QUARTERLY REPORT

For three months ending 30 September 2008

HIGHLIGHTS

PUNGKUT GOLD PROJECT, INDONESIA (75%)

- **Mining Scoping Study for Sihayo 1 North and Sambung Inferred Resources near completion with results expected early November 2008, after delays due to scheduling commitments by the consultants. Directors are encouraged by preliminary pit shell modelling results to hand.**

- **Initial drilling in Old Camp Area of Sihayo 1 North prospect discovers significant new mineralisation with best results including:**

  - ***: 27m @ 2.36 g/t Au from surface***
  - ***: 10m @ 2.50 g/t Au from 58m***
  - ***: 14m @ 2.67 g/t Au from 82m***
  - ***: 8m @ 3.08 g/t Au from 34m***
  - ***: 13m @ 4.23 g/t Au from 6m***

- **Shallow drilling at Sarahan South Vein at Hutabargot Julu prospect intersects significant mineralisation in epithermal veining**

MALAWI – URANIUM EXPLORATION

- **Geochemical sampling and ground radiometric surveys conducted over the Emoneni-Jandalala area of Mzimba Northwest identify a large cohesive anomaly.**

- **Sixteen uranium exploration targets generated from Landsat Mapping Interpretation of Chizani EPL area.**

1. CORPORATE

As reported last quarter, Shareholders of Oropa Limited ("Oropa, or the Company") approved the issue of up to 13,280,376 new listed 2011 Options at the issue price of $0.002 per Option to the holders of options that expired unexercised on 31 December 2007. Shareholders also approved the placement of the shortfall (if any) by directors at their discretion. The Options Offer Prospectus was dispatched to the relevant holders on 8 August 2008 and a total of 8,510,285 2011 Options were applied for before the closing Date (22 August 2008). The directors are currently in the process of placing the shortfall.

During the reporting period, the Company raised $383,680 before costs via placements of 976,000 shares at 5.5 cents per share and 6,600,000 shares at 5 cents per share to overseas institutions and sophisticated investors. These funds have been, and are being applied towards ongoing exploration activities at the Pungkut Gold Project in Indonesia ("Pungkut") and towards the recommencement of sampling programs in Malawi.

2. REVIEW OF OPERATIONS

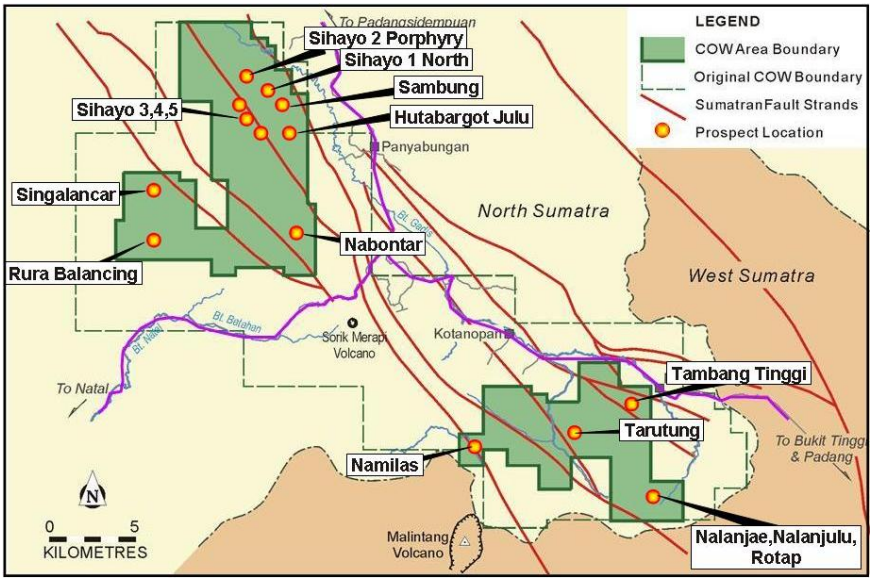
2.1 INDONESIA

Pungkut Gold Project, Sumatra (75%)

The commissioning of a Scoping Study into the feasibility of bringing the Sihayo 1 North and Sambung Inferred Resources into mining production will provide Oropa with a framework to advance the project, and at the same time give an indicative value of the Sihayo 1 North and Sambung resources which are presently significantly under-valued. Promising results returned from recent drilling to the north-east of the Sihayo 1 North resource have identified a new target in the Old Camp Area, which opens up a broad and previously unexplored area to potentially increase the existing resources.

Drilling re-commenced at Hutabargot Julu in the South Sarahan area. Previous soil geochemical sampling revealed a large gold and multi-element anomaly at the interpreted intersection of the Sarahan and Ali veins. Follow up mapping revealed massive pervasive silicification and significant gold in rock chips and a reconnaissance shallow drilling program was initiated to test for near-surface mineralisation. Deeper drilling is planned to test the intersection of Sarahan and Ali veins, before returning to the Ali vein to follow up on the bonanza grade intersection in HUTDD018.

Figure 1: Pungkut project area North Sumatra, showing principal prospects

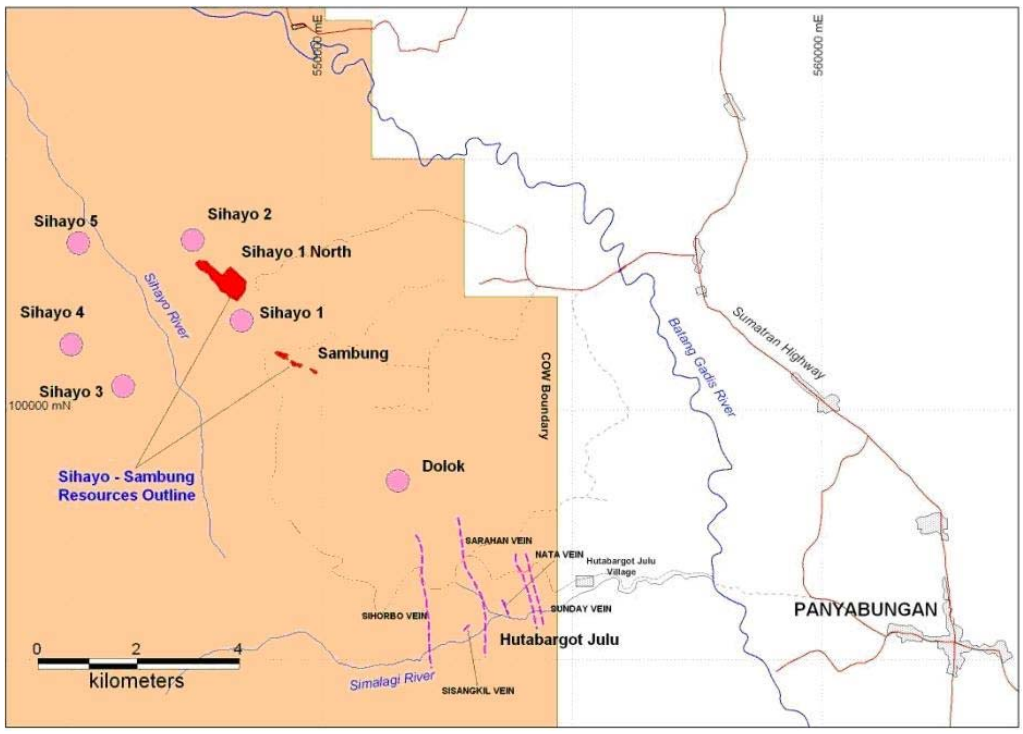


Activities – North Block:

- **Sihayo 1 North:**
  - Commenced Scoping Study into the mining economics of Sihayo 1 North and Sambung resources
  - Exploration drilling at the Old Camp Area

- **Hutabargot Julu:**
  - Exploration drilling at Sarahan South

Figure 2: Sihayo – Sambung – Hutabargot Julu gold trend, North Block, Pungkut Project



Sihayo 1 North

During August, independent consultants SRK Consulting (Australasia) Pty Ltd ("SRK") commenced a Scoping Study to determine the approximate costs and economics of mining and processing the combined Sihayo 1 North and Sambung Inferred Resources. This economic model is well advanced and a report is expected in early November. Oropa will use this information to generate work programs aimed at advancing Pungkut towards a pre-feasibility study next year.

Final assays returned from the drilling at the North Western Extension indicated that the gold mineralised jasperoid is thinner in that area. However, a new drilling program in the Old Camp Area following up on a concealed exploration target has encountered significant gold intersections in both regolith and primary jasperoid mineralisation. Best results include:

SHDD112: **27m @ 2.36 g/t Au from surface**
10m @ 2.50 g/t Au from 58m
14m @ 2.35 g/t Au from 82m

SHDD118: **8m @ 3.08 g/t Au from 34m**

SHDD120: **13m @ 4.23 g/t Au from 6m**
3.6m @ 3.09 g/t Au from 21.4m

Exploration at the Old Camp Area is currently following up on an area adjacent to the north-east of the Sihayo 1 North resource that was previously interpreted to have been closed off by a fence of drill holes completed by Oropa in 2005. A number of test pits dug to depths of approximately 7m outlined significant gold in the regolith profile. Drilling was subsequently initiated to test the extent of the regolith and a possible source of the mineralisation. To date, nine holes have been drilled (including SHDD119, which failed to reach target depth and was replicated by nearby SHDD120). This program has encountered significant near surface gold mineralisation in both thick regolith cover, and in-situ jasperoid developed within silty-limestone over a 200m strike length. The silty-limestone appears to have formed in a deep channel, situated behind what may have been a limestone reef (now marble) to the north-east of the main resource **(Figure 4)**. The south-western contact of the silty-limestone is bounded by a disconformity with volcanics. This channel interpretation allows for a narrow but laterally continuous target which could pinch and swell along strike. Further drilling along strike in both directions is on the agenda as there is no outcrop in the area, with host bedrock either obscured by regolith or Tertiary sediments.

Similar style 'jasperoid in silty-limestone' has been observed 600m along strike to the north-west at Sihayo 2, where extensive outcropping jasperoid was previously drill tested in 2004 **(Figure 3)**, with the seven widely spaced holes largely failing to intersect the outcropping mineralisation. Follow up drilling was not conducted due to the lower grades in outcrop. However, this latest discovery indicates that the potential exists for the higher grade Old Camp Area mineralisation to extend to Sihayo 2 and possibly beyond. Additionally, 400m along strike to the south-east of the Old Camp Area, drill hole SHDD023 encountered 4.2m @ 3.36 g/t Au from 10.55m in jasperoid at the Tertiary sediment – Permian limestone contact.

Based on these recent discoveries, the Old Camp mineralised trend may extend over a strike length in excess of 1.4km from Sihayo 2 to SHDD023. Furthermore, to the north-east and east is an extensive area blanketed by Tertiary sediments that are interpreted to be thin (supported by geological and ground magnetic interpretations) offering good potential for additional concealed mineralisation. The Old Camp Area discovery is regarded as being an important development with the potential to substantially add to the 1M oz Au Inferred Resources already outlined along the Sihayo trend.

