



QUARTERLY REPORT

For three months ending 31 December 2007

HIGHLIGHTS

PUNGKUT GOLD PROJECT, INDONESIA (75%)

- Significant results received from resource extension drilling at Sihayo 1 North deposit, with best results including:
 - 22.75m @ 4.84g/t Au from 41m
 - 22m @ 3.96g/t Au from surface
 - 6m @ 2.15g/t Au from surface
 - 6m @ 3.66g/t Au from 1m
 - 17.55m @ 1.82g/t Au from surface
- Revised resource calculation for Sihayo 1 North to commence in February 2008.
- Excellent potential to increase current 710,000oz resource base (Sihayo 1 North and Sambung).
- Drill testing commenced at Hutabargot Julu targeting gold in extensive epithermal quartz vein systems.

MALAWI – URANIUM EXPLORATION

- Chizani Project granted covering an area adjacent to Globe Uranium Ltd's Kanyika uranium project.
- Central African uranium portfolio further expanded following MOU's covering two EPLs to the north of Paladin Energy Limited's world-class Kayelekera uranium project.
- Stream sediment and rock chip sampling programs commence at Mzimba Northwest and Chitunde Projects.

1. CORPORATE

At the Company's Annual General Meeting which was convened on 28 November 2007, all resolutions as set out in the Notice of Meeting were carried with the required majorities.

On 28 November 2007, the Company's directors announced that a meeting of shareholders was to be convened at a date to be fixed to consider and if thought fit, to pass a resolution for the Company to issue up to 13,280,376 new options, each at an issue price of \$0.002 per new option and expiring on 31 January 2011 ("2011 Options") to those persons recorded as holders of unexercised options that expired on 31 December 2007. A Notice of Meeting is currently being prepared.

If this resolution is passed, the Company will offer the holders of the expired 31 December 2007 options and those who accept the offer will be issued with the 2011 Options. The Company's directors reserve the right to issue the shortfall to allottees no later than 3 months from the date of the shareholders meeting.

2. REVIEW OF OPERATIONS

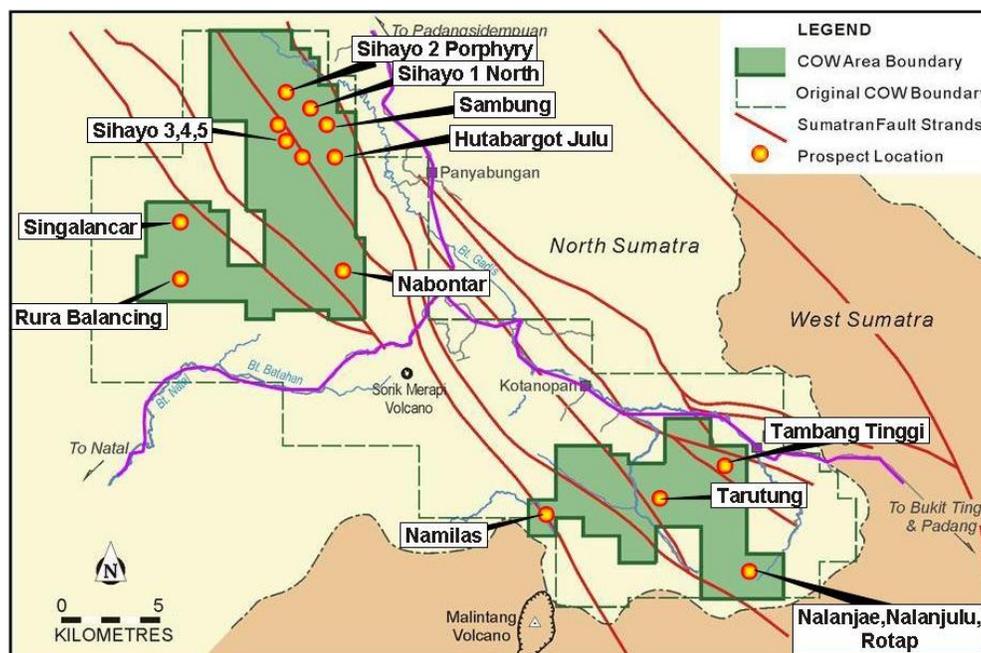
2.1 INDONESIA

Pungkut Gold Project, Sumatra (75%)

A major resource extension drilling program completed during the Quarter generated encouraging results at the **Sihayo 1 North deposit**, prompting Oropa to undertake a revised resource calculation which is scheduled to commence in February 2008. Once this revised resource estimate is completed, Oropa intends to undertake a mining scoping study on the combined resources at Sihayo 1 North and Sambung with a view to advancing the Pungkut Project to the development stage.

The Company's exploration focus has now moved to the **Hutabargot Julu** prospect, centred approximately 6 km south-east of Sambung, where drilling is currently underway targeting parallel sets of epithermal quartz veins interpreted to be up to 3km in length.

