QUARTERLY REPORT
FOR PERIOD ENDING – 31 December 2007

HIGHLIGHTS

- **Yanrey Uranium Project, Western Australia.**

  Aircore (3674 metres) and diamond drilling (857 metres) programs completed

  Significant Aircore Drilling results include:

YNAC152	**4.58m**	**at**	**674**	**ppm**	**eU_3O_8**
Includes	**0.82m**	**at**	**2162**	**ppm**	**eU_3O_8**
YNAC166	**1.86m**	**at**	**936**	**ppm**	**eU_3O_8**
Includes	**1.04m**	**at**	**1501**	**ppm**	**eU_3O_8**
YNAC167	**3.36m**	**at**	**1052**	**ppm**	**eU_3O_8**
Includes	**2.20m**	**at**	**1468**	**ppm**	**eU_3O_8**
YNAC168	**1.54m**	**at**	**1024**	**ppm**	**eU_3O_8**
Includes	**0.60m**	**at**	**2273**	**ppm**	**eU_3O_8**

  Significant Diamond Drilling results include:

YNDD003	**3.28m**	**at**	**636**	**ppm**	**eU_3O_8**
Includes	**0.68m**	**at**	**1676**	**ppm**	**eU_3O_8**
YNDD004	**2.00m**	**at**	**550**	**ppm**	**eU_3O_8**
Includes	**0.44m**	**at**	**1045**	**ppm**	**eU_3O_8**
YNDD007	**1.08m**	**at**	**1323**	**ppm**	**eU_3O_8**
Includes	**0.44m**	**at**	**2735**	**ppm**	**eU_3O_8**
YNDD007	**1.74m**	**at**	**1228**	**ppm**	**eU_3O_8**
Includes	**0.50m**	**at**	**3542**	**ppm**	**eU_3O_8**

  The Yanrey REPTEM survey has been completed covering 730 square kilometers with results being compiled and interpreted.

- **Eclipse Uranium Project, Northern Territory.**

  Radiometric and magnetic surveys completed

  Aircore (5061 metres) drilling program completed

- **Beadell Project, Western Australia.**

  EM survey and ground gravity survey completed

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Scimitar Resources Ltd (SIM)

Scimitar Resources Limited (Scimitar) is a leading Australian company in the exploration for Uranium. The Company retains an experienced board of directors and management team, with proven success in the resources sector. On 13 December, the Company announced the appointment of Mr Nadaisan (Raj) Logaraj LL.B (Hons) LL.M as a Non-Executive Director. The Company is delighted to have Raj join the board as he brings a wealth of experience focused on strategic management and business development. His extensive legal and financial experience in a number of industries will add significant value to the Company. During the quarter the company completed over 8,735 metres of air core drilling and 857 metres of diamond drilling at the Yanrey and Eclipse Uranium Projects, and also completed geophysical surveys in Western Australia and the Northern Territory. This makes Scimitar one of the most active uranium exploration companies in Australia.

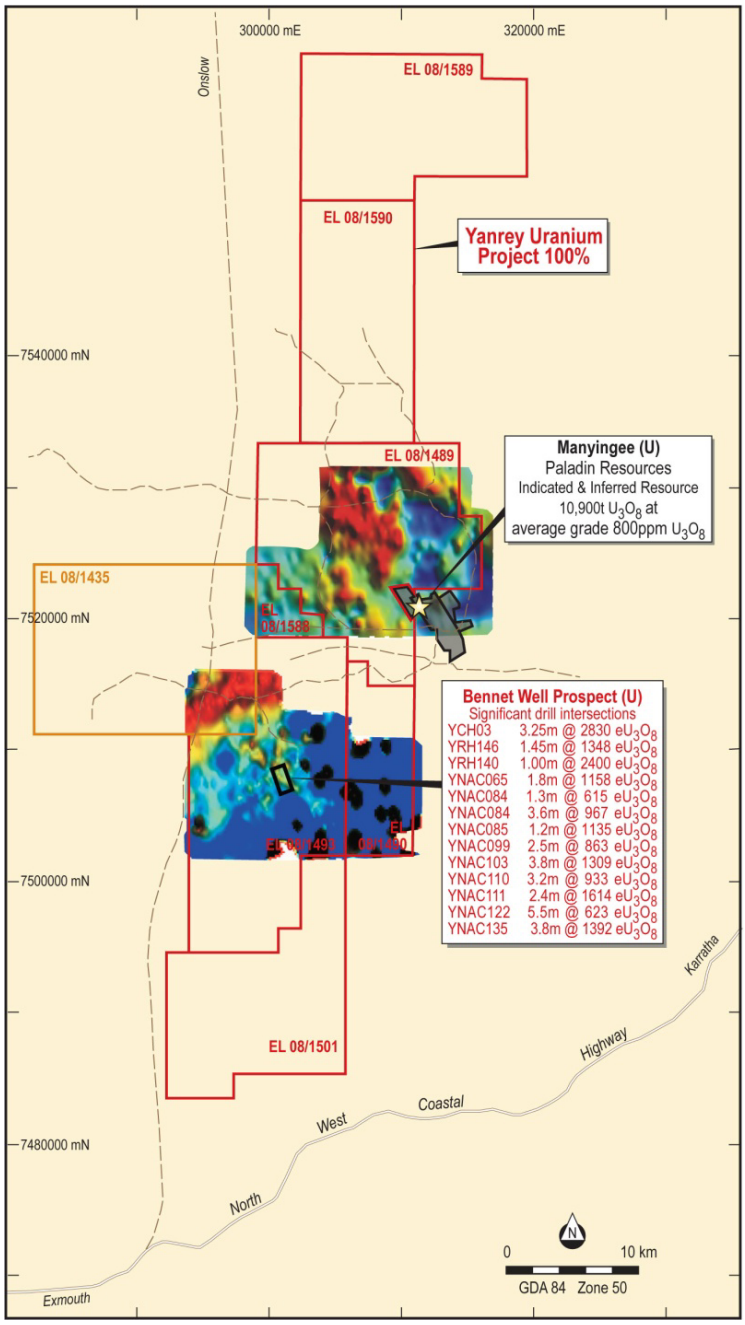
The Company controls over 20,000 km^2 of uranium prospective tenements across three states, allowing for diversification not only geologically but also with regard to differing political sentiment and policy within each state towards uranium exploration and mining. The 100% Company owned projects are effectively among the largest uranium portfolios, in historically some of the most uranium prospective areas in Australia.

