

Transol Corporation Limited **Quarterly Report for the period to 30 September 2009**

21 October 2009

Technology

Highlights

- The New Zealand Transport Agency successfully installs the CLTNet CTT system for learner driver theory testing and signs-off on roll out to 100 testing centres
- CLTNet online education website live in New Zealand
- Commenced sales activity with New Zealand Government departments
- Commenced live trials of “CORUS” Version 3 of the Quick-Links Enterprise Web 2.0 Collaboration platform with Australian Universities
- Upgrade of the CORUS web hosting platform in preparation for commercial release

CLTNet Pty Ltd (100% owned subsidiary) - Computerised Theory Testing System (“CLTNet CTT”)

During the quarter, the New Zealand Transport Agency (NZTA) successfully installed CLTNet CTT and commenced live testing at five driver licence testing centres operated by NZTA authorized Agents. Over 4000 learner driver tests were sat by learner driver during this period. This initial phase of the project was delivered on budget and the NZTA has signed-off on the system being installed in further 100 testing centres by the end of December 2009.

The project has been a technical challenge in that its implementation occurred across the NZTA Agent network, who each operate their own independent network and computer systems. Implementing the CLTNet CTT across more than 100 individual testing centres will be an achievement for the Company as the largest implementation to date has been across five testing centres.

In conjunction with the NZTA roll out the Company launched its education and practice test website in New Zealand. The website provides the public with access to learner driver information resources such as the road code, practice tests and feedback, prior to completing the official test required to obtain a drivers licence. The public has free access to the educational resources and can purchase practice test in bundles of 5, 10 and 20, with test prices ranging from NZ\$12.50 to NZ\$20.00. The number of practice tests purchased during the quarter was in line with expectations and should grow significantly as the NZTA rolls out the 100 testing centres and removes paper based practice test from the market. Based on previous year's numbers the Company expects more than 155,000 official tests and up to 400,000 practice tests to be delivered annually.

The launch of both systems in the New Zealand market has attracted the attention of a number of Government departments who provide other types of public and business licences and conduct theory testing. The Company's New Zealand subsidiary CLTNet NZ Limited is in the early feasibility stage with one of these departments.

Quick-Links (Aust) Pty Ltd (70% owned subsidiary)

During the quarter Quick-Links Australia Pty Ltd ("Quick-Links") commenced commercial trials of CORUS, the Web 2.0 Enterprise Collaboration platform, with a number of customers. In one of the trials CORUS is being used in a collaborative research project involving three Universities and a number of private enterprises. The project partners are using CORUS as an online tool to assist them to communicate, share information and track project activity across many research initiatives involving over 20 researchers across multiple locations.

The viral nature of CORUS easily enables the Universities and their private enterprise partners to expand CORUS on other projects. This project also provides Quick-Links with a reference site, which will be watched with interest by other Universities, Government departments and private companies engaged in collaborative research.

Feedback from the trial customers has identified the opportunity for CORUS to be used as an online project management tool. During the quarter additional features were added and a project management version is expected to be available for beta release in November 2009.

Whilst customer trials have been in progress, Quick-Links has been preparing for a commercial release of Version 3 of CORUS and migrated the platform to a specialised "Software as a Service" hosting platform located in the United States. The new platform is designed to scale and service large volumes of customers, which is required for CORUS to compete in the global marketplace.

CORUS will now be released as a fully hosted web service which customers will subscribe to online and pay a monthly fee to use. Small and medium sized companies will pay on average AUD\$70 per month with larger enterprises paying up to AUD\$2,000 per month. Releasing CORUS as a fully hosted service removes the need for customers to implement CORUS on their own IT infrastructure and in most cases will reduce a customer's set up time to less than an hour. This will enable potential customers to easily trial Corus, which

will be offered free for the first 30 days. The Company is hopeful that this strategic move will assist to attract significant market interest in its commercial release.

As reported in the previous quarterly activity report CLTNet Pty Ltd's management is negotiating revised funding arrangements and terms for the Distribution Agreement between Quick-Links (Aust) Pty Ltd and Quick-Links.net Pty Ltd, the owner of the Quick-Links platform. The negotiations are nearing completion and will be finalised for the commercial release of the CORUS fully hosted web service. CLTNet Pty Ltd's funding obligation ceased in December 2009 and no further funds will be advanced until new terms are finalised.

