



QUARTERLY REPORT

for the period ending 30 June 2007

HIGHLIGHTS

Record profit result for the 06/07 year to exceed \$55m (unaudited)

Endeavor full year production 51,900 tonnes zinc (up 45% on 05/06) and 26,300 tonnes lead (up 30% on 05/06);

Underground development accelerated and backfill capability expanded to secure increased production at Endeavor;

Cash of \$238m at 30 June 2007;

Project development at Panorama and Broken Hill accelerating.

Endeavor Mine – Zn, Pb, Ag, Cu

- Quarter production of 10,400 tonnes zinc and 4,600 tonnes lead from 235,800 tonnes ore;
- Pastefill distribution system expanded and facilities for direct stope cemented fill commenced to accelerate backfill operations
- Development rates increased

Panorama – Zn, Cu

- Optimisation study confirmed capital cost within the \$213 million estimate;
- Long lead time equipment ordered to meet critical path schedule for start up in 2009;
- Public review environmental document being finalised for submission in the coming quarter;
- Significant drill results at Kangaroo Caves includes **20m at 13.7% Zn** from 112 metres.

Broken Hill, Rasp Mine – Zn, Pb, Ag

- Decline access to Western Mineralisation on schedule and within budget;
- Project start-up accelerated to second half 2008 as major equipment items secured, and plant design nears completion;
- High grade remnant ore identified for inclusion in early production.

Mineral Hill – Au, Zn, Pb, Cu

- Environmental and feasibility studies advanced for recommissioning the operation;
- Extensive copper/zinc/lead mineralisation identified with a combined underground and open cut operation under review;

Sorby Hills – Pb, Ag, Zn

- Scoping studies support open cut development concept based on 10.7 million tonne Inferred Resource of 6.6% Pb, 0.6% Zn and 81 g/t Ag.

Corporate

- Shareholders approved \$200 million convertible note issue and funds received;
- Cash balance of \$238 million supports capital investment in new projects.

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ENDEAVOR MINE, COBAR, NSW

Zinc, Lead, Silver

Operations

During the quarter the focus of operations was to develop new stopes in the middle section of the mine to supplement the primary stope production from the 290 level at the base of the mine.

Development was accelerated along with pastefill, which is now operating at near the budgeted level. During June the first large primary stope void was filled with paste demonstrating that a significant number of stopes will be mined during this financial year from secondary stopes alongside pastefill.

Mine Plan

During the quarter, a considerable effort was directed towards developing a detailed mine plan for the next 2 years that would deliver above budgeted production. This plan incorporates 9 kms of development for the first year (including 2 kms for the new upper decline) approximately double the previous amount, to provide the flexibility of 3 stopes to be in production at any one time. It also incorporates 800,000 bcm of cemented backfill in the first year, 50% of which is to be supplied by an independent contractor through direct cement fill from surface via bore holes.

This accelerated development and pastefill programme will enable access to multiple high grade stopes from the middle area of the mine.

Production

Production was predominantly from the new 290 level at the bottom of the mine. The mining stopes are based on a lower cut-off grade than previously applied in the middle and upper parts of the mine resulting in lower than average grades mined. Grades were also lower due to the high proportion of development ore during the quarter. Access restrictions and long haul distances limited production output of ore delivered to the mill.

Production Results	Mar 2007 Quarter	June 2007 Quarter	12 months 2006/07
Ore Treated (tonne)	259,500	235,800**	974,700
Zinc %	6.6	5.1	6.2
Lead %	3.3	2.5	3.4
Silver g/t	31	35	33
Zinc Concentrate (dry tonne)	28,200	20,800	102,300
Contained zinc (tonne)	14,500	10,400	52,200
Recovery %	84	87.2	85.9
Lead Concentrate (dry tonne)	14,300	9,500	54,200
Contained lead (tonne)	6,900	4,600	26,600
Recovery %	81	78.3	80.7
Contained silver (kg)*	4,400	3,800	17,400

* Pursuant to agreements with CDE Australia Pty Ltd ("CDE"), revenue from sales of this silver accrues to CDE

** Includes 7,400 tonnes of Broken Hill ore treated

The majority of the mine's ore reserves are in the middle section of the mine and these will become the major production area as backfill of past mined areas progresses.