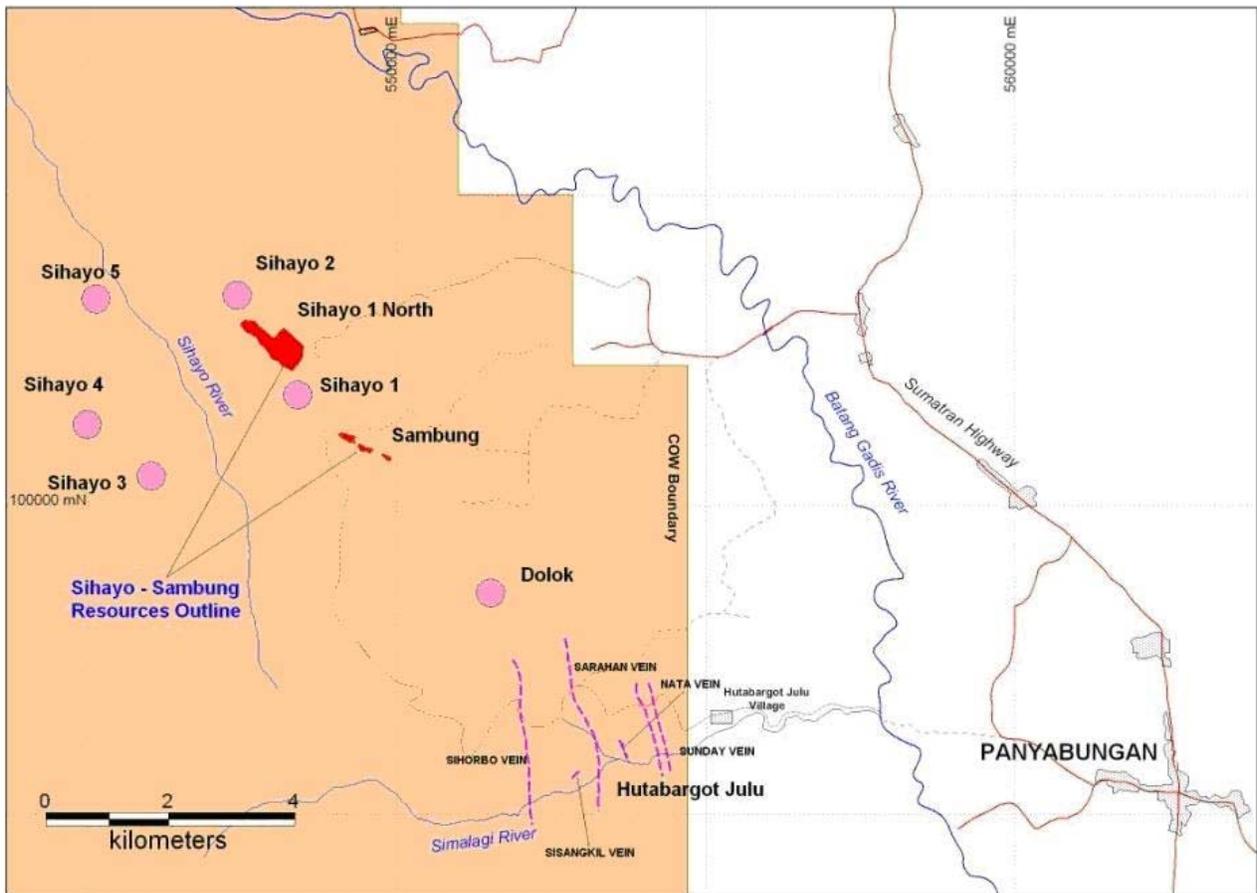
Figure 1: Pungkut project area North Sumatra, showing principal prospects



Activities – Northern Block:

- ➔ **Sihayo 1 North:**
 - 7 diamond drill holes (520.95m) completed.
 - Drilling completed to the west of the existing Inferred Resource.
- ➔ **Hutabargot Julu:**
 - 10 diamond drill holes completed (1,025.6m, Sarahan & Sunday veins).
 - Rock sampling and mapping of epithermal quartz veins exposed in historic Dutch exploration tunnels on the Sarahan and Sunday veins.
 - Rock-chip and hand auger soil sampling at the Sihorbo vein.

Figure 1: Sihayo – Sambung – Hutabargot Julu gold trend, North Block, Pungkut Project



Sihayo 1 North

A drilling program was completed during the Quarter to the west of the Sihayo 1 North Inferred Resource targeting high grade outcropping jasperoid. This program has returned significant gold intersections from most holes drilled, which are summarised in Table 1 and include:

SHDD096:	17.55m @ 1.82 g/t Au from surface
SHDD097:	6m @ 3.66 g/t Au from 1m 13m @ 1.53 g/t Au from 15m
SHDD098:	6m @ 2.15 g/t Au from surface
SHDD100:	7m @ 1.33 g/t Au from surface
SHDD101:	3m @ 2.59 g/t Au from 7m

**SHDD103: 22m @ 3.96 g/t Au from surface
6m @ 1.45 g/t Au from 25m**
SHDD104: 22.75m @ 4.84 g/t Au from 41m
SHDD105: 2m @ 6.38 g/t Au from 2m

The Sihayo 1 North and the nearby Sambung prospects are currently estimated to contain a total of **8.2 Mt @ 2.7 g/t Au for 710,000 oz Au**. Based on the encouraging results returned from the recent drilling, the Company considers that there is strong potential to add to these inferred resource ounces. A mining Scoping Study will be required to fully evaluate the economic potential of the Pungkut Project, particularly taking into account the current gold prices. Oropa is currently evaluating options to commission this study.

In preparation for the Scoping Study, the Sihayo 1 North resource will be recalculated to reflect the additional mineralisation encountered in close proximity to the current resource outline (7.1Mt @ 2.7 g/t Au for 610,000 oz Au), which was last calculated in early 2004.

All drill collars are currently being surveyed, there has been a fresh geological interpretation and updating and improvements to the existing Sihayo 1 North digital database. The upgraded database and quality controls are currently being validated, and a digital terrain model (DTM) is being created for the Sihayo area. Resource modelling, which is scheduled to commence late in February, has been contracted to a specialist independent firm.

