Zinc Co Australia Limited
ABN 96 119 397 938

CONSOLIDATED STATEMENT OF CASH FLOWS
For Quarter Ended 30 June 2008

		Current Quarter $A'000	Year to Date (12 months) $A'000
CASH FLOWS RELATED TO OPERATING ACTIVITIES			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for: (i) exploration and evaluation	(416)	(923)
	(ii) development	-	-
	(iii) production	-	-
	(iv) administration	(121)	(578)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	73	352
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material) – GST (net)	(20)	(10)
	NET OPERATING CASH FLOWS	(484)	(1,159)
CASH FLOWS RELATED TO INVESTING ACTIVITIES			
1.8	Payment for purchases of: (i) prospects	-	-
	(ii) equity investments	-	-
	(iii) other fixed assets	(7)	(10)
1.9	Proceeds from sale of: (i) prospects		
	(ii) equity investments	-	-
	(iii) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	22
1.12	Other - Acquisition costs	-	-
	NET INVESTING CASH FLOWS	(7)	12
CASH FLOWS RELATED TO FINANCING ACTIVITIES			
1.13	Proceeds from issues of shares, options, etc.	-	264
1.14	Proceeds from sale of forfeited shares	-	-
1.15	Proceeds from borrowings	-	-
1.16	Repayment of borrowings	-	-
1.17	Dividends paid	-	-
1.18	Other – Expenses of issue	-	(26)
	NET FINANCING CASH FLOWS	-	238
NET INCREASE (DECREASE) IN CASH HELD		(491)	(909)
1.19	Cash at beginning of quarter/year to date	4,318	4,736
1.20	Exchange rate adjustments to Item 1.19 above	-	-
1.21	**CASH AT END OF QUARTER**	**3,827**	**3,827**

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
1.22	Aggregate amount of payments to the parties included in items 1.2, 1.16, 1.18	74
1.23	Aggregate amount of loans to the parties included in item 1.10	-
1.24	Explanation necessary for an understanding of the transactions:	-
	Reimbursement of administration and exploration expenses incurred on behalf of the Company and for the payment of director services.	74

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 shares in projects in which the reporting entity has an interest:

-

FINANCING FACILITIES AVAILABLE

Provide details of used and unused loan facilities and credit standby arrangements, adding such notes as are 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 OUTLAYS FOR CURRENT AND FOLLOWING QUARTERS

Estimated Outlays	**Current Quarter $A'000**	**Following Quarter $A'000**
4.1 Exploration and evaluation	600	500
4.2 Development	-	-
TOTAL	600	500

RECONCILIATION OF CASH

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts as follows:	**Current Quarter $A'000**	**Previous Quarter $A'000**
5.1 Cash on hand and at bank	222	375
5.2 Deposits at call	2,086	2,233
5.3 Bank overdraft	-	-
5.4 Other – Bank Bills (various)	1,519	1,710
TOTAL = CASH AT END OF QUARTER (Item 1.21)	3,827	4,318

CHANGES IN INTERESTS IN MINING TENEMENTS

	Tenement Reference	**Nature of Interest**	**Interest at Beginning of Quarter**	**Interest at End of Quarter**
6.1 Interests in mining tenements relinquished, reduced and/or lapsed	-	-	-	-
6.2 Interests in mining tenements acquired and/or increased	-	-	-	-

ISSUED AND QUOTED SECURITIES AT END OF CURRENT QUARTER

Category of Securities	Number Issued	Number Quoted	Issue Price Per Security (cents)	Amount Paid-Up Per Security (cents)
7.1 ORDINARY SHARES:	65,300,304	54,614,378	$0.20	$0.20
7.2 Changes during quarter:				
(a) Increases through issues	-	-	-	-
(b) Exercise of options	-	-	-	-
			Exercise Price	*Expiry Date*
7.3 OPTIONS:	26,392,407	26,392,407	$0.25	30 Nov 2009
	1,500,000	-	$0.25	29 May 2009
	1,000,000	-	$0.25	30 June 2009
7.4 Issued during quarter	-	-	-	-
7.5 Exercised during quarter:	-	-	-	-
7.6 Expired during quarter				

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

Sign here: ______________________ Date: 24 July 2008

~~Director~~/Company Secretary

Print name: **A Dermedgoglou**