Mogale Slimes Phase 1 Project.

Fraser Alexander (Pty) Limited – Tailings Division

This covers the construction of a hydraulic reclamation and pump transfer station at the 1L23-25 surface deposit and the installation of a slurry transfer line to the Mogale plant.

The civil construction work on the pumpstation is in progress and forty percent of the pipelines have been installed. All major mechanical equipment has been ordered and, with the exception of 1 x C Frame high pressure water pump, already delivered to the Fraser Alexander – Tailings Division workshop. The project is on schedule and commissioning is set for December 2009.

The design of the pipe-bridge across the R28 highway has been completed. The span of the pipe-bridge is 60m and is now designed to carry 6 x 450mm diameter pipes, thereby catering for the Mogale Phase 2 future expansion as described in the 'Business Planning' previously discussed. Indicative approvals have been received from the relevant authorities. Civil construction work for the pipe-bridge has commenced. Fabrication of the bridge has commenced off-site.

Stelios Project Management (Pty) Limited

Stelios carries the responsibility for the design and construction of the Gold processing plant at Mogale utilising existing Mogale Plant infrastructure and installing new plant where appropriate. They are within budget and on schedule with commissioning planned for October 2009.

Designs of the elution, reagents, thickener including pre-screening and electrowinning areas are all nearing completion. Section Hazard and Operability studies ("HAZOP") studies are done as designs become available.

The civil contractor is on site and has commenced work on the process water and CIL areas. This civil team will shortly expand and move to the reagent sections, pending finalisation of the civil design, which require the longest lead time and specialist attention, particularly for the cyanide storage area.

The welding of the water line to the reclamation station, and the tailings line to the deposition pit is respectively, nearing completion.

The existing tanks to be used in the CIL circuit have undergone thorough structural inspection. Minor welding repairs only are required. The mechanical contractor is now on site and will start with these repairs and the CIL construction.

Mogale Power Infrastructure Upgrade

This upgrade is being managed in-house by Mintails Projects and Mogale staff. This project is also on schedule and involves linking the ESCOM supply to a new main Mogale sub-station and distributing to area specific sub-stations. The upgrade also includes the installation of a 22kV overhead powerline to the

reclamation sites and installing new transformers. As for the pipe-bridge crossing described above, the powerline will also have to cross the R28 highway either by direct overhead crossing or on this same pipe-bridge. Relevant authority has been sought and approval is also awaited for this crossing.

Mogale FUG (Flotation, Uranium, Gold) Project

The pre-feasibility for this project is almost complete, and the cost of the study should be below budget.

SGS Lakefield Laboratories have completed, with the exception of uranium waste characterisation, the metallurgical and mineralogical test work on drilled borehole samples extracted from the Randfontein Cluster dumps. This work established initially the flotation gold and uranium recovery parameters and thereafter the subsequent gold and uranium recoveries from the flotation concentrates with and without fine milling.

The process design requirement for the pre-feasibility study, contracted out to a process engineering company, is almost complete. This work included the process flow design, mass and water balances, and equipment listing and sizing. Projected capital and operating costs are now being determined.

The financial model has been set up and continues to be populated as and when information comes to hand.

Deposition Projects

Mogale currently has regulator approval to deposit tailings only into the north section of the West Wits Pit. The north and south sections of the Pit are divided by a division wall, initially partially constructed of waste rock but is now being raised using the more cost effective cyclone underflow product of the Mogale Sands operation. The Department of Water and Environmental Affairs (DWEA) recently advised indicative approval for this change and arrangements are being made for the existing Water Licence to be modified accordingly.

Going forward, the short term deposition priority (particularly with the commissioning of the Mogale Slimes Project) is to get regulatory approval to deposit gold plant tailings into the south section of the West Wits Pit. Approval is awaited from the Department of Mineral Resources (DMR) as it forms part of the Mogale EIA/EMP submission. However, approval is also required from the Department of Water and Environmental Affairs (DWEA), either in the form of another amendment to the existing water licence or in the form of a written authorisation. To this end a contract has been awarded to an environmental consulting company to prepare the required material and complete the necessary documentation required to secure approval.

After Pit filling (total Pit capacity = 25 million tonnes), the objective will be to further expand Mogale deposition by going upwards above the Pit and outwards around the Pit. Provisional consideration suggests that this will provide a total Pit deposition capacity of 80 million tonnes. A key component however, is to determine the maximum rate of tailings that can be deposited. This is crucial parameter to be considered in the future Mogale expansion considerations. This work is currently being undertaken by a Geotechnical Engineering Company to a pre-feasibility level and will be concluded before end July 2009.

Witfontein Tailings Deposition Facility (“TDF”) still remains a very important option but now becomes perhaps a longer term consideration provided full Pit deposition is secured. Mintails have approached the Senior Director: Mineral Regulations of the Department of Mineral Resources to establish the additional specialist studies and consultations that will be required to conclude the Witfontein TDF Feasibility Project and generate the appropriate Regulatory ‘Record of Decision’.