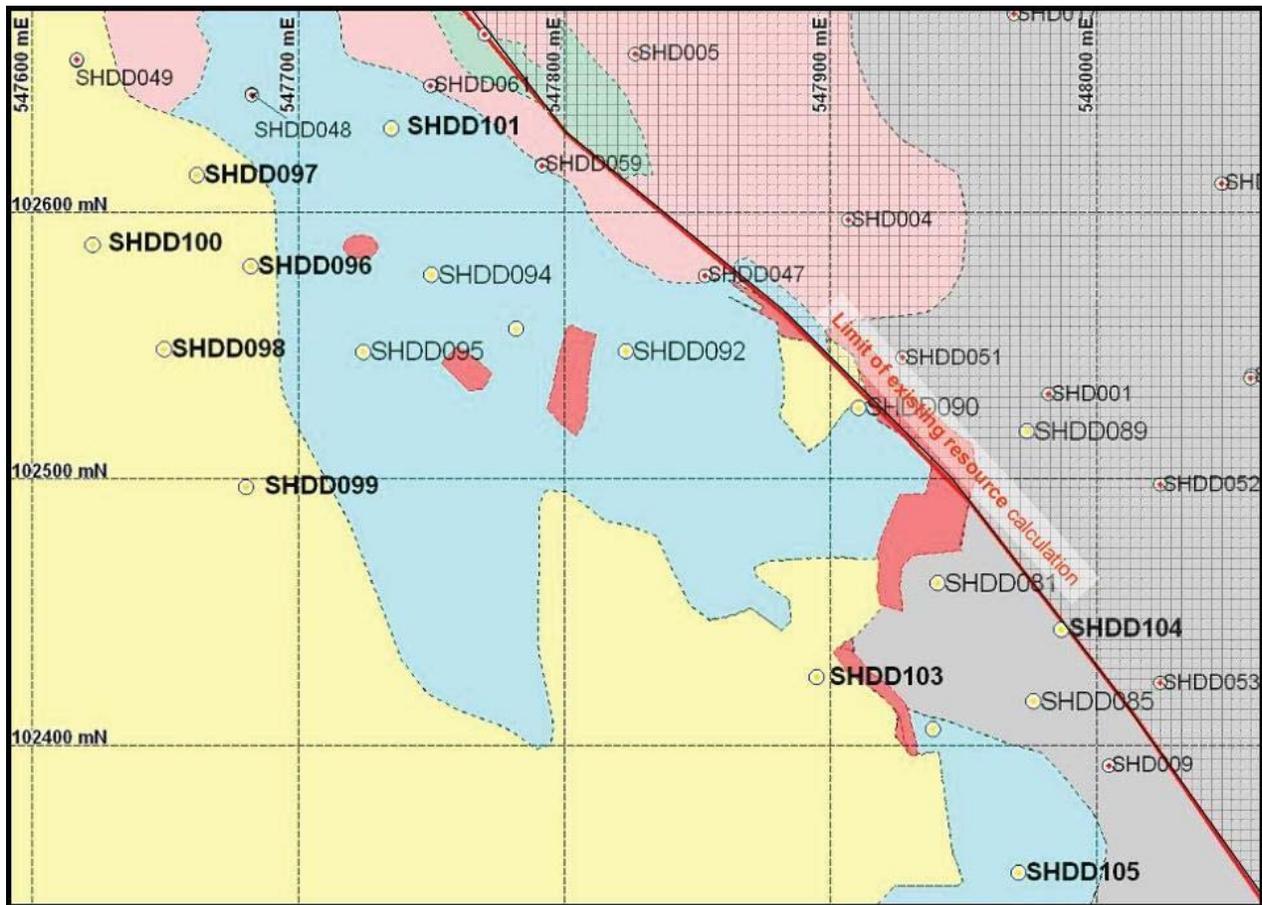
Table 1: Sihayo 1 North significant drill results

Hole ID	Northing	Easting	Azimuth	Dip	Total Depth	From	To	M	g/t Au
SHDD096	10080	54650	0	-70	61.00	0	17.55	17.6	1.82
SHDD096						19	21	2.0	1.48
SHDD097	10070	54610	0	-70	45.30	1	7	6.0	3.66
SHDD097						15	28	13.0	1.53
SHDD098	10034	54645	0	-70	53.50	0	6	6.0	2.15
SHDD099	10022	54699	0	-70	40.00	no significant results			
SHDD100	10045	54600	0	-70	30.00	0	7	7.0	1.33
SHDD101	10150	54655	180	-70	70.00	7	10	3.0	2.59
SHDD102	10100	54910	0	-90	4.00	hole abandoned; re-drilled as SHDD103			
SHDD103	10100	54911	0	-90	65.00	0	22	22.0	3.96
SHDD103						25	31	6.0	1.45
SHDD104	10175	54960	0	-90	92.15	10.00	12.00	2.00	1.72
						37.00	38.00	1.00	2.11
						41.00	63.75	22.75	4.84
						64.90	68.70	3.80	1.95
						71.10	74.00	2.90	2.12
SHDD105	10095	55000	0	-90	60.00	2.00	4.00	2.00	6.38

Notes

1. All assays determined by 50gm fire assay with AAS finish by Intertek- Caleb Brett Laboratories of Jakarta
2. Lower cut of 1.0ppm Au used
3. A maximum of 2m of consecutive internal waste (material less than 1.0ppm Au) per reported intersection
4. All interval grades were calculated as a weighted average
5. All intervals reported as down hole lengths
6. All drilling diamond core predominantly of PQ diameter
7. Sampling regime as quarter core for PQ diameter core and half core for HQ diameter core
8. Quality Assurance and Quality Control (QAQC):
9. Coordinates in local Sihayo 1 North grid system

