



QUARTERLY REPORT

For the three months ending 30 June 2010

HIGHLIGHTS

SIHAYO PUNGKUT GOLD PROJECT, INDONESIA (75%)

- Infill drilling completed at the Sihayo resource, a new JORC compliant resource estimate has been calculated and stands at:
9.6Mt at 3.0g/t Au for 910,000 oz
- The new resource estimate has resulted in 90% of the Sihayo resource being upgraded from Inferred to Indicated Category
- Gold grade has improved by 25% from the previous JORC statement and the resource remains open to the north, east and south.
- Total project, JORC estimate, including the Sambung resource stands at:
10.7 Mt at 2.9g/t Au for 1.01 million oz
- Significant previously unreported drill results included:
 - SHDD 343 – 24m at 2.5g/t Au from 1m
 - SHDD 346 – 13m at 4.1g/t Au from 77m
 - SHDD 360 – 11m at 3.0g/t Au from 2m
 - SHDD 363 – **5.3m at 8.1g/t Au from 82m**
and – **9.9m at 3.1 g/t Au from 92m**
 - SHDD 373 – 21m at 3.7g/t Au from 66m
 - SHDD 375 – 12m at 5.2g/t Au from 137m

CORPORATE

- Paul Willis an Executive Director of the Company was appointed Chief Executive Officer.
- Two new Non Executive Board appointments, Mr Peter Bilbe (Chairman) and Mr John Blake, bring significant international mining and development experience to the Board.
- Company ended the June Quarter with \$1.4 million in cash and is debt free.

REVIEW OF OPERATIONS

1. Sihayo Pungkut Gold Project, Sumatra (75%)

The Company recently announced the new upgraded JORC compliant resource estimate of **9.6Mt at 3.0g/t Au containing 910,000 ounces of gold** for the Sihayo resource within its 75% owned Sihayo Pungkut gold project in North Sumatra, Indonesia (refer Figure 1).

The new estimate is based on an extensive infill drilling program completed between December 2009 and May 2010. The upgraded estimate for the Sihayo resource takes the total project JORC compliant resource to **10.7Mt at 2.9g/t containing 1.01 million ounces**.

Table 1: Updated resource estimates.

PROSPECT	Tonnage Mt	Grade Au g/t	Contained Au ounces	JORC Classification	Cut off grade Au g/t
SIHAYO	8.5	3.0	828,000	Indicated	1.2
	1.1	2.3	82,000	Inferred	1.2
Total	9.6	3.0	910,000	Indicated + Inferred	1.2
SAMBUNG	1.1	2.6	100,000	Inferred	1.5
PROJECT TOTAL	10.7	2.9	1,010,000	Indicated + Inferred	

The Company's CEO, Mr Paul Willis said "Infill drilling results and new resource figures are very encouraging and the substantial increase in the gold grade is economically very significant. This new resource estimate lays down a solid foundation for the ongoing Definitive Feasibility Study ("DFS") with the Company now confident of taking the project through to production."

"It is also clear that the resource is constrained by drilling in a number of directions and that mineralisation is expected to extend beyond the current resource outline. Ongoing exploration / resource extension drilling will continue to seek to identify the overall resource potential of the Sihayo - Sambung area".

In addition to the excellent Sihayo JORC resource report, significant work and progress has been made on the DFS and we remain on target for a December 2010 completion.

The September and December Quarters of 2010 shall be very busy periods for the Company, with ongoing drilling adjacent to and along strike of the existing resource, commencement of a significant exploration program on mineralised targets in the southern part of the Contract of Work ("COW") area, completion of the DFS and commencement of full engineering works as required before construction can commence.