Yanrey Uranium Project, WA.

The Yanrey Project covers 1,867 sq km of Mesozoic sediments prospective for sandstone hosted uranium mineralisation, similar to Paladin Resources Ltd's adjoining Manyingee deposit. The Manyingee uranium deposit has a published resource of 10,900 tonnes of U_3O_8 at an average grade of 800ppm U_3O_8.

During the quarter the Company completed a 12,312 metre Aircore drilling program targeting uranium mineralisation at the Bennet Well prospect. The drilling program, on 100m x 100m spacings, was designed to test the continuity of uranium mineralisation and identify zones of higher grade mineralisation over a one by two kilometre area of the Bennet Well palaeochannel. An eight hole PQ triple tube diamond drilling program was also completed for further mineralogical test work.

The company also completed an airborne electromagnetic (REPTEM) survey covering 730 sq km of the Yanrey Project in late December. Results will be used to further define palaeochannels that have been previously undiscovered to prepare drilling targets for uranium mineralisation. The survey follows the successful Airborne EM Survey completed last year which defined the Bennet Well Channel.



Yanrey Project, WA

Bennet Well Prospect

Bennet Well Aircore Drilling

Aircore drilling was completed in late October with a further 34 holes drilled for 3,674 metres. Uranium mineralisation occurs in two distinct high grade zones with the northern area still open to the north and east, and the southern area still open to the west and to the south east. Drilling in the area between the two high-grade zones intersected mineralisation above 200 ppm eU_3O_8. The mineralisation occurs in the pyrite and carbon rich horizons of the Nanutarra sands, between 70 and 95 metres depth.

The typical geology intersected consists of 30-35 metres of recent sediments including gravels, calcrete, alluvial sands and clays, overlying the Muderong shale which consists of glauconitic muds and silts and is commonly 30-40 metres thick. The Muderong Shale overlays the Nanutarra formation which consists of medium to coarse grained sand units which can be up to 40 metres thick. Uranium mineralisation at Bennet Well is hosted within the course grained sands of the Nanutarra Formation, associated with reduced zones containing carbon, pyrite and lignite.

As part of a larger 12,312 metre program on a 100 X 100 metre drill pattern the best results from these holes included:

Table of Significant Results.

Hole ID	Northing GDA94	Easting GDA94	From	To	Width(m)		Grade ppm eU_3O_8
YNAC152	**7507021**	**302037**	**78.60**	**83.18**	**4.58**	**at**	**674**
			***includes**		**0.82**	**at**	**2162**
			85.58	89.60	4.02	at	241
			91.18	92.82	1.64	at	183
YNAC153	7507002	301943	76.83	77.87	1.04	at	305
			79.11	81.19	2.08	at	338
			84.89	86.17	1.28	at	159
			120.67	121.79	1.12	at	186
YNAC154	7506975	301837	73.41	74.97	1.56	at	164
			77.29	78.37	1.08	at	632
YNAC155	7506945	301743	76.80	80.36	3.56	at	327
			82.88	85.90	3.02	at	134
YNAC156	7507115	301939	81.39	82.49	1.10	at	426
			83.51	84.53	1.02	at	126
			92.29	93.43	1.14	at	229
YNAC157	7507070	301841	80.24	81.18	0.94	at	486
YNAC158	7507043	301746	79.24	80.06	0.82	at	479
YNAC159	7507110	302636	94.65	95.81	1.16	at	170
YNAC160	7507081	302541	58.62	59.86	1.24	at	286
			71.24	72.84	1.60	at	122
YNAC161	7507420	302227	64.40	65.46	1.06	at	115
YNAC162	7507384	302131	89.19	89.91	0.72	at	405

YNAC163	7507354	302035	Hole abandoned				
YNAC164	7507305	301848	86.25	87.37	1.12	at	254
			88.55	89.73	1.18	at	210
			97.57	98.59	1.02	at	418
YNAC165	7507262	301751	75.28	78.54	3.26	at	207
YNAC166	**7507049**	**302432**	**65.55**	**67.41**	**1.86**	**at**	**936**
			***includes**		**1.04**	**at**	**1501**
			78.79	81.87	3.08	at	225
YNAC167	**7507021**	**302339**	**71.62**	**74.98**	**3.36**	**at**	**1052**
			***includes**		**2.20**	**at**	**1468**
			103.94	105.16	1.22	at	152
YNAC168	**7506989**	**302254**	**72.06**	**73.60**	**1.54**	**at**	**1024**
			***includes**		**0.60**	**at**	**2273**
			109.14	111.46	2.32	at	137
YNAC170	7506933	302054	85.58	86.70	1.12	at	275
			90.22	92.48	2.26	at	134
YNAC171	7506909	301974	85.75	86.51	0.76	at	263
YNAC172	7507635	301945	78.30	79.12	0.82	at	407
YNAC173	7508160	301860	97.96	98.80	0.84	at	130
YNAC174	7508300	302060	53.58	54.52	0.94	at	440
YNAC175	7508208	301775	84.25	86.37	2.12	at	236
			99.13	101.25	2.12	at	469
YNAC176	7508310	301720	101.65	102.29	0.64	at	536

