



REPORT FOR THE QUARTER ENDED 31 DECEMBER 2008

INTRODUCTION

Quantum Resources Limited ("Quantum" or "the Company") is an Australian base metal, uranium and gold explorer with a suite of projects whose tenements cover approximately 20,000 square kilometres in the Northern Territory and Western Australia. A geological-mineral prospectivity review is underway with an objective of rationalising the Company's tenement package in order to focus meaningful and cost-effective exploration to the most promising projects that offer the best chances of a mineral deposit discovery of significant economic size and grade.

BASE METAL, URANIUM AND GOLD EXPLORATION

The Ware Range tenement holdings cover approximately 170 square kilometres in the Northern Territory and the Gardner Range tenement holdings cover approximately 650 square kilometres in Western Australia. The Ware Range projects are prospective for base metals, uranium and gold. In Western Australia, the Gardner Range project, 150 kilometres southeast of Halls Creek, is prospective for iron oxide copper-gold-uranium ("IOCG") deposits.

Gardner Range (Quantum 100%)

The Company holds tenements in the Gardner Range, 150 kilometres southeast of Hall's Creek with potential for base metals, uranium and gold. Limited historical exploration for uranium around the margins of the Gardner Range was carried out by BHP Exploration and uranium mineralisation was found to be present. The Company's tenements are prospective for Olympic Dam-style iron oxide gold-copper-uranium ("IOCG") deposits and at Mt Mansbridge previous exploration reported uranium up to 980 parts per million ("ppm").

The tenements are bounded to the north by Cameco. A joint airborne geophysical survey was undertaken in 2007 in conjunction with Cameco. This consisted of a 400 metre line spaced TEMPEST (EM) survey which was completed in July 2007 by Fugro and a 100 metre line spaced Magnetics & Radiometrics survey which was undertaken by UTS in October/November 2007. The final UTS delivery was in January, 2008. This data, in conjunction with the field reconnaissance information is being analysed to assist in our understanding of this region and in the delineation of mineralised zones and anomalous targets for drilling and sampling.

A drilling program at Mt Mansbridge has been planned with native title clearance given. The drilling will test existing base metal mineralisation anomalies along the unconformity as well as targeting a 60 kilometre long NW-SE significant fault system adjacent to the unconformity. The planned drilling scheduled in the last quarter of 2008 was not achieved due to staff shortage and the unavailability of a drill rig. This drilling program will be re-scheduled at a later date pending review of the overall exploration program and schedule.

Ware Range (Quantum 100%)

The Ware Range tenement was granted in September 2006. Historical exploration for base metals, uranium, gold and diamonds included rock chip sampling and limited drilling. Field

reconnaissance, including soil/sediment sampling, has provided valuable information regarding access and identified sites for surface sampling and drilling.

A Mine Management Plan for this programme has been approved by the Department of Primary Industries, Fisheries and Mines in the Northern Territory. The proposed exploration activities will potentially include a programme of 65 RAB/RC holes and sampling to investigate the nature of base metal mineralisation associated with the unconformity between the Killi Killi Beds and the Gardiner Sandstone. The sampling programme includes loam sampling of targets over the defined region and stream sediment sampling of the sparse drainage in the region.

BASE METAL & GOLD EXPLORATION

In Western Australia the Company's tenement holdings cover approximately 3,000 square kilometres, the main gold exploration focus is the Whiteheads project with active exploration completed and further work planned for the Millrose and Telfer projects.

Whiteheads Project (Quantum 80%)

The Whiteheads Project is located 50 kilometres northeast of Kalgoorlie within the metamorphosed rocks of the Gindalbie Greenstone Belt. The area hosts mafic and felsic volcanics, sediments, and altered intrusive porphyries. The project areas surround the historic Gindalbie Mining Centre to the east which has produced 45,240 ounces of gold at an average grade of 27 g/t gold. The Carrick Resources Lindsays Project immediately to the west is reported (Carrick announcement 13 May 2008) to contain a resource of nearly 3 million ounces at approximately 3g/t gold.