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Figure 1: Sihayo Pungkut project area North Sumatra including key prospects

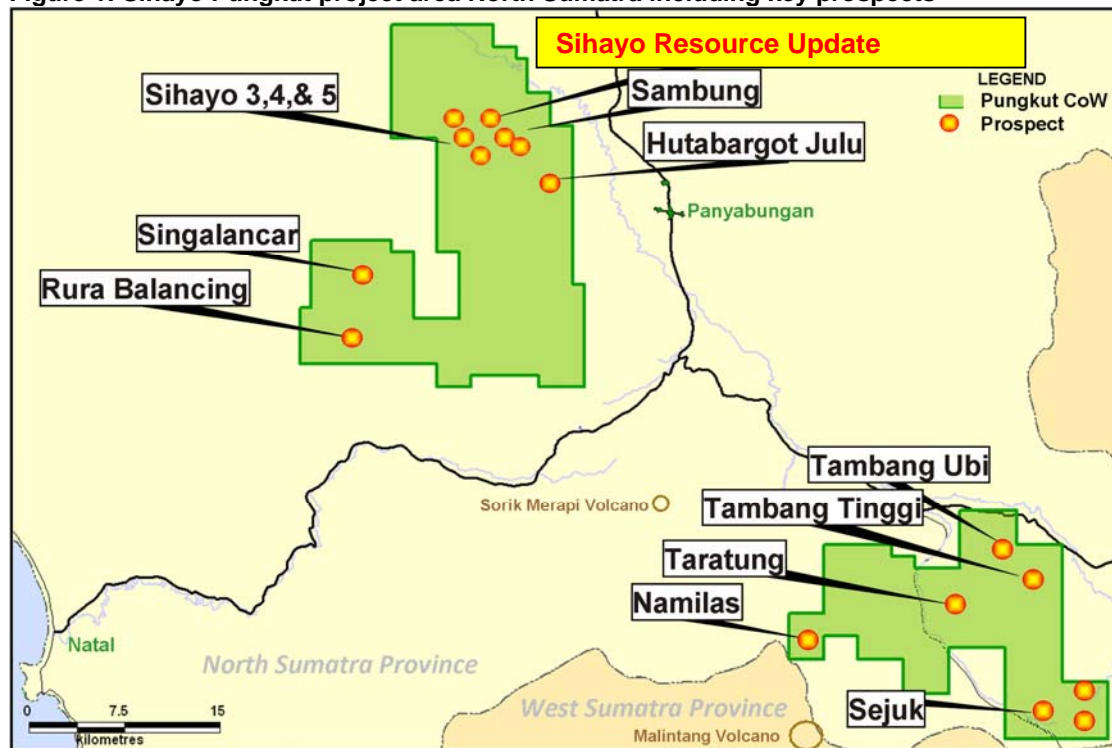
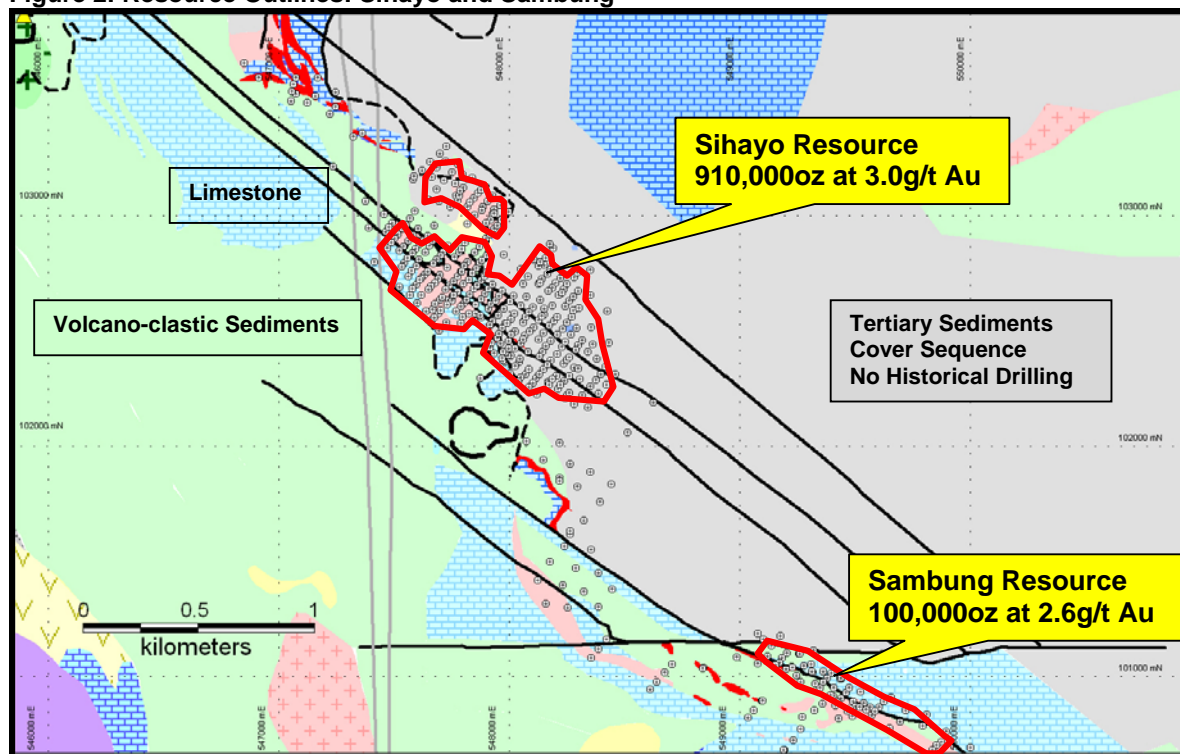