Backfill

Investment in backfilling operations has been accelerated. During the quarter the paste backfill plant and distribution system reached design capacity with critical laminar flow through the system being achieved.

Additional backfilling capacity is being installed through a system of direct fill to stope voids. Holes are being drilled from the surface directly into voids so that cemented fill can be placed from surface that is additional to the fill supplied by the paste plant.



Development

Development rates for ore production are being increased through improved scheduling and planning and the introduction of a mining contractor.

As backfilling and development access advances, stopes in the central section of the mine are expected to progressively come on line and supply a greater majority of the total ore mined from the end of calendar 2007. Ore delivery capacity and efficiencies from the mine will increase on completion of the new upper decline in 2008 and place the mine in a strong position to further increase ore output and decrease costs.

Management

Management of the mine has been strengthened by the appointment of Visko Sulicich to oversee mining operations. Visko has extensive experience in large stope underground base metal mines and is also the General Manager of the Company's Rasp Mine development at Broken Hill. Experienced mining and geotechnical engineers have been added to the Endeavor staff to manage the increased development and mining activity and the transition to the central mine production whilst providing the mine with a technical experience base that has been lacking in recent years.

Water Supply

The water requirements for the Endeavor Mine have historically been sourced from the Burrendong Dam via the river system, a channel and a pipeline operated by the Cobar Water Board. As a consequence of the drought and low water levels in the Burrendong Dam water allocations for mines and other high security users in the Macquarie river system were reduced to 10% of entitlements from 1 July 2007. This reduction was announced when the Dam was at 2.7% of capacity and after recent rains it is now at about 12%. At current drawdown rates, Endeavor's present allocation will be consumed by October 2007 but it is understood that allocations will be reviewed once Burrendong reaches 15% of capacity.

Endeavor has ordinarily drawn some 3 megalitres per day from the Board's system but recent conservation measures have reduced this to about 2.5 megalitres per day. Users of the Board's system are exposed to significant evaporation and other losses (totalling up to 50%) from their allocations and initiatives are being pursued to reduce off-takers exposure to these losses. Water off-take could be further reduced by use of ground water from the Endeavor lease area. Groundwater supply capability is being established within close proximity of the mine to assist with future water requirements.

With the measures indicated above and modest ongoing water allocations, Endeavor production is not expected to be adversely affected by reductions in access to Burrendong Dam water.

Broken Hill Ore

The mill treated a trial 7,400 tonnes of lead-zinc-silver ore from Broken Hill near the end of the quarter. The ore was part of a 15,000 tonnes parcel of remnant ore recovered from the Kintore Open Pit at Broken Hill during the recommencement of operations.

Safety

There were no Lost Time Injuries at the site during the quarter.

PANORAMA PROJECT, W.A.

Zinc, Copper

The development of the Panorama project continued to schedule and budget with final environmental approvals remaining the key to the project start-up date.

A public environmental review process is required by the WA Government and extensive consultation across the relevant Government departments has been undertaken to complete the final document for approval and public display in the December 2007 quarter.

Detailed design and project optimisation studies were undertaken during the quarter and these confirmed the project capital cost was within the \$213 million feasibility capital estimate completed in December 2006. Major long lead time capital items have been ordered and are currently being manufactured for delivery on schedule.



An engineering procurement and management contract for the project is expected to be awarded in the coming quarter. Site works are scheduled to commence in the March 2008 quarter following receipt of final environmental approvals.

The Panorama project is a 1.5 million ore tonnes per year open cut mine and processing facility based on an open cut reserve of 10 million tonnes at 3.7% zinc and 1.5% copper to produce an average 50,000 tonnes zinc and 20,000 tonnes of copper per year.