Numerous significant Quantum RAB anomalies were obtained from previous drilling. The target for drilling in late 2007 and early 2008 was the area in the southern portion of the tenement E27/175 which is adjacent to the Carrick gold resource areas. This phase of drilling contained 253 RAB holes for 15,263 metres.

Compilation of the 2007/2008 RAB drilling has been completed and RC drilling has been planned to follow-up the significant gold anomalous areas detected in the RAB holes. Drilling is provisional on the granting of an extension of term for tenement E27/175.

Millrose Project (Quantum earning 100%)

The Millrose project lies approximately 75km northeast of Wiluna and extends over approximately 20 kilometres of the Millrose greenstone of the Yilgarn Craton of Western Australia. The project covers 62 square kilometers of ground.

The Millrose greenstone is connected with the Yandal belt near the Gourdis locality to the south of the Jundee Mine. The potential continuity of this greenstone lithological package to the south takes it to the east of the Bronzewing mine. The Project is along strike from the Millrose gold deposit of 251,000 oz. To the south, the adjacent tenement is held by Goldstar Resources & BHP Billiton in a nickel-gold joint venture, with BHP earning 70% with \$2.25 million expenditure.

The project tenements are located over a basement of Archaean greenstones which are predominantly covered by various unconsolidated sediments of geologically recent origin. Basement rocks are predominantly of mafic volcanic origin with interbedded units of ultramafic composition. The ground is prospective for nickel and gold, having returned past anomalous results.

Magnetic data has been assembled and processed and Aster satellite data has been acquired. The results from an 83-sample MMI soil sampling program within E53/967 are

being reviewed. Further MMI sampling to cover areas not yet tested is planned to generate targets for later drilling.

MMI sampling (49 samples) was also undertaken on E53/1016. Areas of anomalous gold and zinc have been defined. These potential targets are to be followed-up with further MMI sampling to delineate the extent and source of gold and zinc enrichment prior to drilling.

Other Projects (Quantum 100%)

In the Telfer areas, a review of historical Open File data, airborne geophysics and past drilling and sampling results is continuing with a view to developing an exploration program which will target the interaction of regional structural and lithological features in areas of recent cover when the tenement becomes available for exploration.

Farm-Out Joint Ventures

Wonganoo Joint Venture (Quantum 20%)

The Company's Dingo Range prospect at Wonganoo is the subject of the Wonganoo joint venture, with Cullen Exploration Pty Ltd acting as managers, earning an 80% interest.

Cullen Exploration has completed a review of its project priorities for 2009, and has decided it does not intend to undertake any further exploration on E53/988. This reflects both Cullen's own exploration budget constraints and the results of their last drilling campaign. As a result, the joint venture partners have agreed to surrender the tenement.

Officer Hill Joint Venture

Newmont Australia have joint ventured into EL23150 which is located 34 kilometres southwest of The Callie gold mine, also owned by Newmont. Previous explorers located sporadic mineralization from drilling such 4 metres @ 4.64g/t, numerous short intervals of 1-4g/t, and several wide intercepts of 0.1-1g/t. The prospect is considered to have excellent potential to host steeply plunging shoots such as those at the Tanami Gold Mine. An apparent fold closure to the east offers the possibility of discovery of Callie-style mineralization at depth. Newmont did not conduct any field work during the December 2008 quarter.

The technical information in this report has been reviewed and approved by Dr D S Tyrwhitt who is a Fellow of the Australasian Institute of Mining and Metallurgy and has approximately 45 years experience in the industry and has more than 5 years experience which is relevant to the style of mineralisation being reported upon to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Tyrwhitt consents to the inclusion in the report of the matters based on the information in the form and context to which it appears. Attached is a copy of the Company's Mining Exploration Entity Quarterly Report in accordance with Listing Rule 5.3.