Mining Operations

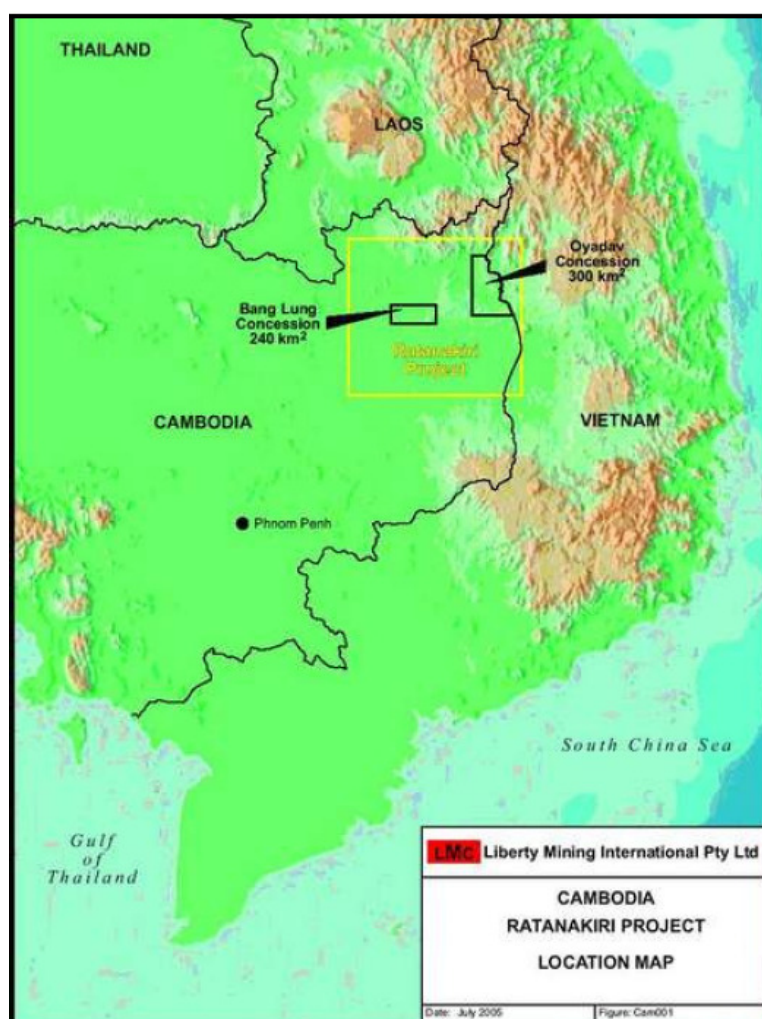
Highlights:

- Signing of Joint Venture Agreement with Prairie Pacific Mining Corporation (PPMC) to fund exploration at the Banlung and Oyadao projects in Ratanakiri province, Cambodia
- Signing of Joint Venture Agreement with Basileia Co. Ltd ("Basileia") to fund exploration at the Andong Bor project in Oddar Meanchey Province, Cambodia
- Advanced planning for commencement of exploration at the Mondulkiri Gold project in Mondulkiri Province, Cambodia
- Advanced planning for commencement of exploration at the Mondulkiri Bauxite project in Mondulkiri, Cambodia

Liberty Mining International Pty Ltd (100% owned subsidiary Company)

During the quarter, Liberty Mining International Pty Ltd ("Liberty") has been active in finalising the two Joint Venture Agreements and planning the commencement of exploration for mid-November at the end of the current wet season.

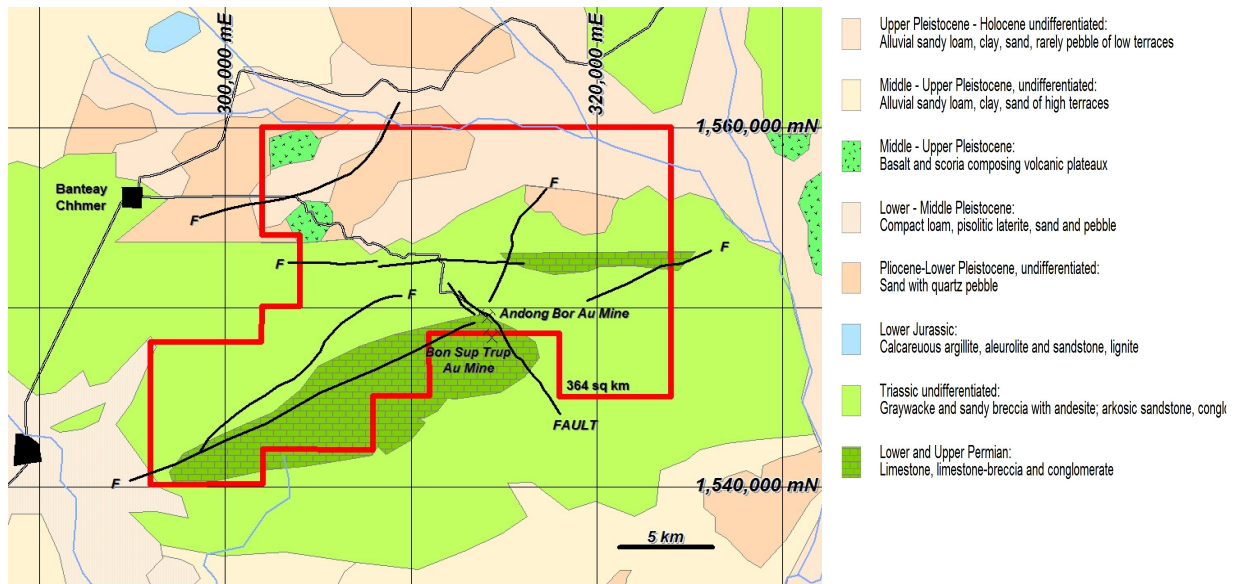
The PPMC Joint Venture Agreement provides for upfront payments totalling US\$ 1 million and then allows for PPMC to earn 51% within two years by spending US \$2 million on exploration. Thereafter PPMC may earn up to 70% within two years by expending a further \$2 million. The agreement allows PPMC to earn up to 90% by a further cash payment of US \$1.5 million and 10% free carry Liberty through to mining.



Above: Banlung & Oyadao Project Areas

The two project areas covered by the PPMC Joint venture (Banlung and Oyadao) have been subject to significant exploration by Liberty including airborne magnetic surveys, detailed stream sediment sampling programs, rock chip sampling, mapping, soil sampling on prospect areas, trenching, scout drilling and ground geophysics including magnetics and IP. This work has outlined a number of prospects for follow up and has provided two areas of drill targets outlined by the IP work. It is planned to commence exploration in mid-November and the Company is currently sourcing an RC drill rig. Liberty will be working closely with PPMC on these projects. The projects are prospective for both gold and base metals.

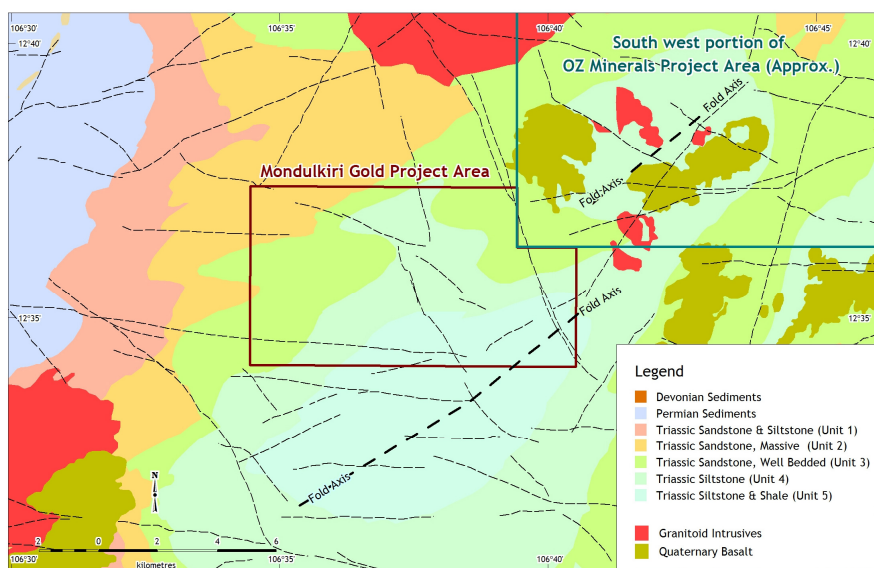
The Basileia Joint Venture covers the Andong Bor gold project in the North east of Cambodia. Liberty received US\$120,000 on signing the Joint Venture Agreement, with Basileia to pay Liberty a total upfront payment of US\$400,000 in cash and expend US\$3 million on exploration within 18 months, with Liberty free carried thereafter on its 10% equity.



