



## Aussie Q Resources Limited

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ASX:AQR

27 July 2010.

The Manager  
Australian Securities Exchange  
PO Box 7055  
Riverside Centre  
Brisbane QLD 4001

Dear Madam,

### **Report on Activities and Appendix 5B - June Quarter 2010**

The Company is pleased to provide the following report on activities for the three month period ending 30 June 2010.

#### **Exploration Activities**

During the period, the Company has been drilling the Whitewash South prospect and other areas within the greater Whitewash area on EPM 14628 (100% AQR owned). Two drill rigs have been active at Whitewash, with a Reverse Circulation rotary hammer (RC) rig drilling pre-collar holes to around 200m for the Diamond Core rig to continue the drilling to a minimum of 350m depth. Numerous drill holes have exceeded the design depth of 350m because of good mineralisation being encountered in the holes, to date the deepest hole is 654.7m.

During the Quarter, the Company drilled a total of 5,531.5m of RC and 3,420m of Diamond core for a total of 8,951.5m. In all, 32 holes were completed during the period. Drilling is continuing and results during the Quarter have revealed large mineralised intersections in many of the completed drillholes. As results have become available they have been released to the ASX. The Whitewash South mineralisation is a few hundred metres south of the 71.5million ton inferred Mo/Cu resource already announced to the market at Whitewash/Gordons. To date the mineralisation has been extended over a region that is 2km long and 850m wide and it is open in all directions and at depth. Drilling during the current Quarter will continue to expand on the region hosting mineralisation and provide more data to connect the initial resource discovery to the north with the Whitewash South mineralisation to the south.

At the same time the northern end at Gordons will be extended to assess further surface expressions of mineralisation, as well drilling at other locations on the AQR permits is planned.

Analysis of the Whitewash South drilling data to date shows that the bulk of the polyphase multi-element mineralisation is associated with many intrusive events, each potentially increasing the average grade of the associated minerals and the overall size. Aggregate intersections in the better drill holes during the Quarter include:

103D - 151m 600ppm Mo, 0.13% Cu and 144ppm Tungsten  
106D - 128m 547ppm Mo, 0.12% Cu and 74ppm Tungsten  
108D - 139m 448ppm Mo, 0.15% Cu and 34ppm Tungsten  
111D - 81m 703ppm Mo, 0.11% Cu and 133ppm Tungsten.

Also, higher grades of copper were intersected in some holes, the aggregate intersection in Hole 110 is shown below:

110 - 64m 308ppm Mo, 0.27% Cu and 152ppm Tungsten.

Complex mineralised breccias and gaseous phase rock units have been drilled at Whitewash South and present indications are that beneath the present drilling, a large scale mineralised intrusive zone is in place. New drilling at Gordons has revealed shallow higher grade mineralisation that should assist in the early days of any development around Whitewash.

The Company has also been actively assessing other prospective regions of the EPMs held to the west of Monto in Queensland. As well a number of new opportunities have been presented and these have been reviewed. Discussions with a number of parties regarding the continued funding of the Company's exploration programs have also been initiated.


## Corporate

Mr Sydney Griff joined the AQR Board as a Non-Executive Director on May 17, 2010. Mr Griff is a major shareholder of AQR. Mr Thomas Mann joined the AQR Board on June 28, 2010 as the Company's Non-Executive Chairman. Both gentlemen bring a wealth of capital raising and business experience to the AQR Board.

## Appendix 5B

The Company's Appendix 5B cash report is attached.

Yours sincerely,



.....  
John Goody  
Executive Director

*The information in this report that relates to exploration results and mineral resources is based on information compiled by John Leslie Goody, Executive Director of Exploration, Aussie Q Resources Limited and supervised by Dr. Richard Haren who is a Member of The Australasian Institute of Mining and Metallurgy and who has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity undertaken 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. Dr. Richard Haren is a self employed consultant who consults to AQR and has consented to the inclusion in this report of the matters based on this information in the form and context which it appears.*

# 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

AUSSIE Q RESOURCES LIMITED

ABN

91 121 964 725

Quarter ended ("current quarter")

30 June 2010

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a)exploration and evaluation (b)development (c)production (d)administration	(1,163)	(2,368)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	36	118
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Security Deposits GST Payments	(67)	(4)
	(137)	(137)
<b>Net Operating Cash Flows</b>	<b>(1,552)</b>	<b>(3,533)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b)equity investments (c) other fixed assets	-	-
	-	-
	(116)	(130)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	-	-
	-	-
	29	29
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(87)</b>	<b>(101)</b>
1.13 Total operating and investing cash flows (carried forward)	(1,639)	(3,634)

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,639)	(3,634)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	2,533
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 Capital Raising Costs	-	-
	<b>Net financing cash flows</b>	<b>-</b>	<b>2,533</b>
	<b>Net increase (decrease) in cash held</b>	<b>(1,639)</b>	<b>(1,101)</b>
1.20	Cash at beginning of quarter/year to date	3,830	3,292
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>2,191</b>	<b>2,191</b>

**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	207
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Transactions include the payment of Consultancy fees to the associated entities of the Directors, R.Haren, J.Goody & T. Mann, the payment of Superannuation and Directors fees to the Directors, R. Haren, F.Gardiner, E. Newman & S. Griff, as well as the reimbursement of ordinary expenditure incurred by Directors.

**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

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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

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**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	Nil	Nil
3.2 Credit standby arrangements	25	5

The company has a corporate credit card facility for the purpose of company expenses. There are three cards issued with a combined credit limit of \$30,000.

+ See chapter 19 for defined terms.

**Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	1,500
4.2	Development	-
<b>Total</b>		<b>1,500</b>

**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	2,191	3,830
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>2,191</b>	<b>3,830</b>

**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	Nil			
6.2 Interests in mining tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**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 <b>Preference securities</b> <i>(description)</i>	N/A			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A			
7.3 <b>+Ordinary securities</b>	128,822,589	128,822,589		
7.4 Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	N/A			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A			
7.7 <b>Options</b> <i>(each exercisable to 1 fully paid ordinary share)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	2,000,000	N/A	10	<b>31 December 2011</b>
	460,000	N/A	20	<b>31 January 2012</b>
7.8 Issued during quarter	N/A			
7.9 Exercised during quarter	N/A			
7.10 Expired during quarter	N/A			
7.11 <b>Debentures</b> <i>(totals only)</i>	N/A			
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	N/A			

+ 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: 27/7/2010  
(Director/Company secretary)

Print name: Stephen Lonergan  
.....

## 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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