J I GUTNICK
Chairman & Managing Director
30 January 2009

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

QUANTUM RESOURCES LIMITED

ABN

84 006 690 348

Quarter ended ("current quarter")

31 December 2008

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	YTD (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(94)	(124)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(29)	(36)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
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		(123)	(160)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		-	-
1.13	Total Operating and investing cash flows (carried forward)	(123)	(160)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(123)	(160)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	75	(14)
1.18	Dividends paid	-	-
1.19	Other (provide details if material) Share/Option issue costs	-	-
	Net financing cash flows	75	61
	Net increase (decrease) in cash held	(48)	99
1.20	Cash at beginning of quarter/year to date	65	116
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	17	17

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

1.25 Explanation necessary for an understanding of the transactions

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

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	50
4.2 Development	-
Total	50

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	17	65
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	17	65

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	See attached		
6.2	Interests in mining tenements acquired or increased	See attached		

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	-	-	-	-
7.3 +Ordinary securities	407,351,028	407,351,028	-	-
7.4 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs	-	-	-	-
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)	1,400,000 43,748,673 32,875,597 68,378,151 7,500,000	- 43,748,673 32,875,597 68,378,151 -	Exercise price \$0.08 \$0.10 \$0.10 \$0.05 \$0.07	Expiry date 24/03/2010 31/10/2010 30/04/2012 30/11/2012 19/10/2011
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
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 Law [or other standards acceptable to ASX \(see note 4\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 30 January 2008
(Company Secretary)

Print name: Peter J. Lee

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 Appendix 5B has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board.
- 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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Mining exploration entity quarterly report

QUANTUM RESOURCES LIMITED
ABN 84 006 690 348

For Quarter Ended 31.12.2008
(referred to in this Statement as the "Current Quarter")

ADDITIONAL INFORMATION

Item 1.23 Payments to Other Entities

Some of the Directors of the Company are also Directors of AXIS Consultants Pty. Ltd. ("AXIS"). The Company does not consider AXIS to be a related party.

Item 7.7 Options

Listed

43,748,673 Options maturing 31 October 2010 at an exercise price of \$0.10 per Option. The Options are exercisable any time after 1 January 2002. Each option will convert to one fully paid ordinary share.

32,875,597 Options maturing 30 April 2012 at an exercise price of \$0.10 per Option. The options are exercisable any time after 1 January 2003. Each option will convert to one fully paid ordinary share.

68,378,151 Options maturing 30 November 2012 at an exercise price of \$0.05 per option.

The options are exercisable any time after 1 July 2003. Each Option will convert to one fully paid share.

Unlisted

1,400,000 options maturing 24 March 2010, issued under the 1999 Employee Share Option Plan, have an exercise price of \$0.08 per option. Upon exercise, each option will convert to one fully paid ordinary share. These options cannot be exercised until after 24 March 2003 and only at that time if the Company's share price on the ASX has increased by a factor of 20% over the price of the shares at the time the options were issued.

7,500,000 options maturing 19 October 2011, issued under the 2005 Employee Share Option Plan, have an exercise price of \$0.07 per option. Upon exercise, each option will convert to one fully paid ordinary share. These options cannot be exercised until after 19 October 2008 other than in the case of a change of control.

QUANTUM RESOURCES LIMITED

ACN 006 690 348

CHANGES IN INTERESTS IN MINING TENEMENTS

6.1 Interests in mining tenements relinquished, reduced or lapsed

Tenement reference	Nature of Interest (note(4))	Interest at beginning of quarter	Interest at end of quarter
<u>Dulcie North</u> E77/1078	Surrendered	100.00%	0.00%
<u>Jackson</u> E77/1065	Surrendered	100.00%	0.00%
E77/1073	Surrendered	100.00%	0.00%
<u>Whiteheads</u> E27/350	Application Refused	80.00%	0.00%

QUANTUM RESOURCES LIMITED

ACN 006 690 348

CHANGES IN INTERESTS IN MINING TENEMENTS

6.2 Interests in
mining
tenements
acquired or
increased

Tenement reference	Nature of Interest (note(4))	Interest at beginning of quarter	Interest at end of quarter
<u>Wallbrook</u> E31/757	Granted	0.00%	80.00%
<u>Whiteheads</u> P27/1940	Granted	0.00%	80.00%