Above: Andong Bor Geology

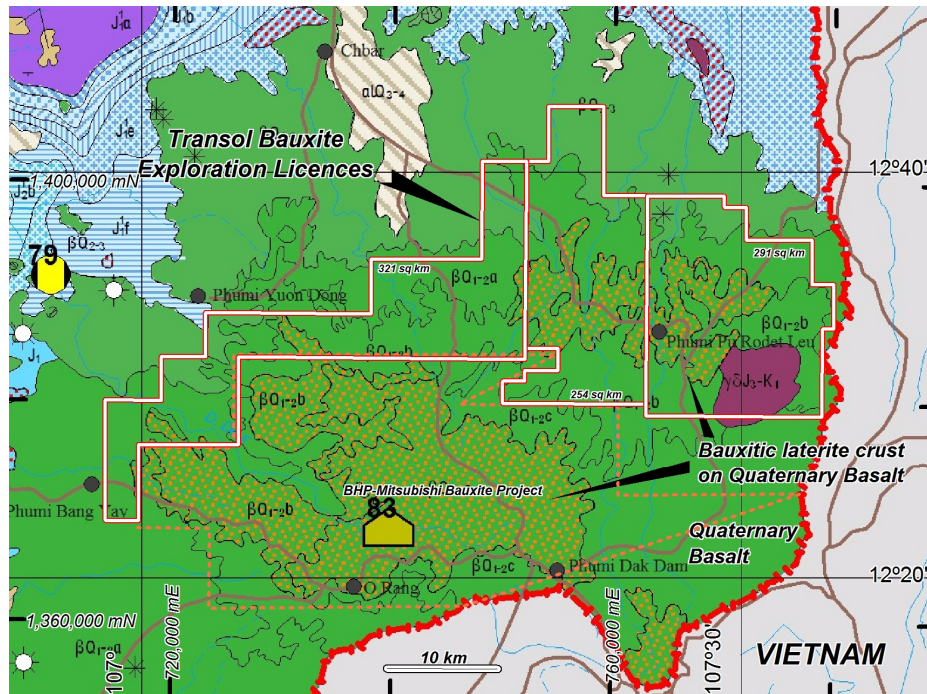
At Andong Bor, Liberty has carried out detailed mapping, auger soil sampling, trenching, and rock chip sampling. The area has been subject to gold mining since the 1800's by French and Chinese and more recently a Korean company. Currently there is significant artisanal mining activity.

Planning is under way to conduct initial exploration at the Mondulkiri Gold project. This project adjoins the OZ Minerals Ltd, Okvau gold project. Initial exploration will include a stream sediment sampling program along with follow up rock chip sampling and detailed mapping.



Above: Mondulkiri Gold Project Area

At the Mondulkiri Bauxite project, it is planned to conduct field work including auger sampling and mapping to determine the extent of the possible lateritic bauxite.



Above: Mondulkiri Bauxite Project

Liberty has operated in Cambodia since 2005 and holds an excellent track record for early exploration in the country. The re-commencement of exploration activity in November is well funded and has significant potential for a discovery.

Signed:

Angus Edgar
Director

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Transol Corporation Limited

ABN

73 089 224 402

Quarter ended ("current quarter")

30 September 2009

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) staff costs	(63)	(63)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(521)	(521)
(e) exploration expenditure	(57)	(57)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	6	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Research & development offset	-	-
Activity statement refunds		
Joint Venture Farmin payment received	249	249
Net operating cash flows	(386)	(386)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(386)	(386)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(56)	(56)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other	-	-
Net investing cash flows	(56)	(56)
1.14 Total operating and investing cash flows	(442)	(442)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	-	-
Net increase (decrease) in cash held	(442)	(442)
1.21 Cash at beginning of quarter/year to date	1,418	1,418
1.22 Exchange rate adjustments to item 1.21	6	6
1.23 Cash at end of quarter	982	982

+ See chapter 19 for defined terms.

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
1.24	Aggregate amount of payments to the parties included in item 1.2	49
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payments for directors fees / advisory fees / consulting fee

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

Nil

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	5	-

+ See chapter 19 for defined terms.

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
4.1 Cash on hand and at bank	938	1,376
4.2 Deposits at call	44	42
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	982	1,418

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	-	-
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net assets	-	-
5.5 Nature of business	-	-

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement does give a true and fair view of the matters disclosed.

Sign here:

Date: 21st October 2009

(Company secretary)

Print name: Adrien Wing

+ See chapter 19 for defined terms.

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 definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. 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.

+ See chapter 19 for defined terms.