Extensions to the mineralisation are present beneath the open cut and along strike that are expected to add to the mine life.

Drilling at Kangaroo Caves, 6 kilometres along strike has intersected significant shallow zinc and copper values. The drilling was aimed to test zinc-copper mineralisation within open cut depths. Significant results during the quarter are tabled below.

Table of Drill Hole Data – Kangaroo Caves

Hole No.	From (m)	Interval (m)	Zn%	Cu%
KCC 18	58	15	11.6	0.33
	108	7	0.28	2.69
KCC 19	47	8	1.72	0.99
	60	8	3.44	0.63
KCC 20	101	9	2.63	0.09
	112	20	13.7	0.18
	139	12	2.65	0.06
KCC 21	128	11	1.04	0.16
	139	6	0.41	2.72
KCC 22	41	8	1.73	0.05
	56	2	0.03	1.49
KCC 23	159	2	8.38	0.08
	168	6	1.71	2.54
	174	4	5.04	0.20
KCC 24	182	6	4.55	1.96
KCC 26	146	18	4.21	0.79
KCC 27	146	4	9.81	0.34
KCC 28	187	14	7.87	0.37
	201	2	0.30	3.68
KCC 30	217	7	5.75	0.51
KCC 31	228	13	7.58	.80
	228	6	12.24	1.64

Open cut Resources/Reserves will be calculated for Kangaroo Caves in the coming quarter and have the potential to add to the life of the Panorama Project.

(The Kangaroo Caves deposit is within a mining lease in which CBH is earning a 60% interest from Sipa Resources Limited).



NEWCASTLE SHIPLOADER

This facility handles concentrates for export from four NSW mines. The loader operated without delays during the quarter, the tonnage shipped being determined by the concentrates received and customer shipping schedules.

Production Results	Sep 2006 Quarter	Dec 2006 Quarter	Mar 2007 Quarter	June 2007 Quarter
Loaded Tonnes (WMT)	66,935	98,964	92,319	55,980
Tonnes in storage (WMT - period end)	31,608	34,123	23,031	53,105

RASP MINE, BROKEN HILL

Zinc, Lead, Silver

There was one Lost Time Injury for the quarter and no Medically Treated Injuries.

The decline access to the Western Mineralisation orebody progressed on schedule to 346 metres at the end of the quarter. The project costs are within budget.

Detailed processing plant design and site layout was completed and the capital and operating cost estimates finalised. The plant implementation and construction schedule was also completed with a start up date in the September 2008 quarter subject to receiving the necessary approvals in the September 2007 quarter.

The long lead time items have been secured with the purchase of two second hand ball mills and the crushing plant. This has allowed the project schedule to be accelerated.

The full feasibility study project cost estimate is scheduled for completion in the coming quarter.

The plant is designed for a 750,000 tonnes per annum ore throughput to produce an average of 65,000 tpa zinc concentrate (50% Zn) and 35,000 tpa lead concentrate (70%Pb) containing 800,000 ounces silver.

Approvals were received to commence mining high grade remnant ore that was exposed in the Kintore open cut during the construction of the access for the Rasp Mine decline. An initial parcel of 15,000 tonnes was mined with 7,400 tonnes trucked to the Endeavor Mine for treatment as a trial parcel.

CBH has identified a potential of 2 million tonnes of high grade remnant ore within the main lode based on analysis of old mine records. To date, this analysis has covered 1 kilometre of the 4 kilometres of the strike length of old workings. Underground drilling of remnant ore near the Rasp Mine development will be undertaken during construction of the decline as part of the plan to supply high grade ore to the plant at start-up. Drilling of remnant ore positions within the Kintore open cut is scheduled over the next two quarters to establish open cut ore for early production.

The Rasp Mine is a new underground development at Broken Hill, an otherwise brownfield site. Power, water and rail access are connected to the site with buildings, workshops and general amenities in place. The backbone of the project is the Western Mineralisation (10 million tonnes at 4.9% Zn, 3.5% Pb, 43g/t Ag total Resource), a previously unmined ore system. A further 10 million tonnes is present in the Centenary Mineralisation, a fault displaced depth extension of the Western Mineralisation.