Bennet Well Diamond Drilling

Scimitar commenced the drilling program in early December and completed eight holes for a total of 857 metres drilled. The individual holes were pre-collared by mud rotary drilling to 65 metres depth with a PQ triple tube diamond tail through the target sand horizons. A total of 342 metres of diamond core was recovered. Two of the holes, YNDD003 and YNDD007 were designed to twin two previously completed air core drill holes, YNAC110 and YNAC152 respectively. These diamond holes show a good correlation with the original air core holes, both in terms of the geology and the position and tenor of the mineralised zones. The use of PQ triple tube drilling enabled the Company to maximise core recovery (approximately 90%) within the relatively unconsolidated target sands. Representative core samples have been collected and will be submitted to a registered analytical laboratory for disequilibrium and geochemical analysis, which will provide a comparison with grades estimated from down hole gamma logging. Further study of the core is expected to provide geotechnical, petrological and porosity/permeability data.

YNDD002: 99.8 – 103.8m

Photo showing weakly oxidised, medium to coarse grained, friable sands interbedded with lignite and reduced muddy sand horizons.

YNDD007: 79.5 – 82.8m

Photo showing highly oxidised, medium to coarse grained, friable sand unit constrained between darker coloured reduced micaeous muds.

YNDD003: 99.8 – 103.5m

Photo showing a coarse grained, weakly oxidised light coloured sand unit constrained between reduced, fine to medium grained, sandy muds with lignite.

Best results from the program include:

Hole ID	North MGA94	East MGA94	From	To	Thickness(m)		Grade ppm eU_3O_8
YNDD001	7508156	301751	102.52	103.82	1.30	at	187
YNDD002	7508495	301645	98.91	101.31	2.40	at	243
YNDD003	7508390	301700	93.23	93.79	0.56	at	156
			97.55	98.53	0.98	at	161
			99.51	102.79	**3.28**	at	**636**
			*** Includes**		**0.68**	at	**1676**
YNDD004	7508215	301732	87.20	89.20	**2.00**	at	**550**
			*** Includes**		**0.44**	at	**1045**
YNDD005	7508010	301795	84.08	85.62	1.54	at	251
			91.54	92.62	1.08	at	306
YNDD006	7507217	301925	87.06	88.52	1.46	at	224
			93.78	94.34	0.56	at	226
			98.1	98.68	0.58	at	148
YNDD007	7507027	302040	78.94	80.02	**1.08**	at	**1323**
			*** Includes**		**0.44**	at	**2735**
			81.54	83.28	**1.74**	at	**1228**
			*** Includes**		**0.50**	at	**3542**
			86.64	87.28	0.64	at	285
			92.22	93.10	0.88	at	201
YNDD008	7507242	302015	96.22	96.90	0.68	at	214
			97.96	99.46	1.50	at	396

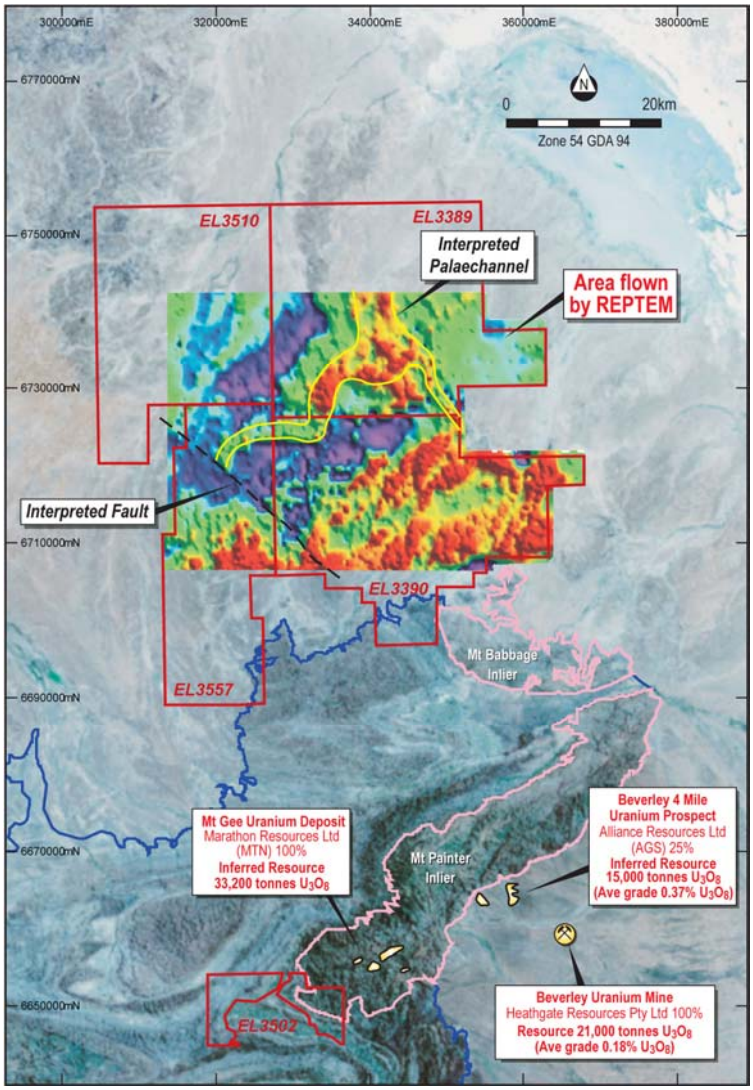
* All holes were logged with an Auslog A75 total count gamma tool. The gamma tool was calibrated in Adelaide at the Department of Water, Land and Biodiversity Conservation in calibration pits constructed under the supervision of CSIRO. The gamma tool measures the total gamma ray flux in the drill hole. Readings are averaged over 5 centimetre intervals and the reading and depth recorded on a portable computer. The gamma ray readings are then converted to equivalent U_3O_8 readings by using the calibration factors derived in the Adelaide calibration pits. These factors also take into account differences in hole size and water content. The grade and calibration was calculated by David Wilson BSc MSc MAusIMM from 3D Exploration Ltd based in Western Australia.

The gamma radiation used to calculate the equivalent U_3O_8 is predominately from the daughter products in the uranium decay chain. When a deposit is in equilibrium, the measurement of the gamma radiation from the daughter products is representative of the uranium present. It takes approximately 2.4M years for the uranium decay series to reach equilibrium. Thus, it is possible that these daughter products, such as radium, may have moved away from the uranium or not yet have achieved equilibrium if the deposit is younger than 2.4M years. In these cases the measured gamma radiation will over or under estimate the amount of uranium present. Sandstone hosted roll front mineralisation, such as that at Bennet Well, may not be in equilibrium due to one of the above factors. Scimitar will be conducting further studies to determine the disequilibrium if present.

Marree Uranium Project, SA.

The Marree Uranium Project, located 550 km north of Adelaide, comprises four Exploration Licences covering 2,693 sq km in the Eromanga Basin, adjacent to the uranium-rich Mount Babbage Inlier.

The project area includes the Tertiary Eyre and Namba Formations, host to several sedimentary roll-front uranium occurrences including the Beverley and Honeymoon Well uranium deposits, and the recently discovered high grade uranium mineralisation at Beverley Four Mile.



Airborne electromagnetic surveying (REPTEM) completed by Scimitar indicates the presence of a buried north trending package of moderately conductive sediments, in contact with a steeply east dipping fault structure, within the eastern part of the project area. This north trending fault is associated with a series of artesian springs which feed from the Proterozoic basement. It is thought that these structures may provide a pathway for uranium enriched fluids to enter the basin and interact with the target Eyre Formation sands.

During the quarter Scimitar undertook further interpretation of the REPTEM data with the aim of refining and prioritising drill targets within the project area. The Company has applied for PACE funding from the South Australian Government to cover half of the direct drilling costs of a proposed mud rotary drilling program. The program comprising 21 holes for approximately 3,200m will target approximately 7 km strike length of Eyre Formation sediments that are in contact with the identified fault structure.

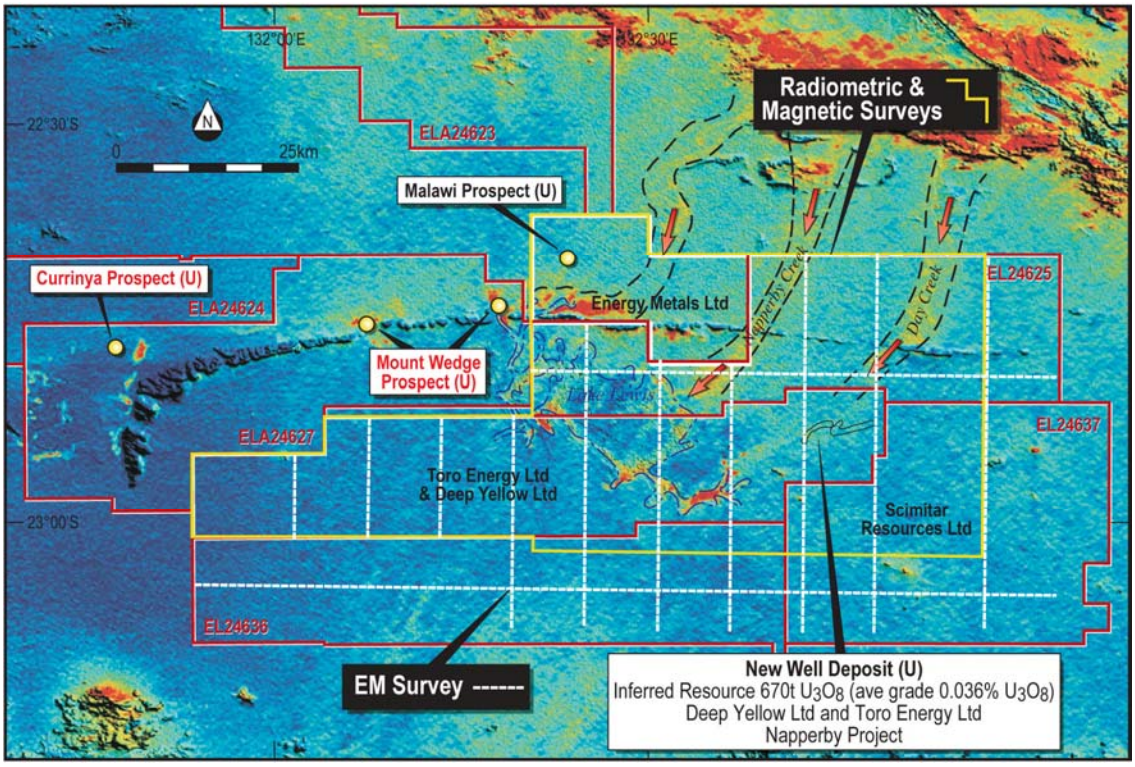
The results of the airborne EM survey reaffirm the potential of the Marree Project to contain sandstone hosted roll front uranium targets of a similar nature to those at Beverley and Honeymoon Well. The Company is currently finalising planning of the drilling program and will commence the drilling as soon as all the necessary approvals and clearances are in place and a suitable drill rig has been located.

Eclipse Uranium Project, NT.

The Eclipse Uranium Project covers 7,934 km² in the Ngalia Basin, 250 km north-west of Alice Springs. The Company's granted tenements cover an area of 3,909 sq km, which are primarily located in the southeast of the project area, adjacent to the New Well uranium deposit, which has a published inferred resource of 670 tonnes U_3O_8. The New Well uranium deposit is the subject of an Option Agreement between Toro Energy Ltd and Deep Yellow Ltd.

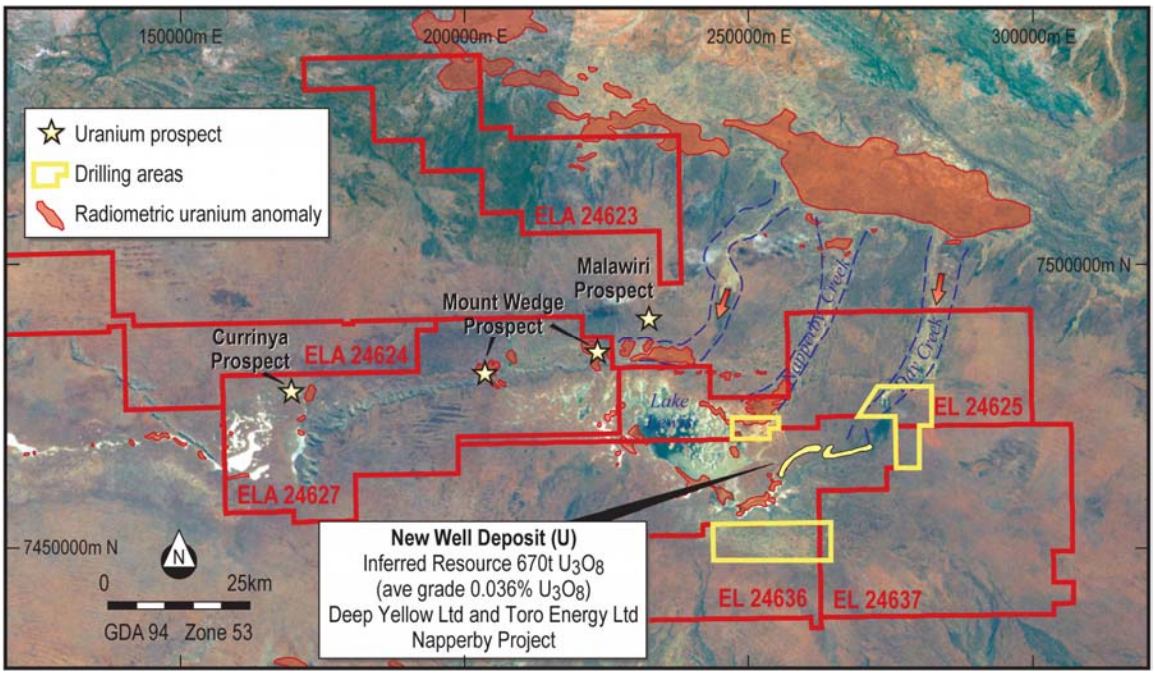
Scimitar's southern licences cover the northern half of Lake Lewis and associated internal drainages. Airborne radiometric data indicates that uranium enriched material is present in these drainages and is depositing around the margins of Lake Lewis and at trap sites along the drainage system.

During the quarter Scimitar undertook field based investigations, including an aircore drilling programme, and completed two airborne geophysical surveys within the greater Eclipse Project area.



Eclipse Project, NT – Licences and Uranium Prospects on Airborne Uranium Radiometrics

The Aircore drilling program conducted during November and December 2007 comprised 134 holes for 5,061 metres, targeting near surface calcrete hosted uranium mineralisation, similar to the adjacent New Well uranium deposit, held by Toro Energy Ltd and Deep Yellow Ltd. This programme followed on from drilling conducted in 2006 and focussed on three areas within the prospect targeting uranium mineralisation closer to the margins of Lake Lewis and extending to the north along the Day Creek Drainage. The occurrence of buried sand units and evaporate sequences intersected by this recent drilling supports the interpretation of buried channels and salt lakes. Assay results from the programme are expected to be received in early 2008. Further drilling is currently being planned for the southern licences and is expected to commence in April, 2008.