Figure 3: Sihayo 1 North Inferred Resource outline and exploration targets

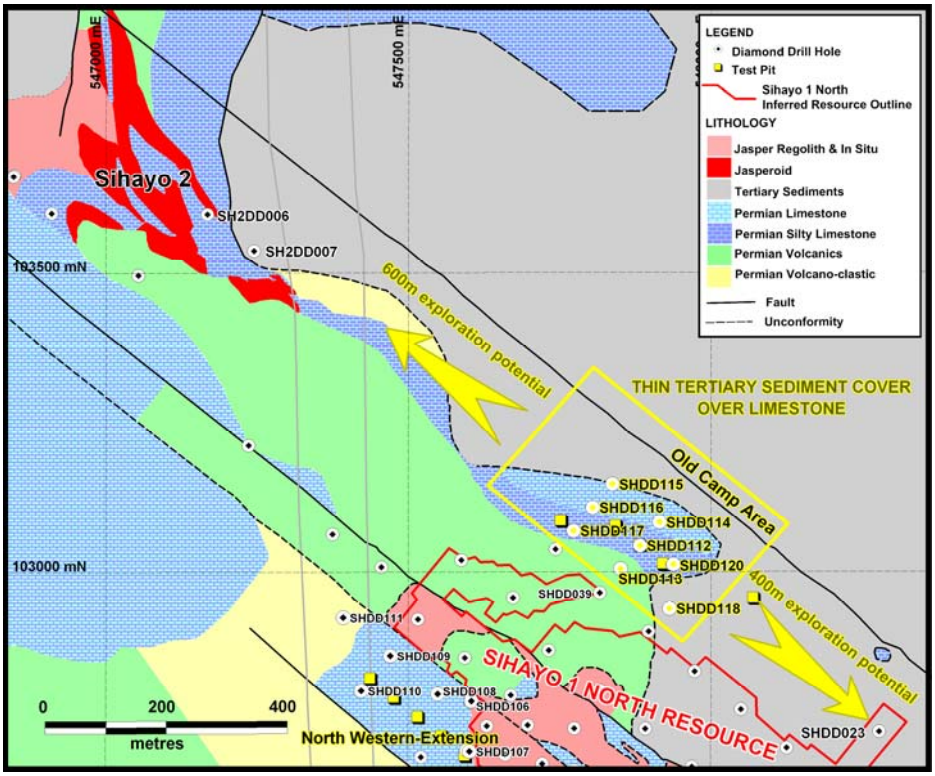


Figure 4: Old Camp Area geological cross section

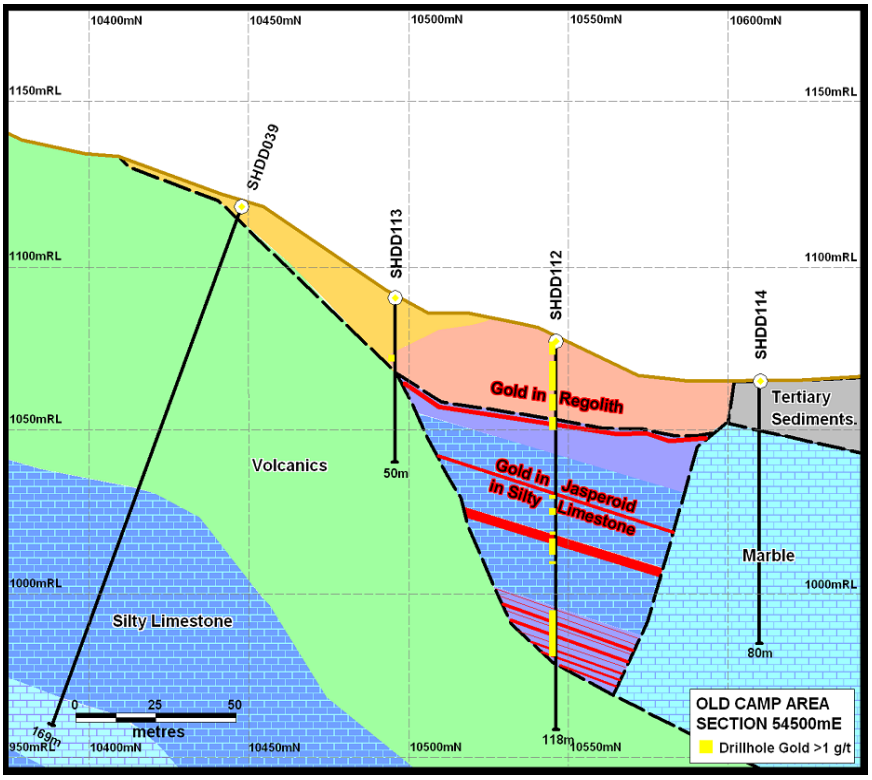


Table 1: Sihayo 1 North Significant Drill Intersections

Hole_ID	Prospect	Northing	Easting	Azimuth	Dip	Total Depth	From	To	M	g/t Au
SHDD110	North-West	103069	547294	320	-90	81.2	no significant assays			
SHDD111	North-West	103002	547848	0	-90	86.3	no significant assays			
SHDD112	Old Camp	103040	547882	0	-90	118.30	0.0	27.0	27.0	2.36
							47.0	48.0	1.0	1.04
							51.0	53.0	2.0	1.44
							58.0	68.0	10.0	2.5
							82.0	96.0	14.0	2.35
SHDD113	Old Camp	103002	547848	0	-90	49.70	17.0	19.0	2.0	1.64
SHDD114	Old Camp	103089	547924	0	-90	80	no significant assays			
SHDD115	Old Camp	103163	547839	0	-90	77.1	no significant assays			
SHDD116	Old Camp	103123	547801	0	-90	55	no significant assays			
SHDD117		103087	547769	0	-90	74.3	3.0	6.0	3.0	1.4
							9.0	11.0	2.0	3.88
							25.0	26.0	1.0	1.01
SHDD118	Old Camp	102941	547929	0	-90	76.15	34.0	42.0	8.0	3.08
SHDD119	Old Camp	165564	541730	0	-90	24.4	10.0	17.0	7.0	1.75
							22.0	23.0	1.0	1.52
SHDD120	Old Camp	103012	547909	0	-90	87.65	6.0	19.0	13.0	4.23
							21.4	25.0	3.6	3.09
							53.0	54.0	1.0	1.26

Notes

1. All assays determined by 50gm fire assay with AAS finish by Intertek- Caleb Brett Laboratories of Jakarta
2. Lower cut of 1.0ppm Au used
3. A maximum of 2m of consecutive internal waste (material less than 1.0ppm Au) per reported intersection
4. All interval grades were calculated as a weighted average
5. All intervals reported as down hole lengths
6. Sampling regime as quarter core for PQ diameter core and half core for HQ diameter core
7. Quality Assurance and Quality Control (QAQC):
8. Coordinates in UTM grid system

Hutabargot Julu

Hutabargot Julu has been Oropa's primary regional exploration target in the North Block over the past nine months, with programs testing intermediate-sulphidation epithermal quartz and massive silica alteration in veins interpreted to extend over a strike length of up to 3km. Results from Oropa's earlier drilling include a vein intersection of 5m @ 37.7 g/t Au from 47m (Ali Vein - HUTDD018) supporting the potential of the area to host rich deposits as exist elsewhere in Indonesia; Newcrest's Gosowong and Kencana mines on Halmahera Island and Antam's Pongkor mine in West Java to mention a few.