Figure 2: Resource Outlines: Sihayo and Sambung



1.1 Sihayo Resource

During the Quarter the Company completed a total of 105 infill drill holes at the Sihayo Resource for a total of 10,728 metres. Figure 3 shows the drillhole locations and all significant results for the Quarter are included in Table 2.

The new resource estimate covers an area of approximately 1.2 km by 0.6km and is based on approximately 320 diamond drill holes, which were drilled on a nominal 25 metre by 50 metre grid. The mineralisation at Sihayo is a jasperoid replacement style of mineralisation hosted within a Permian sedimentary limestone and marble sequence. Drilling identified two primary sub horizontal gold zones; firstly, an upper zone at the top of the limestone unit where it is unconformably overlain by younger Tertiary sediments, and secondly, a lower horizon within a more silty, limestone interbed. The infill drilling confirmed the geological continuity of these horizons at Sihayo but also highlighted a series of thicker high grade zones with grades up to **19m at 13.4g/t Au** and **26m at 9.4g/t Au** within the lower horizon.

The resource is exposed at surface at its northwestern end and extends to a depth of 200 metres along strike at its southeastern end. The resource is highly oxidized to depths of about 40 metres and there are variable levels of oxidation down to about approximately 150 metres depth.

The Sihayo deposit was estimated by Runge Limited using Ordinary Kriging grade interpolation, constrained by mineralisation envelopes prepared using a nominal 0.5g/t gold cut-off grade for the lower grade upper weathered zone, and 1.0g/t Au in the deeper higher grade zones. In all cases a minimum downhole intercept length of 2m was adopted. The block dimensions used in the model were 25m EW by 10m NS by 5m vertical with sub-cells of 6.25m by 2.5m by 1.25m. Statistical analysis of the deposit determined that no high grade cuts were required in the estimate. Grades were estimated using Ordinary Kriging. Bulk density was assigned in the model based upon the results of 853 bulk density determinations.

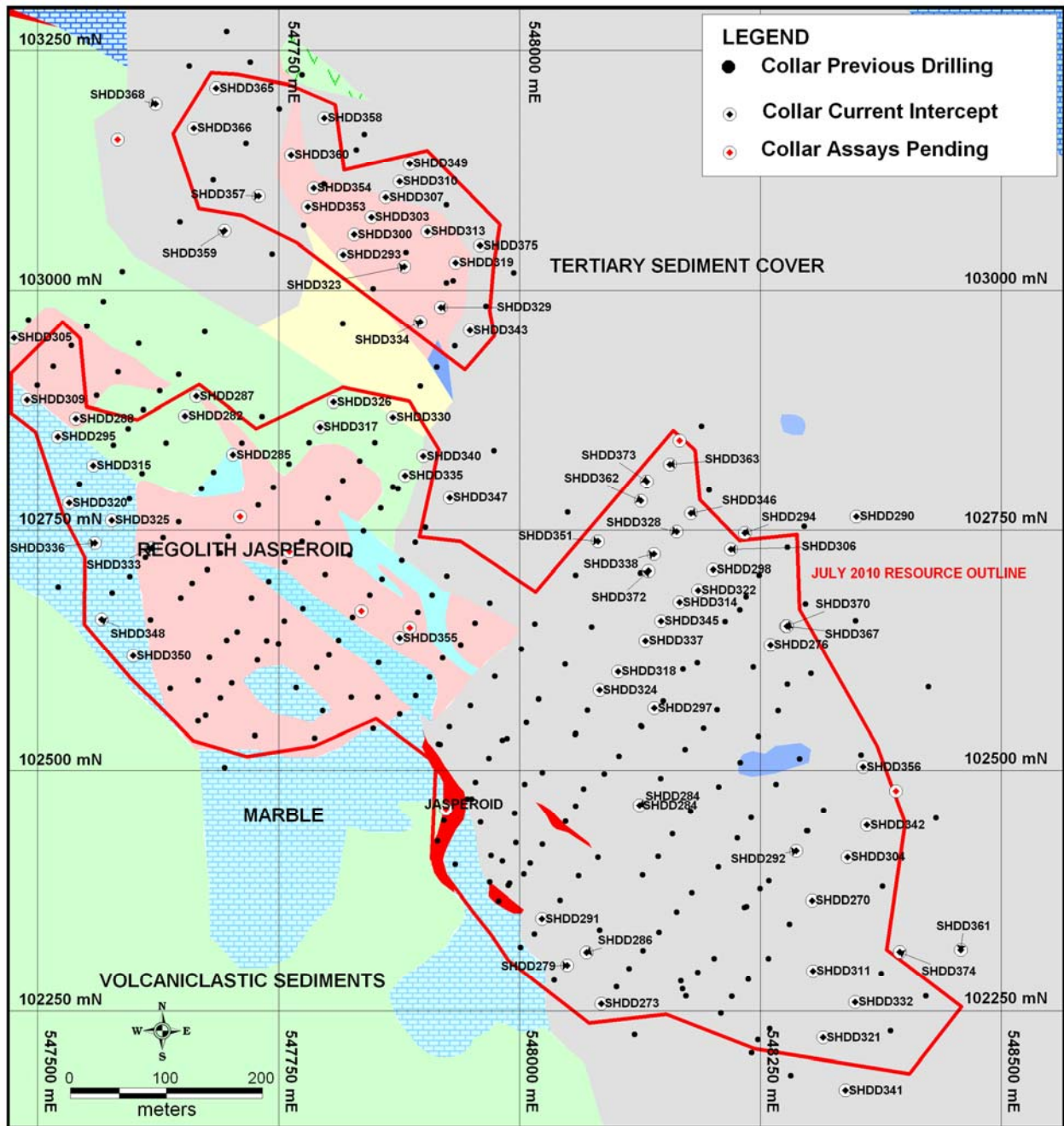
The resource is primarily constrained by drilling on the northern, eastern and southern sides and there remains excellent potential to expand the resource with additional drilling outside the current resource boundaries below the Tertiary cover. In addition, numerous holes from previous drilling in the region extending SSW from the Sihayo resource (refer Figure 2) intersected gold mineralisation over 1g/t. Significant results from this region included **23m at 3.0g/t Au, 7m at 2.9g/t Au and 8.3m at 3.7g/t Au** and suggest there is significant potential to add additional resource in the region between the current Sihayo and Sambung resources. Exploration drilling will continue through the remainder of the year in this area.

The Company received results for the last 36 holes (**SHDD 339 to 375**) of the Infill drilling program at Sihayo subsequent to the last ASX announcement on June 14. Significant results from these holes included;

SHDD 343	24m at 2.5g/t Au from 1m
SHDD 346	13m at 4.1g/t Au from 77m
SHDD 360	11m at 3.0g/t Au from 2m
SHDD 363 and	5.3m at 8.1g/t Au from 82m 9.9m at 3.1g/t Au from 92m
SHDD 373	21m at 3.7g/t Au from 66m
SHDD 375	12m at 5.2g/t Au from 125m

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Figure 3: New Sihayo Resource Outline Showing Drilling



1.2 Definitive Feasibility Study (“DFS”)

The DFS has progressed well during the Quarter and remains on schedule for December 2010 completion.

As mentioned earlier in this report, the infill drill program was completed and the new JORC compliant resource estimate was completed by Runge Limited.

Metallurgical test work being completed by Ammtec and managed by Alan Bax of Ozmet is near completion with early results indicating a standard CIL process is required.

Orway Mineral Consultants (“OMC”) have completed the mill selection for the plant.

With the completion of the resource model, Minesure are now working to complete the mine model to determine the best mine plan for the resource.

GHD is in the final stages of the geotechnical study for the tailings dam site and will commence the DFS design of the TSF dam wall and infrastructure soon.

Water Management Consultants are working to complete the site water balance and discharge treatment requirements.

Contromation, a Jakarta based engineering group, continue to work on overall DFS engineering and are well placed to complete the DFS within the stated time frame.

Golder and Associates have completed the environmental baseline study and now moved straight into the full AMDAL study as required by Indonesian regulations.

Field studies into the potential use of hydro electricity to power the Sihayo plant were completed during the quarter. We are now looking to move forward with a preferred group and complete a detailed feasibility study for the hydro power option by December 2010.

1.3 Regional Activities

Regional exploration recommenced late in the Quarter with reconnaissance field trips to the Tambang Tinggi and Taratung Prospects in the South Block (Figure 1). The aim of the work was to select targets for drilling during the next two quarters.

Previous exploration at Tambang Tinggi identified a 1.5km by 0.5km zone of highly anomalous gold in geochemical and rock chip sampling. A first pass, five hole, follow up drilling program was subsequently completed and intersected significant gold mineralisation; 112m at 1.5 g/t Au including **25m at 4.6g/t Au**.

The Taratung Prospect is a highly prospective epithermal gold vein target. Previous mapping and sampling identified 1km long vein system with rock chip samples up to **170 g/t Au and 380g/t Ag**. Subsequent trench sampling returned an assay interval of **5m at 58g/t Au and 312g/t Ag**.

2.0 Malawi (Uranium) 100%

No activities were carried out during the Quarter.

The Company submitted a request for renewal of the exploration licences until mid 2011 and is currently awaiting confirmation of the extensions.

3.0 India (Diamonds) 9-10%

No progress has been made during the Quarter in resolving the legal status of the diamond tenements in India.

The Company remains relatively optimistic that its Indian JV Partner will be successful in gaining access to the tenement and application areas in the future. In the meantime, there is minimal cost to Sihayo in maintaining its current equity position.

4.0 Corporate Activities

During the Quarter, 19.5 million options were exercised at \$0.05 by the Summit Investment Pty Ltd this represents the second tranche of options issued in the funding package approved at the 2009 AGM. The exercise of these options shows the continuing financial support by the Indonesian investment group.

The Company also announced a number of significant changes to the Management Team and Board. Mr Paul Willis formally an executive Director was appointed the CEO of the company and Mr Tony Martin stepped down as CEO.

Mr Peter Bilbe was appointed as the new Non-Executive Chairman of the Company. Mr Bilbe is a Mining Engineer with over 35 years experience covering a range of mining industry management positions. Over the past three years he has held directorships in Mount Gibson Iron Limited, RMA Energy Limited, Aurox Resources Limited, Northern Iron Limited, Independence Group NL and Norsman Gold Plc.

Mr John Blake was appointed a Non-Executive Director of the company. Mr Blake is an Engineer with over 30 years of international mining industry experience, including 13 years in senior management roles in Indonesia.

Mr Ian Macpherson resigned as a director of the Company.

Subsequent Event

On the 27th of July the Company announced a fully underwritten, private placement of 76.9 million shares at A\$0.14c per share to raise a total of A\$10.8 million.

Yours faithfully,

SIHAYO GOLD LIMITED



Paul Willis
Chief Executive Officer
29th July 2010

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 and Resources is based on information compiled by Mr Tony Martin, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Martin, a consulting geologist, is the principal of TRM Consulting Pty Ltd. Mr Martin has sufficient experience which is relevant to the style of mineralisation and type of deposit which is under consideration and to the activity which Sihayo Gold is undertaking 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". Mr Martin consents to the inclusion in this report of the matters based on 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 Sihayo Gold 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.

Table 2: Significant Drill Results at Sihayo (>1g/t Au) June Quarter 2010

HOLE ID	EAST	NORTH	AZI	DIP	FROM	TO	INTERCEPT	Au g/t
SHDD270	548303.8	102364.9	0	-90	128	143	15	2.4
SHDD273	548084.7	102257.3	0	-90	11	12	1	2.6
					21	26	5	1.6
SHDD276	548260.4	102631	40	-90	41	47	6	1.4
SHDD279	548049.7	102297.5	0	-90	9	19	10	3.5
					23	26.4	3.4	9.2
SHDD282	547652.6	102869	0	-90	26	31	5	2.0
					40	41	1	1.7
SHDD284	548124.7	102463.7	0	-90	6	12	6	3.6
					72	73.25	1.25	3.8
SHDD284	548124.7	102463.7	0	-90	91	115	24	4.5
SHDD285	547702.5	102828.7	0	-90	6	7	1	1.2
					17	26	9	1.7
SHDD286	548069.6	102311.1	40	-90	31	32	1	1.4
SHDD287	547664.7	102889.5	0	-90	19	20	1	2.6
					66	68	2	1.0
SHDD288	547539.5	102866.3	0	-90	20	22	2	1.1
					41	42	1	1.4
SHDD290	548349.8	102764.1	40	-90	23	24	1	2.0
SHDD291	548023.4	102345.8	40	-70	5	14	9	3.6
SHDD292	548287.1	102416.1	40	-90	103	105	2	2.3
					109	112	3	3.3
					116	125	9	7.3
SHDD293	547817.1	103037.3	0	-90	2	3	1	2.5
SHDD294	548234.1	102746.9	0	-90	19	21	2	1.7
SHDD295	547520.9	102847.7	0	-90	13	21	8	2.4
					39	41	2	3.4
SHDD297	548140	102564.7	0	-90	59	61	2	6.7
					64	68	4	2.4
					72	73	1	1.6
					165	166	1	1.3
SHDD298	548201	102709.1	0	-90	20	43	23	4.9
					53	63	10	4.8
SHDD300	547828.3	103058.1	40	-90	2	5	3	1.4
					10	12	2	2.5
SHDD303	547846.4	103076.2	0	-90	1	9	8	1.1
					15	23	8	2.3
					38	40	2	1.0
SHDD304	548340.4	102409.8	0	-90	90	101	11	4.6
SHDD305	547475.5	102950.3	0	-90	0	1	1	1.2
SHDD306	548219.7	102729.9	40	-90	19	24	5	1.7

Table 2 (Cont)

HOLE ID	EAST	NORTH	AZI	DIP	FROM	TO	INTERCEPT	Au g/t
SHDD307	547861	103097	0	-90	104	105	1	1.3
					111	118	7	2.2
					124	127	3	1.8
SHDD309	102885.7	547488.9	0	-90	3	4	1	3.2
SHDD310	103113.8	547875.8	40	-90	3	4	1	1.7
					7	18	11	1.4
SHDD311	102291.4	548304.5	40	-90	120	128	8	5.2
SHDD313	103061.4	547904.7	0	-90	6	30	24	3.0
					63	69	6	1.3
					101	113	12	1.9
					116	125	9	1.1
SHDD314	102675.3	548166	40	-90	54	56.5	2.5	4.0
					57.5	60.5	3	3.4
SHDD315	102817.5	547557.4	0	-90	13	17	4	2.0
					20	25	5	1.7
SHDD316	102058.5	548511.2	0	-90	277	285.25	8.25	3.7
SHDD317	102857.7	547793	40	-90	1	6	5	1.8
					46	48	2	2.8
					54	55	1	1.4
SHDD318	102603	548102.2	40	-90	43	50	7	1.5
SHDD319	103028.9	547933.7	40	-90	61	62	1	1.5
					67	68	1	1.6
					101	110	9	2.4
SHDD320	102778.4	547532.5	0	-90	7	9	2	3.6
SHDD321	102222.2	548315.3	40	-90	133	140	7	6.9
SHDD322	102687.6	548185.4	0	-90	28	30	2	2.0
					56	58	2	1.8
SHDD323	103024.8	547880.6	40	-90	7	11	4	1.2
					21	25	4	1.7
					73	74	1	1.6
					77	78	1	1.0
SHDD324	102583.6	548083.4	40	-90	33	36.9	3.9	2.2
					42	43.35	1.35	1.1
SHDD325	102760.3	547576.6	40	-70	1	2	1	1.6
					33	42	9	2.2
					49	51	2	2.3
					74	75	1	1.1
SHDD326	102883.3	547807.2	0	-90	12	13	1	1.4
SHDD327	102189.5	548623.9	40	-90	178	182	4	2.0
					188	189	1	2.0
					215	217	2	1.2
					230	231	1	1.8
SHDD328	102748.4	548163.3	40	-90	61	63	2	1.1
					67	80	13	3.3

Table 2 (Cont)

HOLE ID	EAST	NORTH	AZI	DIP	FROM	TO	INTERCEPT	Au g/t
SHDD329	102982.2	547918.5	0	-90	21	22	1	1.2
SHDD330	102867.8	547868.5	40	-90	58	59	1	1.6
					62	67	5	1.5
SHDD332	102259.2	548348.5	0	-90	152	171	19	13.4
SHDD333	102731.5	547618.3	40	-70	0	3	3	1.1
SHDD334	102966.9	547896.9	0	-90	3	14	11	3.5
SHDD335	102807.1	547881.1	40	-90	2	4	2	3.9
					9	10	1	1.8
					32	33	1	1.1
					81	83	2	1.3
SHDD336	102736.5	547559.4	40	-90	4	5	1	1.8
					10	11	1	2.2
SHDD337	102635.3	548130.9	40	-90	69	72	3	3.2
					100	111	11	6.7
SHDD338	102725.4	548139.5	40	-90	23	34	11	5.0
					37.25	56.5	19.25	2.4
SHDD340	102827.4	547900.1	40	-90	29	32	3	4.2
SHDD341	102167.5	548338.2	40	-90	226	227	1	1.4
					230	231	1	1.2
					237	251	14	1.8
SHDD342	102443.2	548360.5	0	-90	95	111.8	16.8	3.1
SHDD343	547948	102958	40	-90	1	25	24	2.5
					29	31	2	1.4
SHDD345	548147	102656	0	-90	86	96	10	2.3
SHDD346	548178	102767	0	-90	67	70	2.6	5.5
					77	90	13	4.1
SHDD347	547928	102784	0	-90	77	78	1	1.7
SHDD348	547566	102657	0	-90	0	2	2	1.1
SHDD349	547886	103133	0	-90	0	2	2	1.2
SHDD350	547599	102619	0	-90	0	6	6	1.2
SHDD351	548081	102738	0	-90	60	64	4	2.5
SHDD353	547781	103087	0	-90	19	23	4	1.4
SHDD354	547787	103107	0	-90	3	5	2	1.3
SHDD355	547876	102638	0	-90	2	4	2	1.8
					7	11	4	2.0
SHDD356	548357	102504	0	-90	95	99	4	1.7
					106	109	3	2.6
SHDD357	547729	103098	0	-90	29	44	15	2.2
SHDD358	547797	103180	40	-90	4	6	2	1.2
					14	18	4	1.4
SHDD359	547694	103062	0	-90	14	15	1	2.4
SHDD360	547763	103142	0	-90	2	13	11	3.0
SHDD361	548458	102314	0	-90	264	266	2	1.8
SHDD362	548126	102781	0	-90	71	74	3	2.6

Table 2 (Cont)

HOLE ID	EAST	NORTH	AZI	DIP	FROM	TO	INTERCEPT	Au g/t	
SHDD363	548156	102819	0	-90	82	87	5.3	8.1	
						90	91	1	3.1
						92	102	9.9	3.1
SHDD365	547685	103211	0	-90	20	22	2	1.5	
SHDD366	547662	103170	0	-90	23	31	8	2.3	
SHDD367	548277	102650	0	-90	11	13	1.5	1.4	
					45	46	1	1.4	
SHDD368	547622	103195	0	-90	49	50	1	1.6	
SHDD370	548278	102650	0	-90	12	13	1	1.7	
						45	46	1.2	1.1
						113	115	2	3.3
SHDD372	548134	102707.7	0	-90	51	56	5	1.1	
						61	65	4	4.3
SHDD373	548132	102801	40	-90	39	40	1	1.9	
						66	87	21	3.7
SHDD374	548394.9	102311.5	40	-90	226	227	1	3.1	
SHDD375	547959.3	103046.7	40	-90	125	137	12	5.2	

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. Sampling regime as quarter core for PQ and half core for NQ and HQ diameter core
7. Quality Assurance and Quality Control (QAQC):
8. Coordinates in UTM grid system

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

SIHAYO GOLD LIMITED

ABN

77 009 241 374

Quarter ended ("current quarter")

30 JUNE 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter	Year to date (12 months)
	\$A	\$A
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(3,813,349)	(7,889,085)
(b) development	-	-
(c) production	-	-
(d) administration	(282,410)	(872,745)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	12,005	62,534
1.5 Interest and other costs of finance paid	-	(86,162)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(4,083,754)	(8,785,458)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	(67,763)	(231,604)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	5,000
(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	-	-
Net investing cash flows	(67,763)	(226,604)
1.13 Total operating and investing cash flows (carried forward)	(4,151,517)	(9,012,062)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(4,151,517)	(9,012,062)
	Cash flows related to financing activities		
1.14	Proceeds from convertible notes issued	-	5,000
1.14	Proceeds from issued shares	1,143,269	9,439,986
1.14	Proceeds from shares to be issued through SPP	-	-
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 – cost of share issue	(14,264)	(104,061)
	Net financing cash flows	1,129,005	9,340,925
	Net increase (decrease) in cash held	(3,022,512)	328,863
1.20	Cash at beginning of quarter/year to date	4,345,774	960,522
1.21	Exchange rate adjustments to item 1.20	77,115	110,992
1.22	Cash at end of quarter	1,400,377	1,400,377

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	96,684
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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.

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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	500,000
4.2 Development	-
Total	500,000

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	1,356,513	4,301,910
5.2	Deposits at call – Bank Guarantee - Term Deposit	20,000 23,864	20,000 23,864
5.3	Bank overdraft	-	-
5.4	Other – Share Purchase Plan A/c	-	-
Total: cash at end of quarter (item 1.22)		1,400,377	4,345,774

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	-	-	-	-
6.2	-	-	-	-

+ 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	513,067,808	513,067,808	N/A	N/A
7.4 Changes during quarter (a) Increases through exercise of options (b) Decreases through returns of capital, buy-backs	19,500,000 3,365,384		\$0.05 \$0.05	\$0.05 \$0.05
7.5 +Convertible debt securities <i>(Convertible Notes)</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>	13,280,376 8,500,000 11,609,116 7,500,000 3,000,000 2,000,000 2,000,000	13,280,376	<i>Exercise price</i> \$0.20 \$0.15 \$0.05 \$0.05 \$0.05 \$0.075 \$0.10	<i>Expiry date</i> 31/01/2011 31/05/2013 31/08/2011 26/08/2011 31/08/2011 30/06/2012 30/06/2013
7.8 Issued during quarter	2,000,000 2,000,000		<i>Exercise Price</i> \$0.075 \$0.10	<i>Expiry Date</i> 30/06/2012 30/06/2013
7.9 Exercised during quarter	19,500,000 3,365,384	- -	<i>Exercise Price</i> \$0.05 \$0.05	<i>Exercise Date</i> 28/05/2010 30/06/2010

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7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

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: 29 July 2010
(Company Secretary)

Print name: DEAN CALDER

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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