MINERAL HILL MINE

Copper, gold, zinc, lead

Evaluation of past drilling and mine development options has identified extensive zinc-lead as well as copper-gold mineralisation that could support an open cut operation.

Previous mining targeted high grade gold-copper vein systems, the majority of which were mined underground. The mill was unable to treat zinc and lead ores and these were not included in any mine plan.



The Parkers Hill orebody contains both vein and breccia hosted mineralisation that outcrops at the surface. It contains significant widths of zinc-lead and copper-gold values which at open cut grades provides a large tonnage potential.

CBH has commenced the approval process to re-open the mine (closed in mid-2005) at the previous production levels of 200,000 tonnes ore treated per year based on developed underground copper resources. A preliminary feasibility study is in progress to expand the production to 400,000 to 500,000 tonnes ore per year and includes the addition of zinc and lead recovery to the flotation circuit.

The Mineral Hill plant would then be capable of treating ore trucked from the Hera deposit located near Nymagee, 100 kilometres to the north. The Hera deposit is currently under evaluation for production.

Drilling is planned in the coming quarter to confirm the open cut potential of Parkers Hill and obtain samples for metallurgical testwork. Drilling will also test base metal lodes adjacent to underground development aimed at providing start-up production while the open pit design, plant expansion and approvals are being completed.

HERA

Gold, Zinc, Lead, Copper

Government approval was received for an exploration decline to access the Hera deposit and extract bulk samples. Tenders to construct the decline and extract initial ore were received.

A new Mineral Resource was calculated based on 82 drill holes and a revised orebody model that includes zinc and lead mineralisation previously excluded because of lower gold grades. This resulted in an increase in zinc and lead grades, a decrease in gold grade and increase in resource tonnage. The new resource total at a 5% zinc equivalent cut-off grade is:

2.2Mt @ 3.4g/t Au, 4.2% Zn, 3.1 Pb, 0.2% Cu, 18g/t Ag

Further work is in progress to determine the Resource at different cut-off grades.

Feasibility study work is in progress to determine the optimal mine plan for the Hera deposit.

SORBY HILLS

Lead, Silver, Zinc

The Sorby Hills deposit is located in the northern Kimberley Region of WA, 50 kilometres NE from Kununurra and 150 kilometres from the port of Wyndham.

Mineralisation at Sorby Hills is Mississippi Valley type (MVT) similar to that mined at the Lennard Shelf and extends over an 8 kilometre long zone within a limestone host rock. Drilling commenced in the area in the 1960's and over 800 drill holes are present within the mineralised zone.

A scoping study for development has confirmed the potential for the deposits to support an open cut operation. Resource calculations confirmed previous estimates and gave a total in Inferred category of:

10.7Mt @ 6.6% Pb, 0.6% Zn, 81g/t Ag

Drilling will commence in the coming quarter to confirm past drilling, provide metallurgical samples and geotechnical information. This work is expected to upgrade a substantial part of the resource into the Indicated category and provide the basis for a Reserve calculation. Drilling will also test for extensions to mineralisation particularly Zn rich mineralisation in the north.

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EXPLORATION

Cobar District, NSW **Zinc/Lead, Silver, Copper, Gold**

Drilling programmes were undertaken at Wonawinta (silver, lead, zinc), at prospects near the Endeavor Mine and at Sandy Creek (zinc, lead, copper). A major IP survey of prospects in the region of the Endeavor Mine commenced at the end of the quarter.

At Wonawinta shallow silver and zinc mineralisation has previously been intersected in drilling over an extensive area with the highest grade intersection being **10m @ 14.8% zinc from 2m and 4m @ 403g/t silver from 24 metres**. Recent drilling results include 16m @ 1.8% zinc + lead and 90 g/t Ag from 20m and 16m @ 1.5% zinc + lead and 57g/t Ag from 28m.