During the Quarter, encouraging multi-element assay results were obtained from the Sarahan - Ali soil geochemical sampling program. This program was based on 100m line spacings with 50m spaced samples, and was implemented to establish the location of strongest alteration zones **(Figure 6)**. Highlights are summarised below:

Table 2: Best results Hutabargot Julu soils

SampleID	Location	Au ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	As ppm	Sb ppm	Mo ppm	Local_North	Local_East
957015	Sarahan South	12.8	57	94	69	22	380	22	93	5700	53300
957663	Sarahan vein	2.78	23	13	29	-1	331	2	-1	6200	53200
957787	North Ali	3.4	17	21	67	-1	33	2	-1	6400	52600
957781	North Ali	1.17	20	19	63	-1	46	1	2	6500	52600

The soil geochemistry has outlined several anomalous areas; the most prominent of which is Sarahan South, located south of the Simalagi River. The Sarahan South (plus 0.1 g/t Au) soil anomaly extends over 150m, with maximum values of 12.8 g/t Au and 22 g/t Ag. Elevated anomalous lead, silver, arsenic, antinomy and molybdenum values are indicative of a major fluid up-welling zone and a high priority target for deep mineralisation.

Geological mapping following up on two plus 5 g/t Au rock outcrop samples situated within the Sarahan South anomaly has identified massive silica alteration and veining.

Anomalous gold and multi-element values have also been confirmed in soils at Sarahan Vein overlapping with existing drilling targeting the vein with a maximum value of 2.78 g/t Au associated with a broader (plus 0.1 g/t Au) soil geochemistry halo over the northern Sarahan vein. At the North Ali Vein, high gold values in soils of 3.4 g/t and 1.17 g/t Au warrant follow up geochemical sampling and geological mapping. A weak multi-element anomaly located south-east of the 5m @ 37.7 g/t Au intersected in Ali Vein hole HUTDD018 will be followed up with drilling to test for extensions of this bonanza grade mineralisation.

Diamond drilling commenced at Sarahan South targeting the massive silica alteration. Four shallow drill holes were completed to test for near surface mineralisation. All drill holes intersected significant mineralisation within the vein. Best results include:

HUTDD022: 12m @ 1.58 g/t Au from surface

HUTDD023: 2m @ 3.26 g/t Au from 7m
1m @ 3.36 g/t Au from 17m

Further drilling is planned at Sarahan South to test the epithermal system at depth. The Ali Vein is interpreted to intersect the Sarahan Vein at Sarahan South, which combined with the coincident multi-element anomaly, makes this an important conceptual target .

Figure 5: Hutabargot Julu plan and diamond drill holes

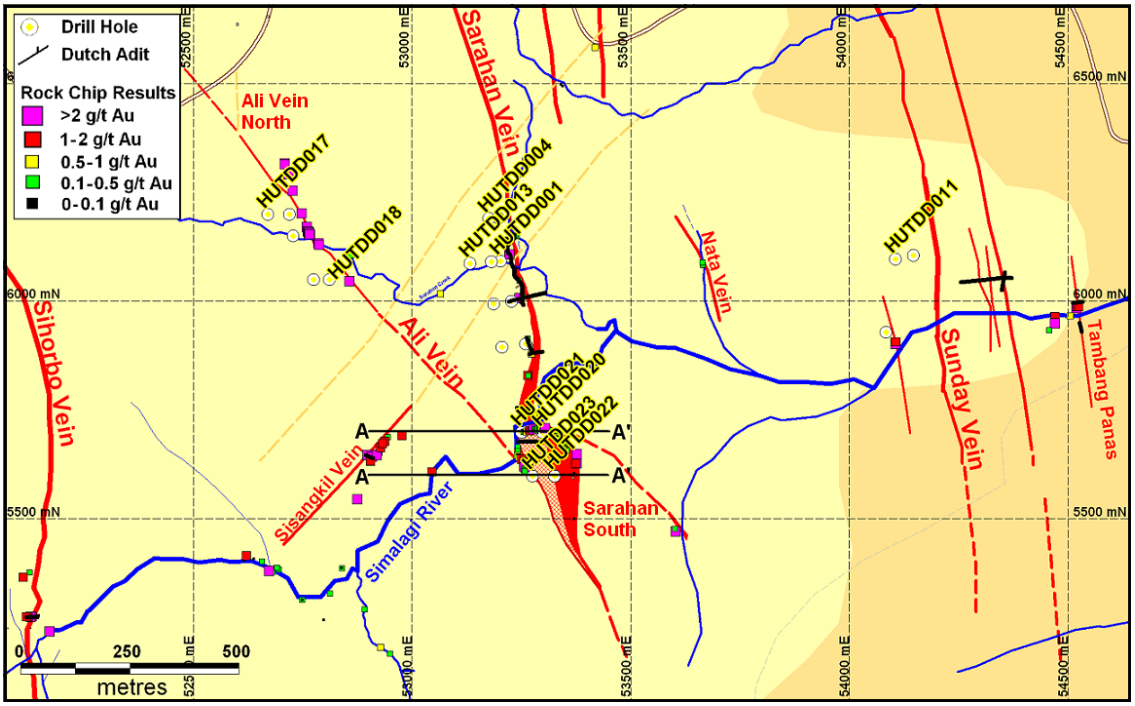


Figure 6: Hutabargot Julu gold in grid soil sampling

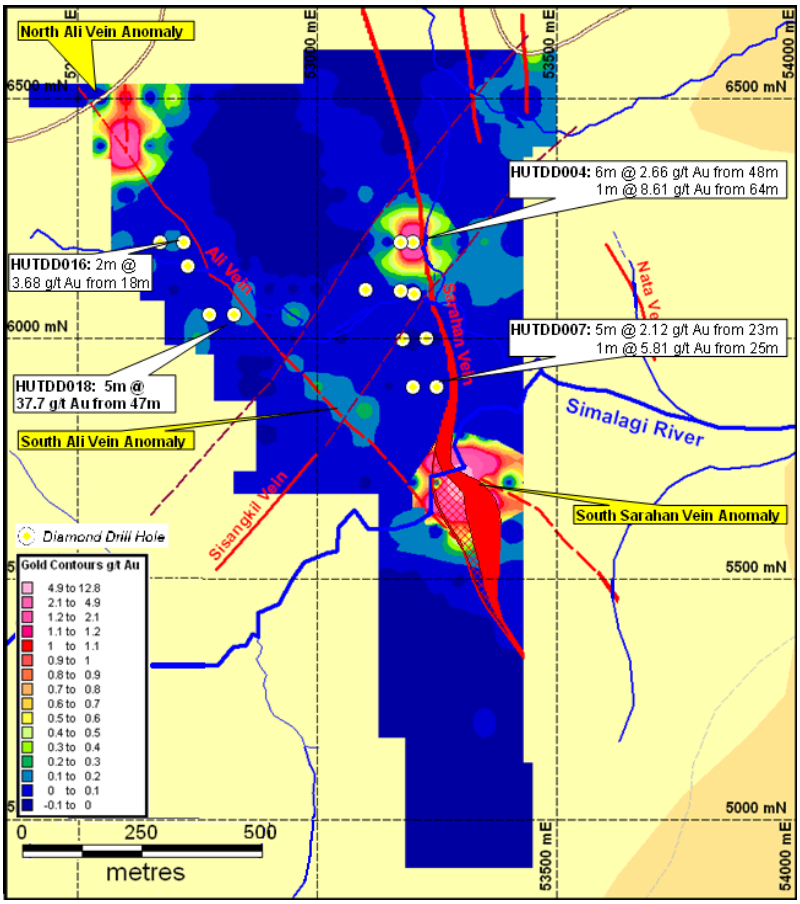


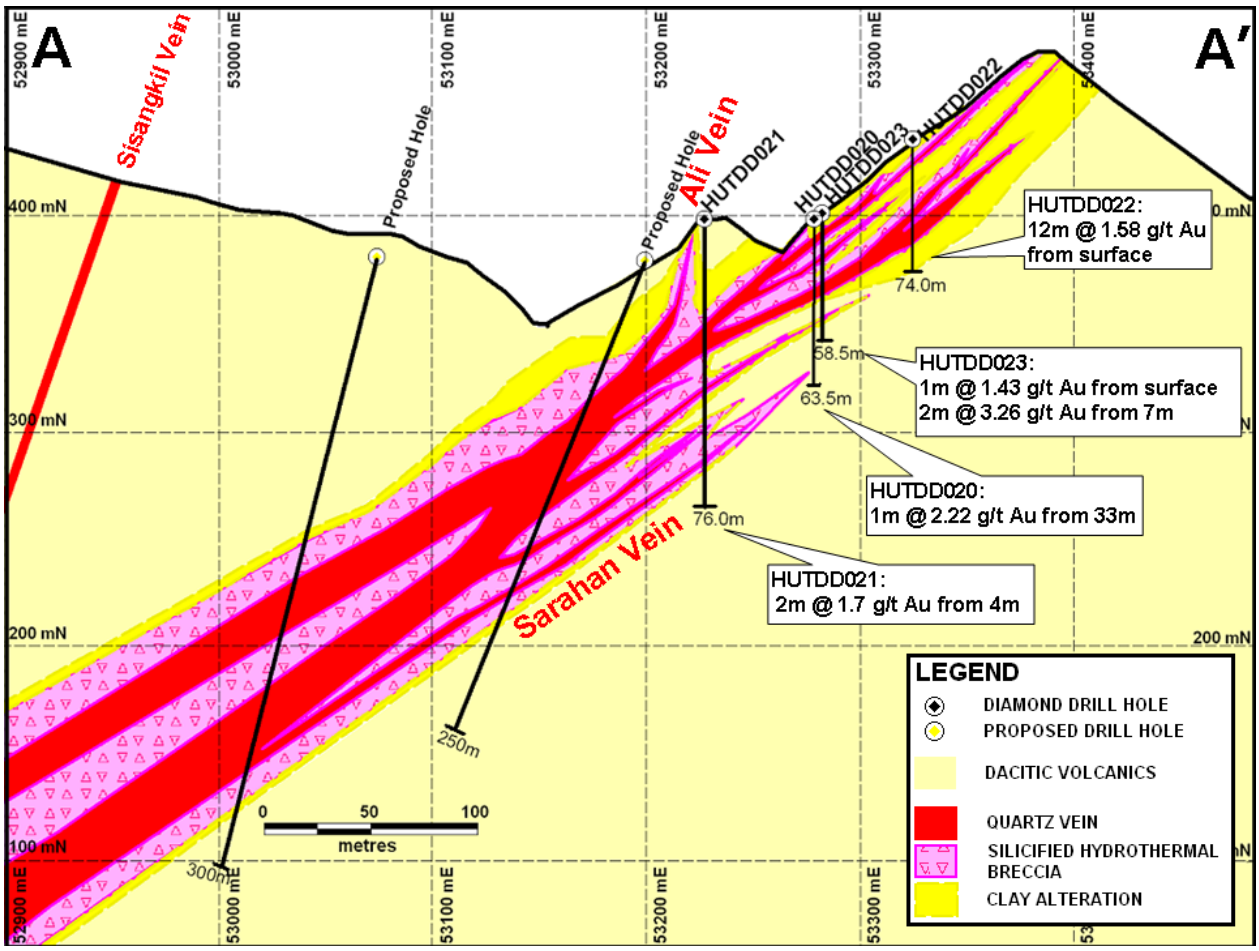
Table 3: Hutabargot Julu Significant Drill Intersections

Hole_ID	Vein	Northing	Easting	Azimuth	Dip	Total Depth	From	To	M	g/t Au
HUTDD020	South Sarahan	5694	53297	0	-90	63.5	33.0	34.0	1.0	2.22
HUTDD021	South Sarahan	5692	53259	0	-90	76.0	4.0	6.0	2.0	1.7
HUTDD022	South Sarahan	5605	53324	0	-90	74.0	0.0	12.0	12.0	1.58
HUTDD023	South Sarahan	5591	53283	0	-90	58.5	0.0	1.0	1.0	1.43
							7.0	9.0	2.0	3.26
							17.0	18.0	1.0	3.36

Notes

1. *All assays determined by 50gm fire assay with AAS finish by Intertek- Caleb Brett Laboratories of Jakarta*
2. *Lower cut of 1.0ppm Au used*
3. *A maximum of 2m of consecutive internal waste (material less than 1.0ppm Au) per reported intersection*
4. *All interval grades were calculated as a weighted average*
5. *All intervals reported as down hole lengths*
6. *Sampling regime as quarter core for PQ diameter core and half core for HQ diameter core*
7. *Quality Assurance and Quality Control (QAQC):*
8. *Coordinates in HUTLG local grid system*

Figure 7: Hutabargot Julu combined sections for 5700mN and 5600mN



South Block:

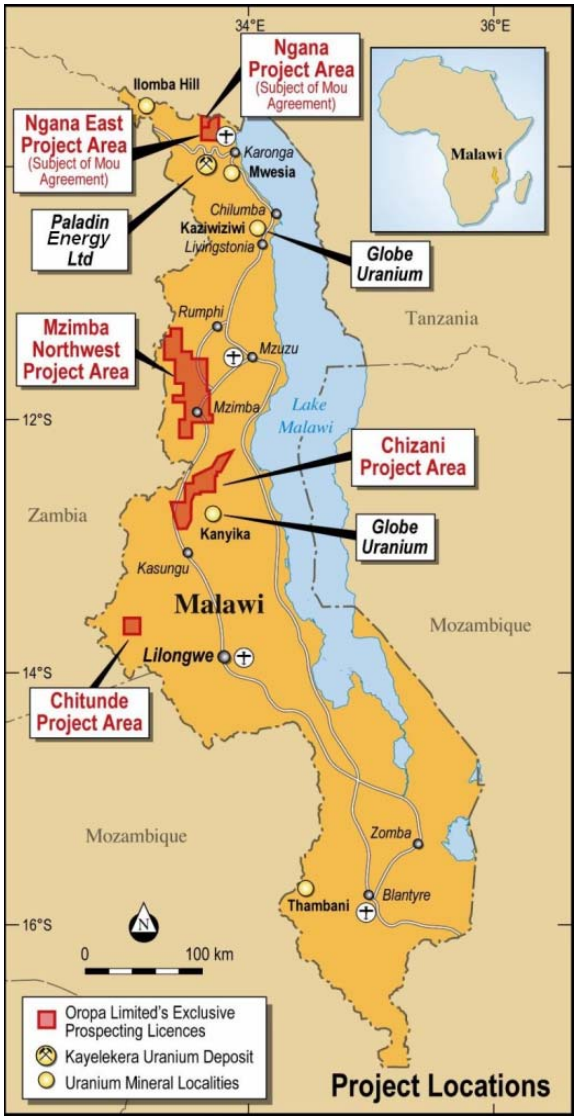
No significant activities in the South block during the September quarter.

2.2 MALAWI

Oropa's wholly owned subsidiary, Oropa Exploration Pty Ltd ("OEPL") currently holds 100% interests in three Exclusive Prospecting Licences ("EPLs") for uranium exploration over the Mzimba Northwest, Chitunde and Chizani Project areas covering a total of some 3,500km^2. The Chizani project area is located immediately to the north of Globe Metals & Mining's ("Globe's") niobium-uranium-tantalum-zircon multi-commodity Kanyika deposit in central Malawi.

Additionally, OEPL has entered into separate Memorandum of Understandings ("MOUs") with two local EPL holders to joint venture 90% interests in exploration and mining for uranium and other minerals (excluding coal) in these two contiguous EPLs to the north of Paladin Energy Ltd's ("Paladin's") Kayelekera uranium deposit ("Kayelekera"). The Ngana and Ngana East EPLs are presently granted for coal exploration and development. The two prospects are in a strategic location, containing basins of Karroo sediments and being the nearest mapped occurrence of Karroo within the 20km to the north of Karroo hosting uranium mineralisation at Kayelekera. Negotiations are ongoing with the two vendors to advance the MOUs to formal Shareholder Agreements.

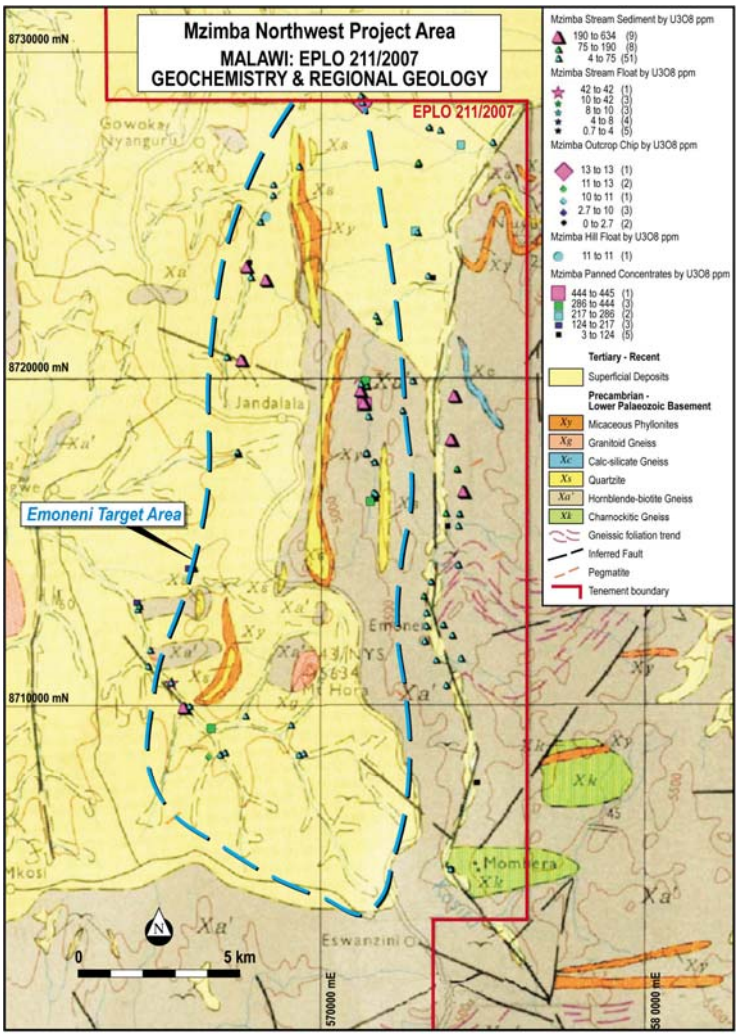
Figure 8: Malawi EPLs Location Map



Mzimba Northwest Project (100%)

Owing to the prevailing global financial uncertainty, Oropa focused on advancing Pungkut to Scoping Study stage during the quarter, with exploration in Malawi re-commencing in late July with a follow up geochemical sampling program being undertaken at Mzimba Northwest. This program concentrated on the Emoneni-Jandalala district in the north-eastern sector of the EPL **(Figure 9**) where a north-south striking ridge coincident with airborne uranium radiometric anomalies has been interpreted to be associated with the Mafingi quartzites. These quartzites, formed from the erosion of the basement sediments during the Proterozoic era, filled valleys, basins and other topographic low areas. Subsequently, the entire Proterozoic sequence has experienced deformation and high grade metamorphism. The contact between the quartzites and gneiss is unconformable, and has been associated with uranium mineralisation. Sixty eight stream sediment samples, 14 panned concentrate samples, and 26 rock chip samples were collected earlier in the year in the Emoneni-Jandalala area to complete the initial exploration program for this target, details of which were reported in the March Quarterly Report.

Figure 9: Emoneni Target Area



A second phase of the reconnaissance program was initiated at the Emoneni area in late July. This involved follow up on the initial geochemical sampling, geological investigations and ground radiometric surveys. The new program covered parts of the Emoneni hills where previous exploration had yielded geochemically anomalous U_3O_8 values at or above 100 ppm from the initial stream sediment survey. The follow up initiative included the collection of stream sediment samples upstream of the known anomalies in order to define their provenance and a pitting program designed to investigate regolith in anomalous areas. Ancillary survey work included ground radiometric surveying using a hand held gamma ray spectrometer.

The pitting program was carried out on the western flank of the Emoneni hills. A 6km baseline was established along with two survey lines set on either side of the baseline. This configuration was used for reconnaissance radiometric surveying at 500m intervals along the survey lines and pits were sunk up to 3m deep along the baseline at 1000m intervals to investigate the soil profile and collect soil and rock chip samples at 1m depth intervals from each pit. The regolith profile proved to be deep as none of the pits were successful in reaching bedrock. The encouraging results from the radiometric surveying are currently being compiled.

A random radiometric survey carried out at the top of the Emoneni hills identified two uraniferous rock types which are potentially the provenance of the radioactive sediments. The feldspathic-quartz-biotite gneiss is a very coarse grained leucocratic rock. K-Feldspar constitutes 60% of the rock with grain sizes of up to 30mm. White quartz is the second dominant mineral and is uniform throughout the package. The biotite is medium to coarse grained. The quartz-biotite gneiss is characterised by distinct bands of coarse grained clear quartz up to 10mm in diameter, separated by thin bands of biotite. It also contains minor muscovite and plagioclase feldspar. The total radiometric readings in the vicinity of these rock types averaged 2,000cpm. Rock chip samples were collected from these outcropping rocks.

A unique type of vegetation was also observed on the western side of the Emoneni hills towards the Kawiruwiru River. This pocket of vegetation is characterised by very small leaves peculiar to areas underlain by Karroo sandstones as observed in other parts of Africa and in the Karroo sandstones of the Ngana area in the north of Malawi. Pits were dug in the area where this vegetation exists, but the bedrock could not be reached due to hardness of the ground and the thickness of the overburden. However, the soils recovered from these pits were rich in quartz grits and pebbles suggesting quartz rich bedrock.

Seventy six samples, including 4 soil samples, 15 rock chip samples and 57 stream sediment samples were collected during this program and will be dispatched for multi-element analysis in early November. The results of these analyses will be interpreted in Perth before another field program is finalised. However, a broader ground radiometric survey, gridding and soil sampling on the western side of the Emoneni hills is warranted to determine the western extent of the anomaly and the trend of the potential mineralisation, along with a ground radiometric survey and geological validation of geochemically anomalous eastern and southern portions of the Emoneni hills area.

Chizani Project (100%)

The 1,283km^2 Chizani Project area (EPL0223/2007) is situated in central Malawi adjacent to Globe's niobium-uranium-tantalum-zircon multi-commodity Kanyika deposit hosted by alkalic granitoid and pegmatitic zones, and also lies adjacent to tenements held by CC Mining SA. The EPL is considered to offer uranium exploration potential for hydrothermal uranium targets and is currently being assessed as part of a remote sensing study designed to provide for the selection and ranking of target areas for future ground exploration for uranium and other minerals.

The proximity of the Chizani Project area to Kanyika provides Oropa with a nearby niobium-uranium-tantalum and zircon deposit model to apply to exploration search parameters within the Chizani area. Recently, Globe announced an Inferred Mineral Resource of 56.4 Mt of 2,600 ppm Nb_2O_5, 70 ppm U_3O_8, 120 ppm Ta_2O_5 and 4,800 ppm $ZrSiO_4$ at the Kanyika deposit. Globe successfully completed a Scoping Study and is presently conducting a Pre-Feasibility Study on the deposit. The currently defined resource is contained within a deposit measuring 2.1km in length and 300m in width and extends down to an average depth below surface of 120m.

During the quarter Mackay & Schnellmann Pty Ltd completed a Landsat Mapping Interpretation of the Chizani project area, with the intention being to map the geology of the area and provide uranium targets for further exploration. Sixteen exploration targets have been identified from the survey, based on the Landsat mapping in conjunction with the airborne radiometric data. High uranium counts occur in a number of areas which will constitute the initial work programs to be undertaken at Chizani. The report recommends that although focus should be on uranium exploration, the area is also considered to be favourable for other minerals such as base metals and gold, while the tectonic setting of the area is also considered to be favourable for diamondiferous kimberlite exploration. More interpretive work will be undertaken in advance of future exploration at Chizani.

Figure 10: Chizani Project Area Malawi Geology

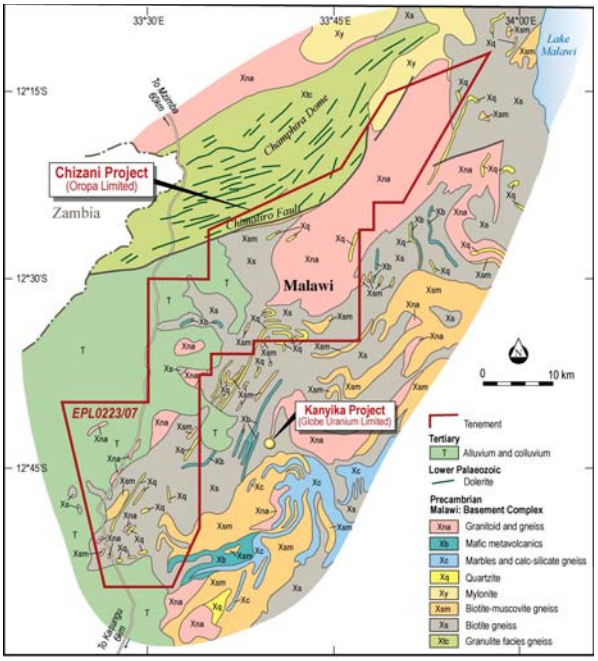
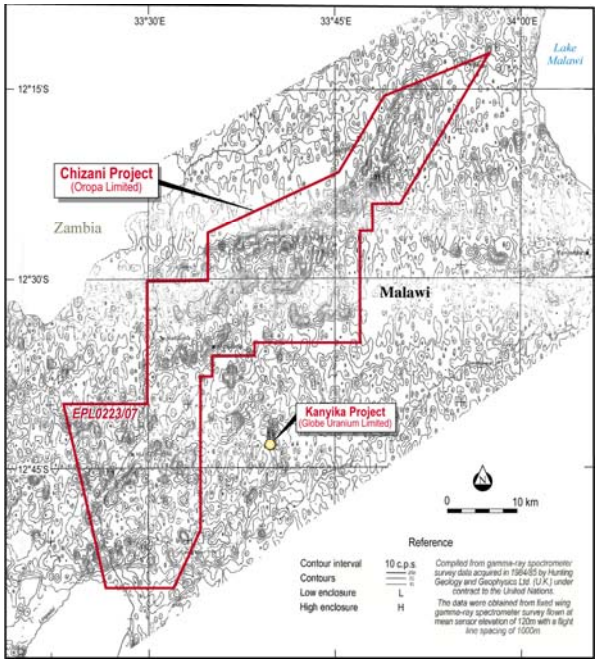


Figure 11: Chizani Project Area Malawi Radiometric Contours Uranium



PHILIP C CHRISTIE
Director

31 October 2008

Note 1: It is advised that in accordance with the Australian Stock Exchange Limited Listing Rule 5.6, the information in this report that relates to Exploration Results is based on information compiled by Mr. Dean Pluckhahn, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Pluckhahn is a full time employee of Oropa Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit which is 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. Dean Pluckhahn consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Note2: All statements in this report, other than statements of historical facts that address future timings, activities, events and developments that the Company expects, are forward looking statements. Although Oropa Ltd, its subsidiaries, officers and consultants believe the expectations expressed in such forward looking statements are based on reasonable expectations, investors are cautioned that such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward looking statements. Factors that could cause actual results to differ materially from forward looking statements include, amongst other things commodity prices, continued availability of capital and financing, timing and receipt of environmental and other regulatory approvals, and general economic, market or business conditions

jRule 5.3

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

OROPA LIMITED

ABN	Quarter ended ("current quarter")
77 009 241 374	30 SEPTEMBER 2008

Consolidated statement of cash flows

		Current quarter $A	Year to date (3 months) $A
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(385,519)	(385,519)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(267,326)	(267,326)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received		
1.5	Interest and other costs of finance paid	3,222	3,222
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(649,623)	(649,623)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a)prospects	-	-
	(b)equity investments	-	-
	(c) other fixed assets	(1,191)	(1,191)
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 purchase of subsidiary	-	-
	Net investing cash flows	(1,191)	(1,191)
1.13	Total operating and investing cash flows (carried forward)	(650,814)	(650,814)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(650,814)	(650,814)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	248,249	248,249
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	50,000	50,000
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – cost of share issue	-	-
	Net financing cash flows	298,249	298,249
	Net increase (decrease) in cash held	(352,565)	(352,565)
1.20	Cash at beginning of quarter/year to date	457,189	457,189
1.21	Exchange rate adjustments to item 1.20	27,542	27,542
1.22	**Cash at end of quarter**	132,166	132,166

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
1.23	Aggregate amount of payments to the parties included in item 1.2	32,080
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

NOT APPLICABLE

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

NOT APPLICABLE

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

NOT APPLICABLE

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A	Amount used $A
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A
4.1	Exploration and evaluation	300,000
4.2	Development	-
	Total	**300,000**

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	Previous quarter $A
5.1	Cash on hand and at bank	82,716	407,739
5.2	Deposits at call – Bank Guarantee - Letter of Credit - Term Deposit	20,000 29,450 -	20,000 29,450 -
5.3	Bank overdraft	-	-
5.4	Other – Share Purchase Plan A/c	-	-
	Total: cash at end of quarter (item 1.22)	132,166	457,189

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	-	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-	-

+ 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.

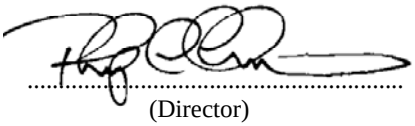
		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	192,088,274	192,088,274		
7.3	**+Ordinary securities**				
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	7,636,362	7,636,362	*$0.055*	*$0.055*
7.5	**+Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	12,791,441 2,700,000 500,000 8,500,000	12,791,441 2,700,000 500,000 8,5000,000	*Exercise price* *$0.20* *$0.13* *$0.12* *$0.15*	*Expiry date* *31/01/2010* *31/12/2009* *20/10/2008* *31/05/2013*
7.8	Issued during quarter	8,510,285	8,510,285	*$0.20*	*31/01/2011*
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ 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 /does not* give a true and fair view of the matters disclosed.

Sign here:  Date: ...23 October 2008.....
(Director)

Print name: PHIL CHRISTIE

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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