Eclipse Project, NT – Radiometric Uranium Anomalies and 2007 Drilling Areas

Interpretation of results from the July TEMPEST survey continued during the quarter identifying a broad and deep channel feature to the south of Lake Lewis as an area for further ground based exploration. An additional closer spaced EM survey is being planned to follow up on this successful trial and provide more detailed information.

An airborne radiometric/magnetic survey was completed by UTS Geophysics for Scimitar in November comprising 16,939 line kilometres on 100 metre line spacings and covering 1,520 sq km of Scimitar tenements. Results from this survey are expected to be received by Scimitar in early 2008 and the data will assist in the definition of calcrete uranium targets and provide a greater level of detail of the underlying basement rocks and structures.

A further 2,015 line km of airborne radiometric and magnetic surveying has been flown by GPX Airborne over Scimitar's licence EL 24808. This licence to the south east of Energy Metals Ltd's, Bigrlyi uranium deposit, has the potential to host uranium mineralisation within the Mount Eclipse Sandstone. The survey will provide detailed radiometric data which will assist in future field exploration and target generation.

Amadeus Uranium Project, NT.

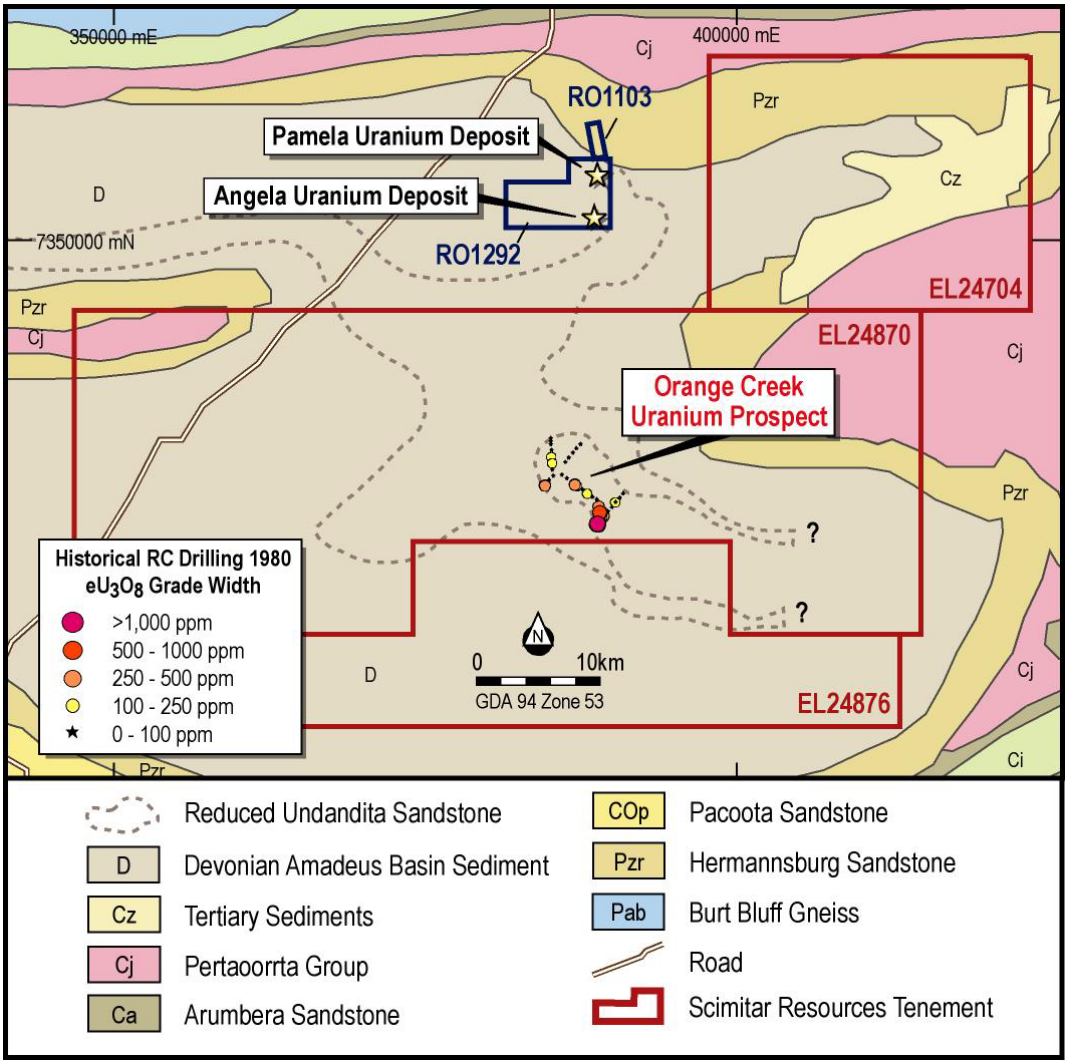
The Amadeus Project comprises three exploration licences (EL 24704, EL 24876 and EL 24870) covering 2,798 sq km of the Amadeus Basin, 50km south of Alice Springs. The project is located 10km to the south of the Pamela and Angela uranium deposits which have a resource of 12,650t of U_3O_8 at an average grade of 1,000 ppm U_3O_8.

The Amadeus Basin comprises undulating sandy plains overlying the Devonian Undandita Sandstone Member of the Brewer Conglomerate. Source rocks for the Brewer Conglomerate include uranium enriched granitic rocks of the Iwupataka Metamorphic Complex and the Teapot Granite Complex. The Undandita Sandstone is host to roll front type uranium mineralisation at both the Orange Creek uranium prospect (on EL 24870) and the Pamela and Angela uranium deposits.

The Undandita Sandstone is generally oxidised but contains a wedge of reduced sediments between regionally extensive upper and lower redox boundaries. This reduced wedge is extensive throughout the Amadeus Basin and is found both in the Missionary Syncline, where it is associated with uranium mineralisation at Pamela and Angela, and in the Orange Creek Syncline, where it is associated with mineralisation at the Orange Creek Prospect.

Angela and Pamela Uranium Deposits

Scimitar has also made an updated submission, ELA 25813, to the Department of Primary Industry, Fisheries and Mines (DPIFM) to acquire the Angela and Pamela uranium deposits 25km to the south of Alice Springs where drilling by Uranerz outlined an historic resource estimate for the Angela and Pamela uranium deposits.



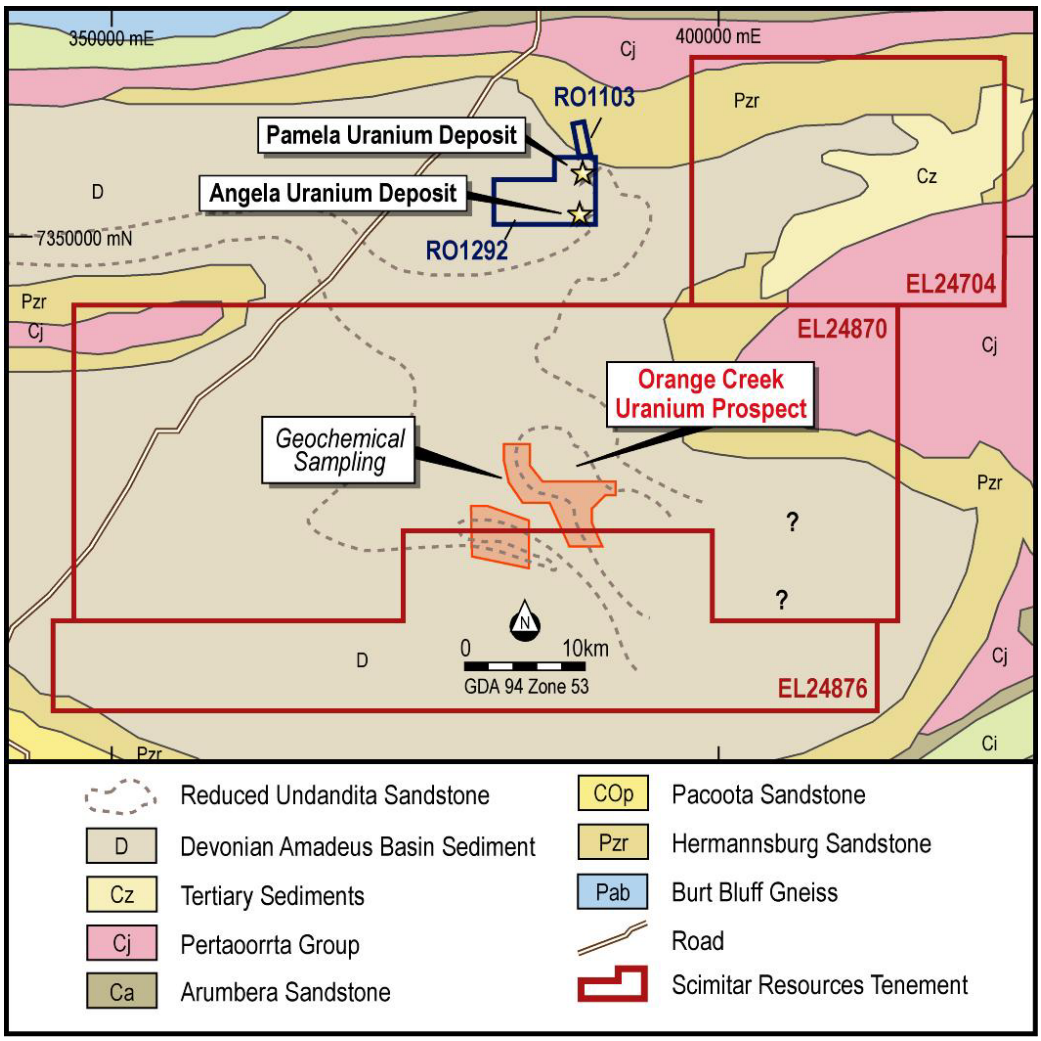
Amadeus Project, NT – Significant Historic Intersections

Orange Creek Uranium Prospect

The Orange Creek Prospect is located 50 km to the south of Alice Springs and is covered by EL 24870. The prospect is a target for sandstone hosted roll-front uranium mineralisation, of a similar style to the Pamela and Angela uranium deposits.

An extensive reconnaissance shallow vacuum drilling program carried out by Uranerz Australia P/L (Uranerz) during the 1970's identified a regional redox boundary within the Undandita Sandstone Member. Follow up broadly spaced percussion drilling by Uranerz (64 holes for 3,873 metres) during 1979 and 1980 intersected uranium mineralisation associated with this regional redox front between depths of 13 to 72 metres over a five km strike length. A number of significant intersections were recorded including 3.40m @ 413ppm eU_3O_8, 1.25m @ 421ppm eU_3O_8 and 0.45m @ 864ppm eU_3O_8. The interpreted redox boundary has a surface expression over 150km long within Scimitar tenements and much of this is yet to be tested.

All heritage survey and approvals have now been finalised and field based exploration and drilling programs are currently being planned to test the Orange Creek Prospect and extensions of the regional redox front within EL 24876. A soil sampling and Mobile Metal Ion (MMI) programme of approximately 2000 samples has commenced at the Orange Creek Prospect. Sampling is expected to be completed in January and results will be used to help define future drilling targets. A drill rig has been secured for an aircore drilling programme expected to commence in March 2008.



Amadeus Project, NT – Geochemical Sampling Areas

Beadell Project, WA. (Scimitar 80%)

The Beadell Project covers 468 sq km in the south-east of the Rudall Complex in Western Australia, 450 km east of Newman. The Rudall Complex is a belt of metamorphic and igneous rocks with a long and complex history of multiple deformation and metamorphism. Several significant deposits are hosted by the Rudall Complex, including the Kintyre uranium-gold deposit at the western end of the complex. And the nearby Mount Cotton base metal and uranium occurrence, adjacent to project area.

Gold and Base Metal Projects

Bardoc Tectonic Zone (BTZ) Project, WA. (Scimitar 65%)

The BTZ Project is located 70 km north of Kalgoorlie in Western Australia, along the highly productive Bardoc Tectonic Zone. The project area is easily accessed via the Kalgoorlie-Meekatharra Hwy and is highly prospective for economic gold and nickel mineralisation.

No field exploration of the BTZ Project was undertaken during the quarter. The project area includes the historic Vettersburg Mine, with a recorded past production of 26,245 tonnes at 25 g/t gold for 21,097 ounces.

Mount Elvire Project, WA.

The Mt Elvire Project, 210 km north of Southern Cross, comprises one exploration licence application covering 120 sq km. The project covers part of a narrow greenstone belt adjacent to the Evanston Shear Zone, which is host to a number of gold deposits. Preliminary investigations by Scimitar indicate that the Mt Elvire project has the potential to host iron ore mineralisation associated with strongly deformed Banded Iron Formations. Scimitar has commenced initial ground based field investigations, targeting iron ore.

Bungalbin Project. (Scimitar 100%, excluding iron ore)

The Bungalbin Project is located 110 km north of Southern Cross in Western Australia. The project covers 657 sq km of the Diemals-Marda Greenstone Belt. This large regional project is prospective for gold, iron ore and nickel sulphide mineralisation. Work undertaken by Scimitar during the quarter has included field investigation programs, mapping and rock chip sampling. Polaris Metals NL (Polaris) holds the iron ore rights over the Bungalbin group of tenements. Polaris is actively exploring these licences for iron ore mineralisation.

Terry Topping
Managing Director

The information in this report to which this statement is attached relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Terry Topping, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Topping is a full-time employee of the Company. Mr Topping has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are 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 Topping consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Manager
Company Announcements Office
Australian Stock Exchange
10th Floor, 20 Bond Street
Sydney NSW 2000

31 January 2008 By Electronic Lodgement

Dear Sir/Madam,

Appendix 5B

Please find following, details for Appendix 5B, in regards to "Mining exploration entity quarterly report for three months ended 31 December 2007".

Yours faithfully

Kent Hunter

Director / Company Secretary

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

SCIMITAR RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
22 102 912 783	31 December 2007

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 and evaluation	(1,005)	(2,176)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(291)	(532)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	93	143
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – Environmental Bond	(14)	(32)
1.7.1	Other – Option Fee	9	9
	Net Operating Cash Flows	(1,208)	(2,588)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a)prospects	-	-
	(b)equity investments	(72)	(206)
	(c) other fixed Assets	(6)	(17)
1.9	Proceeds from sale of:		
	(a)prospects	-	-
	(b)equity investments	67	67
	(c)other fixed Assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	126
1.12	Other	-	-
	Net investing cash flows	(11)	(30)
1.13	Total operating and investing cash flows (carried forward)	(1,219)	(2,618)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(1,219)	(2,618)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	21	6,108
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 - cost of share issue	-	(272)
	Net financing cash flows	21	5,836
	Net increase (decrease) in cash held	(1,198)	3,218
1.20	Cash at beginning of quarter/year to date	5,773	1,357
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	4,575	4,575

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	92
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

The amount at 1.23 includes directors fees, salaries for executive and non-executive directors and payments to Mining Corporate Pty Ltd of which Mr Hunter is a Director amounting to $12,000.

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	450
4.2	Development	-
	Total	**450**

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	599	303
5.2	Deposits at call	3,976	5,470
5.3	Bank overdraft		-
5.4	Other (provide details)		-
	Total: cash at end of quarter (item 1.22)	4,575	5,773

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				
7.3	**+Ordinary securities**	48,616,110	48,616,110		
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**			***Exercise price***	***Expiry date***
		400,000	-	23 cents	26 April 2008
		300,000	-	30.5 cents	22 December 2010
		1,098,334	-	40 cents	31 March 2008
		900,000	-	61 cents	31 October 2011
		3,000,000	-	75 cents	30 November 2008
		100,000	-	85 cents	26 March 2012
		1,000,000	-	75 cents	30 November 2008
		4,000,000	-	80 cents	30 November 2010
7.8	Issued during quarter	4,000,000	-	80 cents	30 November 2010
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 give a true and fair view of the matters disclosed.

Sign here: Date. 31 January 2008

Print name: Kent Michael Hunter (Director)

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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+ See chapter 19 for defined terms.