At Sandy Creek, 40 kilometres south west of Hera 2 previous holes and 3 holes completed by CBH has outlined a broad zone of intense alteration and low grade mineralisation extending over 600 metres that is coincident with an IP anomaly. Further drilling is planned.

Broken Hill District

The focus of exploration has been the coverage of large areas of prospective geology with Niton geochemical sampling. To date more than 47,000 samples have been collected from within the Company's large exploration holding surrounding Broken Hill and areas of strongly anomalous lead-zinc values have been outlined.

Panorama Joint Venture

CBH is earning a 60% interest in tenements that cover a 35 kilometre long zone of mineralised volcanics extending south from the Company's Panorama Project.

Drilling at Kangaroo Caves intersected high grade zinc and copper values within 200 metres of the surface. Results are reported under the Panorama Project.

Drilling was also undertaken on two other mineralised prospects at Jamesons and Breakers with assay results available in the coming quarter.

Napier Range

Drilling commenced late in the quarter to test a series of targets defined by IP geophysical surveys and geochemical sampling. The anomalous zones extend along strike from the Wagon Pass deposit (0.6Mt @ 8.4% Zn and 8.0% Pb) for a distance of 5 kilometres.

CORPORATE

The Group's audited financial results for the year ending 30 June 2007 will be released by the end of August 2007. Subject to audit, the profit should be in excess of \$55 million.

Operations continued to provide strong cash flow with revenue totalling \$260 million for the year (subject to audit).

The Company is now in a strong position to fund the development of its pipeline of new projects.

At 30 June 2007 cash and short term deposits totalled \$238 million (March quarter - \$70 million).

Debt consists of an unsecured loan from Toho Zinc of JPY 1,361.4 million (A\$13 million) and \$4.1 million in equipment hire purchase.

In addition, the Company issued during the quarter \$200 million in convertible bonds (CBHGA) to investors. A convertible note of JPY1,361.4 million (A\$13 million) remains on issue to Toho Zinc.

During the quarter the 9.5% Convertible Notes (CBHG) issued in 2004 were fully redeemed. This had little impact on cash as the majority of notes were converted to shares prior to the redemption date.

The Company acquired a further 10,194,665 shares in Tennant Creek Gold Limited (TNG) at an average price of 84 cents for a total cost of \$8.5 million increasing its interest in TNG from 5.3% to 8.9% of shares on issue.



Financial Risk Management

The company approved a strategy to hedge 25% of its zinc and lead price exposure and associated AUD/USD currency exposure out to September 2008.

The following table shows the lead hedging in place as at 20 July 2007, there being no zinc hedged at that date.

	2007-2008	2008-2009	Total
Lead Forward Contracts			
Tonnes	6,450	1,350	7,800
Price (US\$/t)	2,435	2,499	2,446
Hedged %	19%	4%	11%

The following table shows the currency hedging in place as at 13 July 2007:

	2007-2008	2008-2009	Total
Forward Contracts (\$,000)	3,000	-	3,000
<i>Exchange Rate:</i>	<i>0.8426</i>	-	<i>0.8426</i>
AUD Call Options	6,000	-	6,000
<i>Exchange Rate:</i>	<i>0.8437</i>	-	<i>0.8437</i>
Total	9,000	-	9,000
<i>Exchange Rate:</i>	<i>0.8433</i>	-	<i>0.8433</i>

METAL PRICES

The LME zinc price averaged US\$1.66/lb for the quarter compared to US\$1.64/lb for the year to June 30 2007.

LME lead prices increased by 35% during the quarter averaging US\$1.20/lb with a 50% increase over the 12 month period.

CBH RESOURCES LIMITED

Robert E. Besley
Managing Director

25 July 2007

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled or supervised by Robert E. Besley Greg Jones and Stan Wholley who are Members of The Australasian Institute of Mining and Metallurgy and who are full time employees in the CBH Group. They each have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Each has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears