

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

ALTERA RESOURCES LTD

ABN

55 082 541 437

Quarter ended ("current quarter")

31 DECEMBER 2010

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(119)	(132)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	33	74
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (GST)	(15)	(20)
Net Operating Cash Flows		(273)	(380)
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)	(273)	(380)

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1.13	Total operating and investing cash flows (brought forward)	(273)	(380)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	19,080	19,080
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	JDC Aquisition	215	215
	Net financing cash flows	19,295	19,295
	Net increase (decrease) in cash held	19,022	18,915
1.20	Cash at beginning of quarter/year to date	2,544	2,651
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	21,566	21,566

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	188
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

Issue of 210 million shares at 30c in return for 100% control of Jack Doolan Capital Pty Ltd ("JDC") (including four Indonesian coal projects). For further details, please refer to the Explanatory Memorandum forwarded to shareholders in respect of the general meeting that was held on 30 November 2010.

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	
- Project/vendor payments	6,200
- Exploration	650
4.2 Development	-
4.3 Production	-
4.4 Administration (including December 2010 capital raising and JDC acquisition expenses)	1,250
Total	8,100

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	11,348	174
5.2 Deposits at call	10,218	2,370
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	21,566	2,544

Changes in interests in mining tenements

Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
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6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased				

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 (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	319,409,027	109,409,027		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	276,678,893	66,678,893	30c	30c
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>	13,848,065 4,000,000 21,000,000 1,575,000 6,000,000 6,000,000	13,848,065 - - - - -	<i>Exercise price</i> 0.20 0.20 0.30 0.10 0.50 0.75	<i>Expiry date</i> 01/02/2012 31/12/2012 31/12/2012 08/08/2011 29/12/2014 29/12/2014
7.8 Issued during quarter	21,000,000 6,000,000 6,000,000	- - -	0.30 0.50 0.75	31/12/2012 29/12/2014 29/12/2014
7.9 Exercised during quarter	12,224	12,224	0.20	01/02/2012

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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 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: 31/01/2011
 (Company secretary)

Print name: DP CORNISH

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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