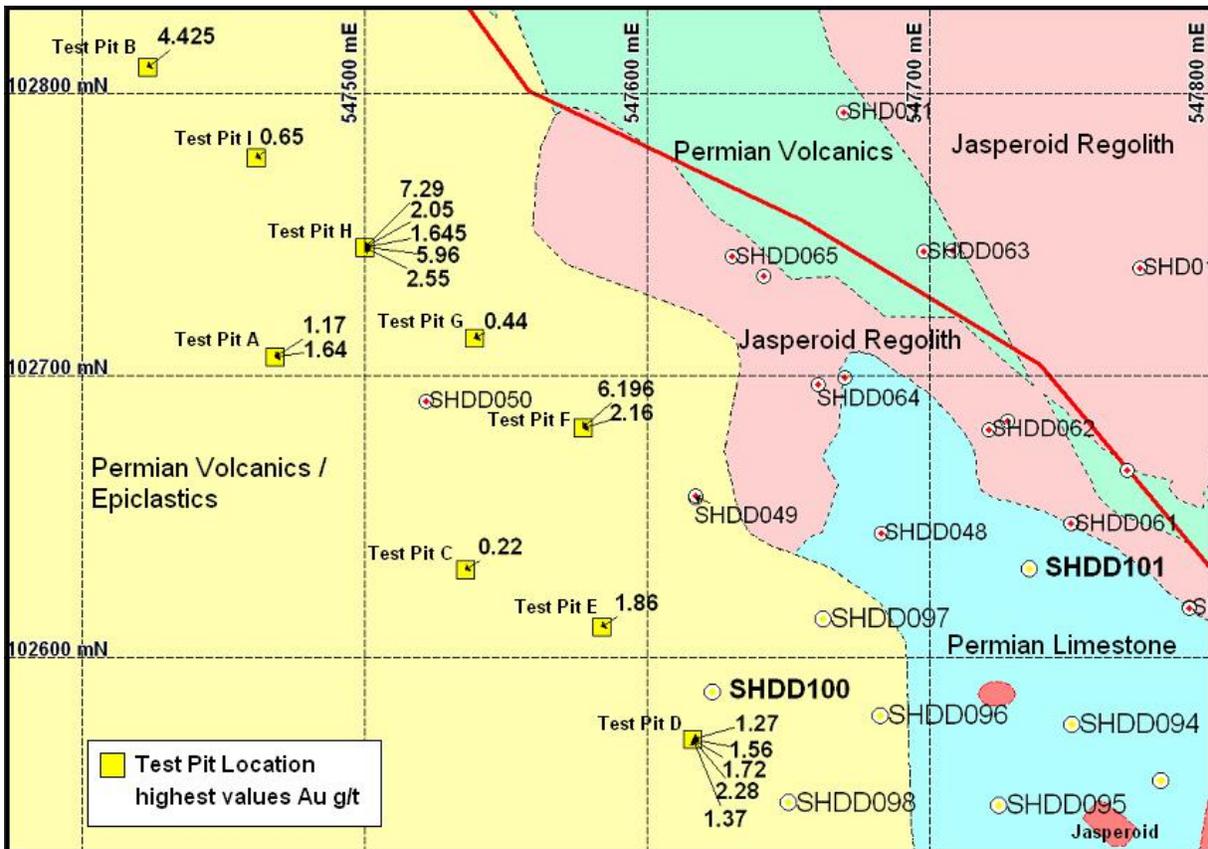
Figure 2: Sihayo 1 North drill location plan



Test pits, which were previously dug to the north-west of the existing resource boundary to assist with the planning of the recent drilling program, also returned some positive results. These test pits confirm **the presence of extensive regolith gold** throughout this area, which must now be considered as a potential drill target, because it may overlie further concealed jasperoid. Figure 3 shows the locations of these test pits in relation to the drill holes; best results include:

- Test Pit B:** 1m @ 4.43 g/t Au from surface
- Test Pit H:** 4m @ 3.07 g/t Au from 1m,
including 7.09 g/t Au grab sample from 2-4m
- Test Pit D:** 4m @ 1.73 g/t Au from surface
- Test Pit F:** 1m @ 2.16 g/t Au from surface
6.19 g/t Au grab sample

Figure 3: Sihayo 1 North Test Pit Locations



Hutabargot Julu

Hutabargot Julu is located at the south-eastern end of the Sihayo-Sambung gold trend (Figure 1). Epithermal veining occurs in Miocene volcanics which overlie Permian sedimentary-volcanic basement. The presence of gold mineralisation in jasperoid at the nearby Dolok prospect, which lies to the north in an erosion window of underlying Permian rocks, demonstrates the continuity from Permian to Miocene and jasperoid to epithermal veins. The extent and thickness of veining indicates a very large hydrothermal system, both in terms of strike length and depth.

Hutabargot Julu was selected as an exploration priority due to the gold mineralisation potential of sub-parallel north-south striking epithermal quartz vein zones up to 3km in length, as well as its proximity to Sihayo and Sambung on the same ridge, enhancing its strategic value as a potential supplementary resource for a centrally located treatment plant. Exploratory diamond drilling commenced during the December Quarter.

The vein system is interpreted as being mid-sulphidation epithermal, with upper level exposure interpreted from predominantly chalcedonic quartz textures observed in outcrops and exposures in shallow historic Dutch exploration tunnels. The system is interpreted to be preserved in almost its entirety, with potential for substantial high-grade gold accumulation(s) at depth. Epithermal quartz vein systems require careful and systematic exploration, as barren or low grade quartz veins often overlie economic grade gold mineralisation which is typically located in high grade shoots separated by low grade veining along strike.

Oropa has committed to a comprehensive drilling program to test the vein systems at depth to evaluate their full potential. This includes near surface drilling beneath outcropping veins to determine their strike orientation and dip to facilitate drill targeting for following up of the structures at depth.

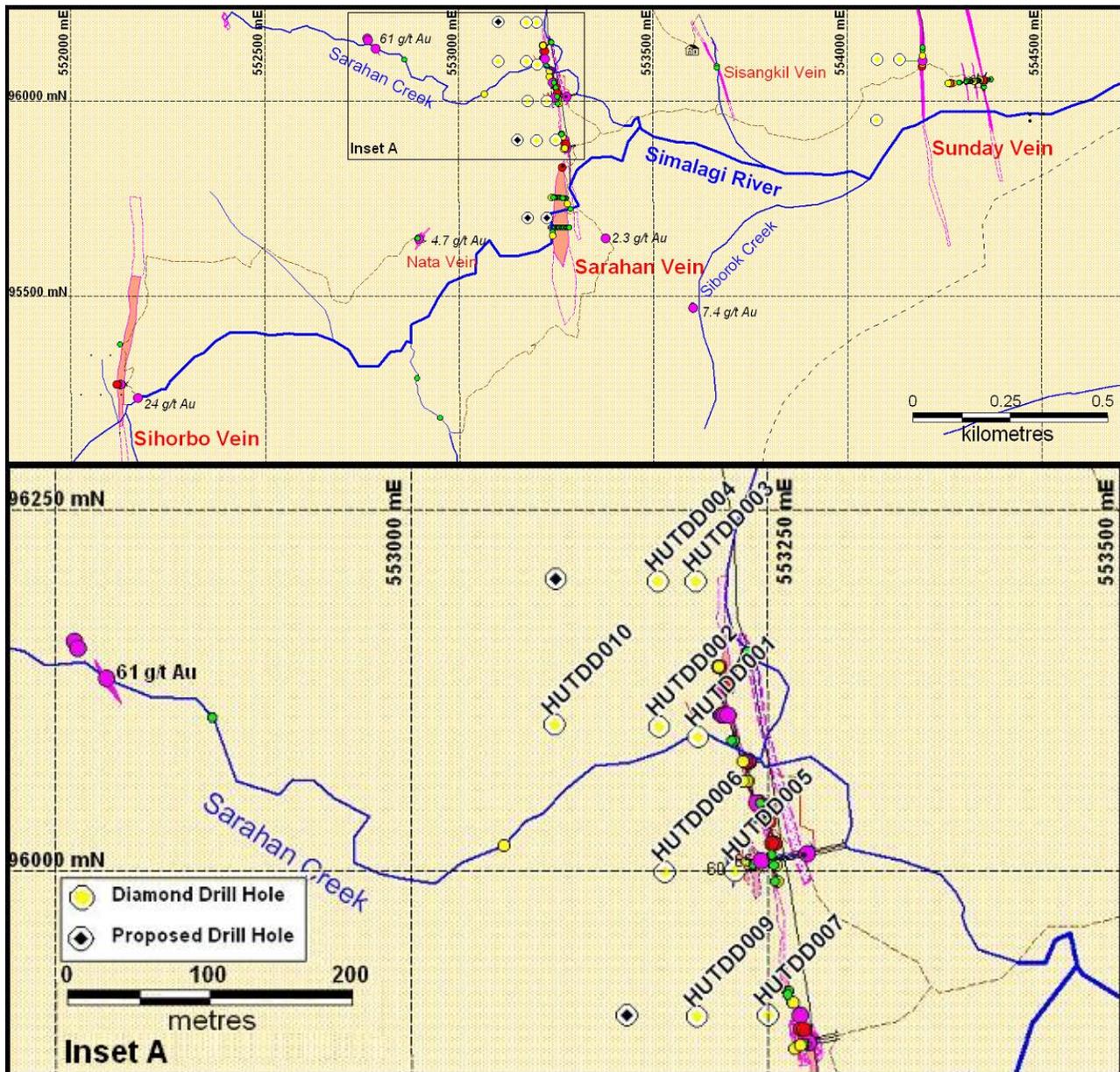
At this early stage, most of the drilling has been focussed on the **Sarahan vein**, which has produced the most consistent surface and adit sampling results, including numerous 1-2 g/t Au rock and channel chip samples, together with some higher grade results up to 27.1 g/t Au. However, from work undertaken to date, it appears that this vein is not continuously mineralised.

The first phase of the program has shown that the Sarahan vein dips consistently at around 60° to the west, with a strike dip of 170°, and vein-zone thickness of 2-12 metres. Veining consists of massive silicification, dogstooth quartz and calcite veining, and minor adularia. A halo of hydrothermal brecciation flooded with silica and quartz stockwork is common in wallrock surrounding the veins. Drilling to date has only explored to depths similar to those of the deepest Dutch exploration adits. Additional deeper holes such as HUTDD010 (in progress) are testing nearly 100 metres vertically down-dip, probing for bonanza grade mineralisation. All seven drill holes from which results are available have intersected reportable gold mineralisation, including:

HUTDD001: 6m @ 2.07 g/t Au from 16m
HUTDD002: 2m @ 2.67 g/t Au from 20m
HUTDD004: 3m @ 2.66 g/t Au from 48m
1m @ 8.61 g/t Au from 64m
HUTDD007: 5m @ 2.12 g/t Au from 23m
including 1m @ 5.81 g/t Au from 25m

The second rig from Sihayo 1 North has recently commenced drilling at the **Sunday vein**, where three drill holes are planned to test the vein orientation and for continuity of mineralisation beneath mineralised outcrop, which grades up to 3.83 g/t Au in rock chip samples.

Figure 4: Hutabargot Julu Drill Location Plan



Concurrently with drilling, surface work for the area includes continued mapping and sampling of the extensive Dutch exploration adits in the Sunday vein area, along with a soil auger grid and surface rock-chip sampling program in the Sihorbo vein area to identify the strongest geochemical anomalism prior to drill target selection. Recent outcrop sampling of newly discovered vein sets has returned some exciting results, including:

Sarahan Creek 400m west and sub-parallel to Sarahan Vein:-

- 61.0 g/t Au & 149 g/t Ag from 1m wide silicified breccia with pyrite and chalcopyrite
- 2.18 g/t Au in adjacent vuggy quartz vein with manganese

Siborok Creek east of Sarahan Vein:-

- 7.18 g/t Au & 216 g/t Ag from a 2m quartz vein breccia with trace sphalerite, galena and chalcopyrite

Table 2: Hutabargot Julu Significant Drill Intersections

Hole ID	Northing	Easting	Azimuth	Dip	Total Depth	From	To	M	g/t Au
HUTDD001	96093	553203	90	-70	80.15	16	22	6	2.07
						30	31	1	2.12
						34	35	1	3.1
HUTDD002	96100	553175	90	-70	125.15	20	22	2.0	2.67
HUTDD002						95	96	1.0	1.33
HUTDD003	96200	553200	90	-70	87.50	31	32	1.0	2.41
HUTDD004	96200	553175	90	-70	125.20	48	54	3.0	2.66
HUTDD004						64	65	1.0	8.61
HUTDD005	96000	553225	90	-70	79.10	20	22	2.0	1.68
						28	30	2.0	1.04
HUTDD006	96000	553175	90	-70	151.00	106	108	2.0	2.45
						138	142	4.0	0.81
						147	148	1.0	2.55
HUTDD007	95900	553250	90	-70	65.00	23	28	5.0	2.12
			including:			25	26	1.0	5.81
HUTDD008	96105	554136	90	-70	91.70	assays pending			
HUTDD009	95900	553200	90	-70	124.40	assays pending			
HUTDD010	553125	96100	90	-70		in progress			
HUTDD011	554100	96100	90	-70	96.40	assays pending			
HUTDD012	554075	95950	90	-70		in progress			

Notes

1. All assays determined by 50gm fire assay with AAS finish by Intertek- Caleb Brett Laboratories of Jakarta
2. Lower cut of 1.0ppm Au used
3. A maximum of 2m of consecutive internal waste (material less than 1.0ppm Au) per reported intersection
4. All interval grades were calculated as a weighted average
5. All intervals reported as down hole lengths
6. All drilling diamond core predominantly of PQ diameter
7. Sampling regime as quarter core for PQ diameter core and half core for HQ diameter core
8. Quality Assurance and Quality Control (QAQC):
9. Coordinates in UTM grid system

Southern Block:

No significant activities in the southern block during the December quarter.

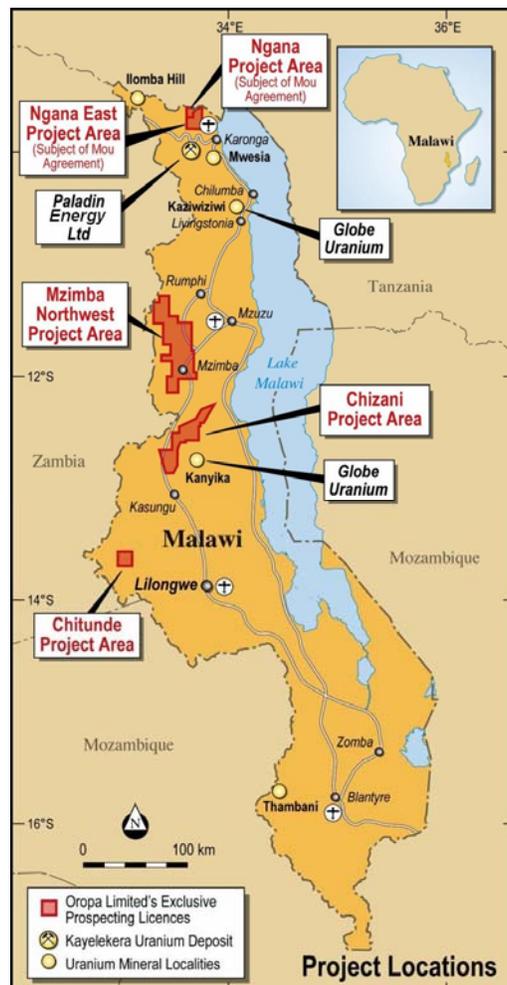
2.2 MALAWI

Malawi, located in south-eastern Africa, is an emerging world region for uranium exploration and mining. In a country which is substantially under-explored, two uranium deposits are currently being developed. Paladin Energy Ltd's ("Paladin") Kayelekera uranium project, in the north of the country, is currently at an advanced stages of construction for 3.3 Mlbs U₃O₈ per annum production with a 7-year mine life, while Globe Uranium Ltd ("Globe") is conducting a scoping study scheduled for completion in Q2 2008 for its Kanyika uranium-niobium-tantalum-zirconium deposit in central Malawi.

Oropa's wholly owned subsidiary, Oropa Exploration Pty Ltd ("OEPL"), has now been granted 100% ownership of three Exclusive Prospecting Licences ("EPLs") for uranium and other minerals covering the Mzimba Northwest, Chitunde, and Chizani project areas. Additionally, OEPL has entered into joint ventures for a 90% interest in the mineral rights for uranium and other minerals (excluding coal) in two contiguous EPLs to the north of Kayelekera with local EPL holders who were previously licensed to explore for coal. OEPL has established an office and transit base in Lilongwe and stocked necessary field supplies for ongoing exploration campaigns.

A regional geochemical survey was initiated in November 2007 over the areas of Mzimba Northwest and Chitunde and continued through until the commencement of the wet season in December. Results from the samples collected from the two project areas are being correlated and interpreted, with an announcement to be made in early February.

During the past six months, Oropa, via OEPL has become the holder of a substantial and diverse exploration tenement portfolio (in excess of 3,800km²) in Malawi, which it intends to actively explore during 2008 and over the coming years. Field activities are scheduled to resume in late March.



Mzimba Northwest Project (100%)

Mzimba Northwest comprises EPL0211/2007, covering an area of 2,169km², and is situated in the north-central portion of Malawi.

Immediately after acquiring the EPL, Oropa commissioned two independent interpretive studies to identify and prioritize targets for the initial sampling programs. The first study, conducted by Southern Geoscience Consultants, considered data available from a country-wide airborne radiometric uranium and magnetic geophysical survey flown in 1984/85 by Hunting Geology and Geophysics Ltd based at the time in the United Kingdom. The second study, completed by Mackay and Schnellmann Pty Ltd, interpreted Landsat satellite imagery with the aid of Malawian Geological Survey geological maps and bulletins, combined with the Hunting airborne geophysical survey, to produce a geological interpretation of the project area.

The combined results from these interpretive studies have outlined targets for Karroo sediments with potential for 'roll front' style uranium mineralisation, similar to that at Paladin's Kayelekara project; Mafingi quartzites for unconformity style uranium mineralisation; and circular anomalies potentially associated with intrusives and uranium-niobium-tantalum mineralisation, such as that at Globe's Kanyika project.

Last November, OEPL commenced a ground geochemical survey of selected targets identified in the interpretive studies. Due to the lack of any previous systematic exploration of the project area, regional sampling programs, together with ground radiometrics, will need to be completed before follow up exploration is conducted.

Stream sediment sampling of fine fractions at creek junctions, with panned concentrate samples at major sites is the chosen exploration method, with samples to be assayed for uranium plus 28 other elements to evaluate the potential for a broad suite of other minerals. Upon the completion of these sampling programs, the targets will be re-rated according to their mineral potential for more advanced exploration.

Sampling focussed in the Emoneni district in the west of the block where a north-south striking ridge coincident with uranium radiometric anomalies has been interpreted to be caused by Mafingi quartzites. These quartzites, formed from the erosion of the basement sediments during the Proterozoic era, filled valleys, basins and other topographic low areas. Subsequently, the entire Proterozoic sequence has experienced deformation and high grade metamorphism. The contact between the quartzites and gneiss is unconformable, and has been associated with uranium mineralisation. Sixty eight stream sediment samples, 14 panned concentrate samples, and 26 rock chip samples were collected to complete the initial exploration program for this target area.

Chitunde Project (100%)

The Chitunde project (EPL0212/2007 covering an area of 196km² is situated some 86 km west-north-west of Lilongwe and is accessible in most parts by sealed roads. The target area is a coincident airborne radiometric anomaly over an outcropping hill of quartz-syenite. Sampling focused on rock chip sampling, spectrometer readings and stream sediment samplings from creeks radiating from the hill. 58 rock chip samples were collected, along with 10 stream sediment samples.

Ngana and Ngana East Projects (90%)

Ngana and Ngana East are the subject of two separate Memorandum of Understandings ("MOU") with two local EPL holders who hold the mineral rights for coal exploration and development. Substantial coal occurrences are thought to exist in the area, although no systematic coal exploration has been completed to date. Ngana and Ngana East are located in the far north of the country, with their northern boundaries coincident with the Tanzanian border. The two prospects are in a strategic location, containing basins of Karroo sediments, with the nearest mapped Karroo occurrence being located some 20km to the south at Kayelekera.

Uranium can be hosted in stratabound deposits in the Karroo sediments, particularly where mobile uranium is trapped by carbonaceous mudstone or sandstone layers.

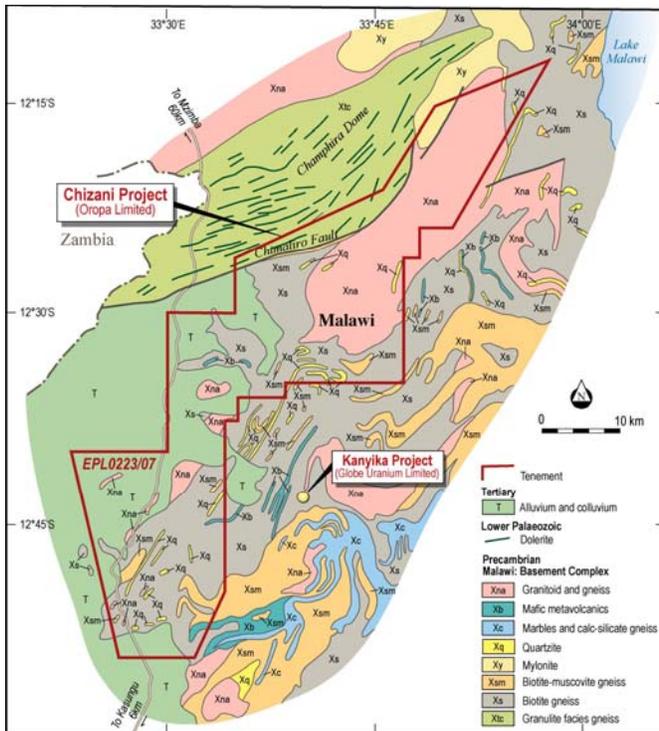
Brief site inspections of both locations were undertaken as part of the MOU agreements. Formal Shareholders Agreements are currently being prepared for new Malawian joint venture companies to be incorporated prior to field activities, which are scheduled to commence in late March.

Chizani Project (100%)

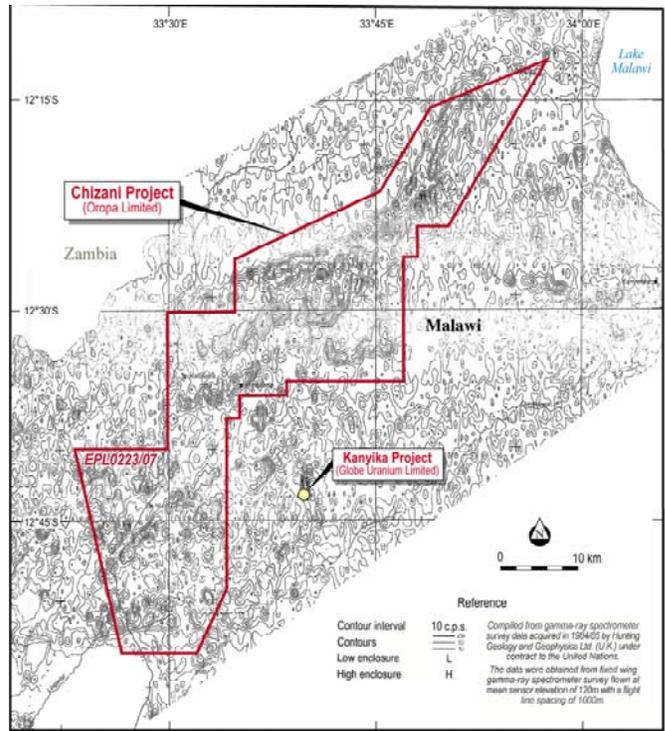
The Chizani project (EPL0223/2007, with an area of 1,283 km²) was the third tenement selected by OEPL due to the area covering a major deformation zone, which is often an environment where mineralisation occurs. The area is geologically diverse, and contains many uranium radiometric anomalies. Globe's multi-element uranium-niobium-tantalum-zirconium Kanyika project borders Chizani's southern boundary. According to recent ASX announcements, Globe is currently undertaking a scoping study of the Milenje Zone at Kanyika which is scheduled for completion in Q2, 2008. Considering that Globe commenced field programs as recent as July 2006 generated from a radiometric anomaly demonstrates the potential of the area.

The granting of Chizani by the Malawian government in mid-December 2007 was too late for any exploration to be undertaken prior to the onset of the wet season. Similar interpretative studies as completed for Mzimba Northwest and Chitunde are being initiated to permit OEPL to commence stream geochemical surveys early in the coming field season.

**Chizani Project Area Malawi
Geology**



**Chizani Project Area Malawi
Radiometric Contours Uranium**



2.3 PROJECT EVALUATION

The Company is continuing to pursue a number of advanced coal opportunities in Indonesia, particularly in Kalimantan East Kalimantan has become a major world producer of coal in the past 10 years and Oropa is utilising its considerable knowledge of Indonesia to acquire tenements with the potential to quickly advance from exploration to production.

Negotiations are currently well advanced on a group of KPs located in East Kalimantan in relatively close proximity to existing infrastructure. If these negotiations are successful, Oropa will undertake site visits and complete legal due diligence as a prelude to acquiring an interest in these leases.

From Oropa's recent experience, the attrition rate on these evaluations is relatively high and a thorough due diligence and technical appraisal is imperative, prior to entering into any formal commitments to joint venture, or farmin into these projects. However, the rewards are considered to be worthwhile and these evaluation processes continue.



PHILIP C CHRISTIE
Director

31 January 2008

Note 1: *It is advised that in accordance with the Australian Stock Exchange Limited Listing Rule 5.6, the information in this report that relates to Exploration Results is based on information compiled by Mr. Dean Pluckhahn, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Pluckhahn is a full time employee of Oropa Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit which is under consideration and to the activity which he is 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. Dean Pluckhahn consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

Note 2: *All statements in this report, other than statements of historical facts that address future timings, activities, events and developments that the Company expects, are forward looking statements. Although Oropa Ltd, its subsidiaries, officers and consultants believe the expectations expressed in such forward looking statements are based on reasonable expectations, investors are cautioned that such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward looking statements. Factors that could cause actual results to differ materially from forward looking statements include, amongst other things commodity prices, continued availability of capital and financing, timing and receipt of environmental and other regulatory approvals, and general economic, market or business conditions*

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

OROPA LIMITED

ABN

77 009 241 374

Quarter ended ("current quarter")

31 DECEMBER 2007

Consolidated statement of cash flows

	Current quarter	Year to date (6 months)
	\$A	\$A
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(598,762)	(1,250,425)
(b) development	-	-
(c) production	-	-
(d) administration	(217,734)	(417,666)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	7,559	20,128
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
	(808,937)	(1,647,963)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	(4,667)	(13,541)
1.9 Proceeds from sale of:		
(a)prospects	-	-
(b)equity investments	20,000	20,000
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – cash acquired on purchase of subsidiary	-	-
	15,333	6,459
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(793,604)	(1,641,504)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(793,604)	(1,641,504)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	977,040	1,024,437
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(294)
1.18	Dividends paid	-	-
1.19	Other – cost of share issue	(65,960)	(65,960)
	Net financing cash flows	911,080	958,183
	Net increase (decrease) in cash held	117,476	(683,321)
1.20	Cash at beginning of quarter/year to date	623,552	1,450,311
1.21	Exchange rate adjustments to item 1.20	(3,482)	(29,444)
1.22	Cash at end of quarter	737,546	737,546

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
1.23	Aggregate amount of payments to the parties included in item 1.2	81,227
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

NOT APPLICABLE

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

NOT APPLICABLE

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

NOT APPLICABLE

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

	\$A
4.1 Exploration and evaluation	300,000
4.2 Development	-
Total	300,000

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	Previous quarter \$A
5.1 Cash on hand and at bank	688,096	574,101
5.2 Deposits at call – Bank Guarantee	20,000	20,000
- Letter of Credit	29,450	29,450
- Term Deposit	-	-
5.3 Bank overdraft	-	-
5.4 Other – Share Purchase Plan A/c	-	-
Total: cash at end of quarter (item 1.22)	737,546	1,450,311

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 <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	165,649,884	165,649,884		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	10,300,555 10,000,001	10,300,555 10,000,001	\$0.045 \$0.05	\$0.045 \$0.05
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>	12,791,441 2,700,000 500,000	12,791,441 2,700,000 500,000	<i>Exercise price</i> \$0.20 \$0.13 \$0.12	<i>Expiry date</i> 31/01/2010 31/12/2009 20/10/2008
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter	13,280,376	13,280,376	<i>Exercise price</i> \$0.50	<i>Expiry date</i> 31/12/2007
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ 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 /does not* give a true and fair view of the matters disclosed.

Sign here:  Date: 31/01/2008
.....
(Director)

Print name: PHIL CHRISTIE

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.