It is also the intention of Mintails to re-visit the original design of the Witfontein TDF particularly in the light of the existing pit probably being able to accommodate the majority of the Randfontein Cluster material. The original Witfontein TDF design considered a very broad Regional approach and assumed a deposition rate of 2.4 million tonnes per month. A lower deposition rate of around 1 million tonnes per month is now being considered.

This will allow for the TDF to be more optimally positioned on the Witfontein site and initially cover a smaller footprint. This will meet the needs on Mintails and their partner, DRDGold, on the West Rand. It is intended that the new design can be managed in a manner that can expand the footprint as and when new partners wish to come on board. The modified design will also serve to reduce the required funds that must be lodged up-front and in Trust for rehabilitation of the Witfontein site.

Mogale Water Treatment

On 14 April 2009 Mogale terminated the discharge of neutralised Western Basin Mining Void water (‘Void’ water) to the natural water course via the Tweelopiespruit. Water extraction and treatment was thereafter limited to meet Mogale metallurgical process requirements only.

The termination was the direct consequence of a pending DWAE directive that stipulated that the mines must continue to extract water from the Void to lower the water table to the Environmental Critical Level (known as the ECL), that the discharge must meet potable water quality standards (the Mogale Water Treatment Plant does not have the installed technology to meet this requirement) and that the mines must fully investigate and will be held liable for any downstream pollution.

The Mogale requirements of the directive are easily met by Mogale. The assigned quota of extraction for Mogale is only 0,1MI per day, a quantity that is automatically achieved as considerably more than this amount is extracted to meet the process water requirement of the Mogale metallurgical operation and thereby obviating the need to discharge to the Tweeloopiespruit.

However, Mintails has not previously considered their responsibility to water treatment in isolation to the rest of the mines in the region. As a consequence surplus water was treated at Mogale and mostly on behalf of DRD Gold so that their quota was also addressed. Mintails acted as a service provider to DRDGold and received compensation in terms of an agreement which lapsed on 31 March 2009.

No new agreement was entered into and Mintails terminated the treatment in excess of its own allocation.

Mintails has continued to positively engage DWAE and at quarter end an interim solution was established. This solution also incorporates a process (detailed at Waste Rock Operations.) whereby Mintails would be compensated for treating more than its allocation. The DWAE will now invoke emergency powers and revert to the previous directive whereby saline, non-acidic (but not potable) water may be discharged to the environment.

As a consequence, and on the last day of the quarter, the Mogale Water Treatment Plant was fully re-commissioned to process 12.5 mega litres per day with surplus, neutralised water once again discharged to the Tweeloopiespruit.

Waste Rock Operations

Mintails has concluded discussions with DRD Gold and will be responsible for waste rock crushing and screening operations in and around the existing Pit and the now-redundant rock cladding of the CAM's sand dump. The income from the waste rock sales from the existing Pit is planned to be used to off-set water treatment costs, and the sales from rock cladding will be used to contribute to environmental rehabilitation of the general area in consultation with interested and affected parties.

Mogale has secured a contract with Steiner-Bruch Holdings (Pty) Limited to mine the rock at the existing Pit. The necessary surveys have been conducted and the mining plans developed. The National Nuclear Regulator (NNR) approval is being sought and mining will then commence.

A company, Indunduma Mining, has been contracted to mine the waste rock cladding at the CAM's Sands dump. This material is currently being removed from the dump (to permit further Sands mining) and is being stockpiled. Crushing and screening operations will commence when NNR approval is granted.

Mining Rights and Rehabilitation Funding

Mintails has continued with activities to secure their Mining Rights on the West Rand via the dual processes of applying for a Mogale New Order Mining Right and by applying for the Conversions of three existing Old Order Mining Rights, viz. Mogale, DRD (WRC and Luipaardsvlei area) and MMRS.

The outstanding DMR requirements for these applications has been proof of Black Economic Empowerment (BEE) compliance (for Mogale and MMRS) and proof of funding in the initial years of the Mogale Mines Work Program for the Mogale expansion projects. The latter requirement has now been resolved.

The BEE compliance requirements have also been formally concluded by way of structuring the required agreements and shareholdings. The indications from the DMR are that the Conversions will be awarded first but no time frame has been provided.

The awarding of the Mining Rights may be accompanied by a DMR Directive, in terms of the MPRDA legislation, to place sufficient funds into Trust to ensure the final rehabilitation and closure of the mining areas at the end of mining. It is uncertain how the DMR will direct how the Rehabilitation funding will be secured, particularly in the light of their recent indications to the effect that annuity funding will no longer be acceptable and implying that upfront payments will be required.

Mintails has decided to react to this funding requirement as and when and if the directive is made. Mintails believes that it is unreasonable to be directed to make substantial upfront payments into trust as the Mogale surface mining project is unique in that it actually improves the environment and reduces the financial liability as the project progresses.

Mogale is also confronted with immediate environmental concerns in the Wonderfonteinspruit and Tweelopies areas and should preferentially address these matters rather than locking up excessive amounts into a Rehabilitation and Closure Trust at too early a stage.

EAST RAND OPERATIONS

Following the Mintails Board of Directors decision not to accept the “DRDGold Offer”, Mintails will now continue with developing the value potential of its joint venture assets situated on the East Rand, held either directly through its shareholding in Ergo Mining, or indirectly as the holding company of Ergo Uranium.

Mintails, in pursuing this objective, lodged a Prospecting Right Application in respect of the Marievale cluster of dumps, representing a resource of 38 million tonnes of tailings material.

Mintails have also registered as “an interested party” to participate in the bidding process for the “Grootvlei Dumps” comprising a component of Pamodzi Gold East Rand (in liquidation).

Mintails is in a continuous process of evaluation to determine the scope of extracting value from these initiatives.

Skeat Gold Mining (“SGM”) Acquisition

Mintails has agreed with the vendors of SGM to further defer exercise rights under put and call options granted at settlement of the SGM acquisition. Under this arrangement the rights of the vendors to call for allotment of approximately 28 million Mintails shares has been deferred to enable the parties to negotiate a compromise resolution of all outstanding arrangements possibly through the transfer of certain fleet and other non core assets to the vendors in exchange for a cancellation of the put and call options. A further announcement on this matter is expected in the coming months.

About Mintails Limited

Mintails Limited (ASX Code : MLI) is an Australian listed company with management and operations in South Africa. Mintails processes and recovers gold and proposes to recover uranium from surface tailings resources which are present on the West and East Rand of South Africa's historic Witwatersrand Basin. To find out more, visit Mintails at: www.mintails.com

Or contact:

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Appendix 5B – 4th Quarter

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:

MINTAILS LIMITED (ASX: MLI)

ABN:

45 008 740 672

Quarter Ended ('Current Quarter')

30th June, 2009

Consolidated Statement of Cash Flows

	Current Quarter \$A'000	Year to Date (12 months) \$A'000
<u>Cash Flows Related to Operating Activities</u>		
1.1 Receipts from product sales and related debtors	5,302	23,661
1.2 Payments for: (a) exploration and evaluation	(184)	(720)
(b) development	(5,373)	(17,671)
(c) production	(6,033)	(25,438)
(d) administration	(484)	(5,723)
(e) contract services	(88)	(509)
(f) staff costs	(2,154)	(8,937)
(g) other working capital	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	172	912
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	(8,842)	(34,425)
<u>Cash Flows Related to Investing Activities</u>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(2,710)	(8,773)
(c) other fixed assets	-	(2,167)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	25,964
(c) other fixed assets	2	3,068
1.10 Loans to other entities	-	-
1.11 Loans repaid to other entities	-	-
1.12a Other – Acquisition of Subsidiary	-	-
1.12b Other (provide details if material)	-	-
Net Investing Cash Flows	(2,708)	18,091
1.13 Total Operating and Investing Cash Flows	(11,551)	(16,334)

+ See chapter 19 for defined terms.

		Current Quarter \$A'000	Year to Date (12 months) \$A'000
1.13	Total Operating and Investing Cash Flows (Carried Forward)	(11,551)	(16,334)
<u>Cash Flows Related to Financing Activities</u>			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	3,118
1.17	Repayment of borrowings	(3,373)	(3,373)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net Financing Cash Flows		(3,373)	(256)
Net Increase / (Decrease) in Cash Held		(14,924)	(16,589)
1.20	Cash at beginning of quarter/year to date	21,604	22,625
1.21	Exchange rate adjustments to item 1.20	682	1,327
1.22	Cash at End of Quarter	7,363	7,363

**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	273
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
Salaries, directors' fees, corporate advisory & consulting fees at normal commercial rates		

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
- | |
|---|
| - |
|---|
- 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
- | |
|---|
| - |
|---|

+ 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

	\$A'000
4.1 Exploration and evaluation	150
4.2 Development	7,197
Total:	150

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	4,877	5,252
5.2 Deposits at call	142	340
5.3 Bank overdraft	-	-
5.4 Funds held in trust	2,344	16,012
Total: Cash at End of Quarter (item 1.22)	7,363	21,604

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		
6.2	Interests in mining tenements acquired or increased	Nil		

+ See chapter 19 for defined terms.

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 (cents) (see note 3)	Amount Paid Up Per Security (cents) (see note 3)
7.1	Preference *Securities <i>(Description)</i>	-	-	-	-
7.2	Changes During Quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs, redemptions	-	-	-	-
7.3	*Ordinary Securities	695,179,652	695,179,652	-	-
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>	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	Options <i>(Description and Conversion Factor)</i>	79,926,000	-	Exercisable @ \$0.25 to \$0.81	-
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

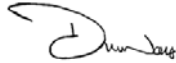
+ See chapter 19 for defined terms.

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:

Date: 29th July, 2009



Print Name:

.....
Dick van der Walt

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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The CFO Solution