

13 August 2010

Amended Quarterly Activities Report

Australian iron ore company Australasian Resources Ltd (Australasian or ASX: ARH) hereby advise that a revised version of the Quarterly Activities Report with additional detail as per Section 18 of the JORC Code in regards to the Mt Salt tenement.

Australasian has also released the revised Appendix 5B which has a new expanded Section 4 which includes Production and Administration in the Estimated Cash Outflows for the Next Quarter.



Grant Ryan
Company Secretary

ASX Code: ARH

Company overview

Australasian Resources is an iron ore company currently developing the world-class Balmoral South Iron Ore Project in the Pilbara region of Western Australia.

Fast Facts

ASX Code: ARH
Shares on Issue: 442M

Board of Directors

Mr Domenic Martino	Chairman
Mr Clive Mensink	Deputy Chairman
Mr Vimal Sharma	Director
Mr Paul Piercy	Director

Company Secretary

Mr Grant Ryan

Chief Executive Officer

Mr Zhenya (Dio) Wang

Major Shareholding

Professor Clive Palmer	66.37%
Timefull Investments (Shougang Concord)	6.33%
Mount Sun Investments Ltd (APAC Resources)	4.74%
Australian Minerals (Hong Kong) Holding Ltd	3.49%

Balmoral Project Highlights

- Right to mine 1 billion tonnes of magnetite iron ore;
- Feasibility Study Completed;
- Federal Ministerial Approval;
- State Ministerial Approval.

Media contact

PPR (WA) Mr David Tasker
Tel: +61 8 9388 0944

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30 July 2010

QUARTERLY REPORT FOR THE PERIOD ENDING 30 June 2010

HIGHLIGHTS

Major events for Australasian Resources Ltd (“Australasian” or “Company”) (**ASX: ARH**) during the quarter were as follows:

CORPORATE

- Managing Director, Andrew Caruso resigned from Australasian Resources during the quarter. Dio Wang appointed Chief Executive Officer of Company effective from July 28.

BALMORAL SOUTH IRON ORE PROJECT

- Two site visits with potential strategic investors were held during the quarter. Parties are currently evaluating technical and commercial information associated with the Company and the project.

CORPORATE

HEALTH AND SAFETY

No safety incidents were reported during the quarter.

OTHER STRATEGIC INVESTORS AND/OR OFF-TAKE PARTNERS

ARH hosted site visits during the quarter for two steel producing companies. Technical and commercial meetings were held pre and post the site visits with both companies now evaluating detail information and options going forward.

Discussions are also continuing with a number of other parties that are showing interest in the Company and the Balmoral South Iron Ore Project.

The Company remains confident about the viability of the Project and the strong long term outlook for the world iron ore market.

FINANCES

Finalisation of the \$3 million working capital loan facility from Mineralogy Pty Ltd together with first draw down (\$500k) which occurred in May.

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EXPLORATION

SHERLOCK BAY NICKEL AND SHERLOCK EXTENDED PROJECT (BASE METALS)

The Company's Sherlock Bay Nickel Project (100% Australasian) hosts a nickel resource (reported under JORC guidelines*) of 25.4 Mt, grading 0.40% Ni for 101,300t of contained metal* and is located east of Karratha, in the Pilbara region of Western Australia. The Sherlock Extended Project (70% Australasian) surrounds the main Sherlock Bay nickel deposit.

The Sherlock Extended Project is a joint venture between Australasian and Metals Australia Ltd (30% interest). Australasian are the managers of the project, with Metals Australia being 'free-carried' through to the completion of a bankable feasibility study and the decision to commence commercial mining.

Compilation of available data, reports, etc is being prepared leading to a summary report and exploration plan for the JV tenements. It is expected that a follow-up vegetation sampling program will be undertaken in August 2010.

UPPER SHERLOCK RIVER

- Exploration Licence E47/2049 was granted on the 15th March 2010. Compilation of available data, reports, etc is to be completed, leading to a summary report and exploration plan for the JV tenements.

ANDOVER (BASE METALS)

Andover is located near the Sherlock Bay Nickel Project and the tenement covers a magnetic feature which is interpreted as being the feeder channel for the Andover layered mafic – ultra mafic intrusive complex.

It is expected that a vegetation sampling program will be undertaken in August 2010 to coincide with Sherlock Bay activities.

MT SALT (IRON ORE/URANIUM)

The Mt Salt prospect is located near the Pilbara coast, immediately to the west of the Balmoral South Iron Ore Project area.

Modelling of the aeromagnetic survey data, collected in December 2009, was completed by the companies consultants (Southern Geoscience) in the first quarter of 2010. Using this geophysical modelling work as a base, the company has estimated magnetite bearing iron ore targets for the project. A total of 11 targets have been identified. Combined, the exploration targets have the potential to contain in excess of 600 Million tonnes (Mt) of magnetite bearing BIF. Table 1 shows target estimates based on thickness/depth of 30 and 50 metres, and a density of 3.4 g/cm³. The magnetic models show steep dipping magnetic bodies suggesting the targets are expected to have a depth much greater than 30 metres. The company will focus on confirming these targets close to surface. Should magnetite bearing BIF be defined with a 50 metre depth the combined exploration targets equate to 1,105 Mt. Figure 1 shows: exploration targets, the E08/1607 tenement boundary, and the area of Balmoral Tenements (which contain significant magnetite Iron Ore resources and are subject to the Iron Ore Processing (Mineralogy Pty Ltd) Agreement Act 2002).

It is likely the dimensions of the targets defined on the basis of magnetic modelling will vary; this variability has been conservatively considered by limiting depth in estimating target size. All interpreted BIF exists under cover, and drilling is required to determine the economic significance of these targets. DMP approval has been received for additional drilling defined

from the detailed modeling work. To date there has been insufficient exploration to define a mineral resource, and it is uncertain that planned further exploration will result in determination of a mineral resource at Mt Salt.

Target	Surface Area	Thickness/Depth	Density	Mt
1	99,560	30-50m	3.4	10-17
2	2,411,305	30-50m	3.4	246-410
3	315,455	30-50m	3.4	32-53
4	845,726	30-50m	3.4	86-143
5	717,884	30-50m	3.4	73-122
6	288,294	30-50m	3.4	29-48
7	623,616	30-50m	3.4	64-107
8	428,039	30-50m </td <td>3.4</td> <td>44-73</td>	3.4	44-73
9	315,958	30-50m	3.4	32-53
10	356,671	30-50m	3.4	36-60
11	112,417	30-50m	3.4	11-18
Total				660-1,105 Mt

Table 1: Exploration Target Tonnage Estimate

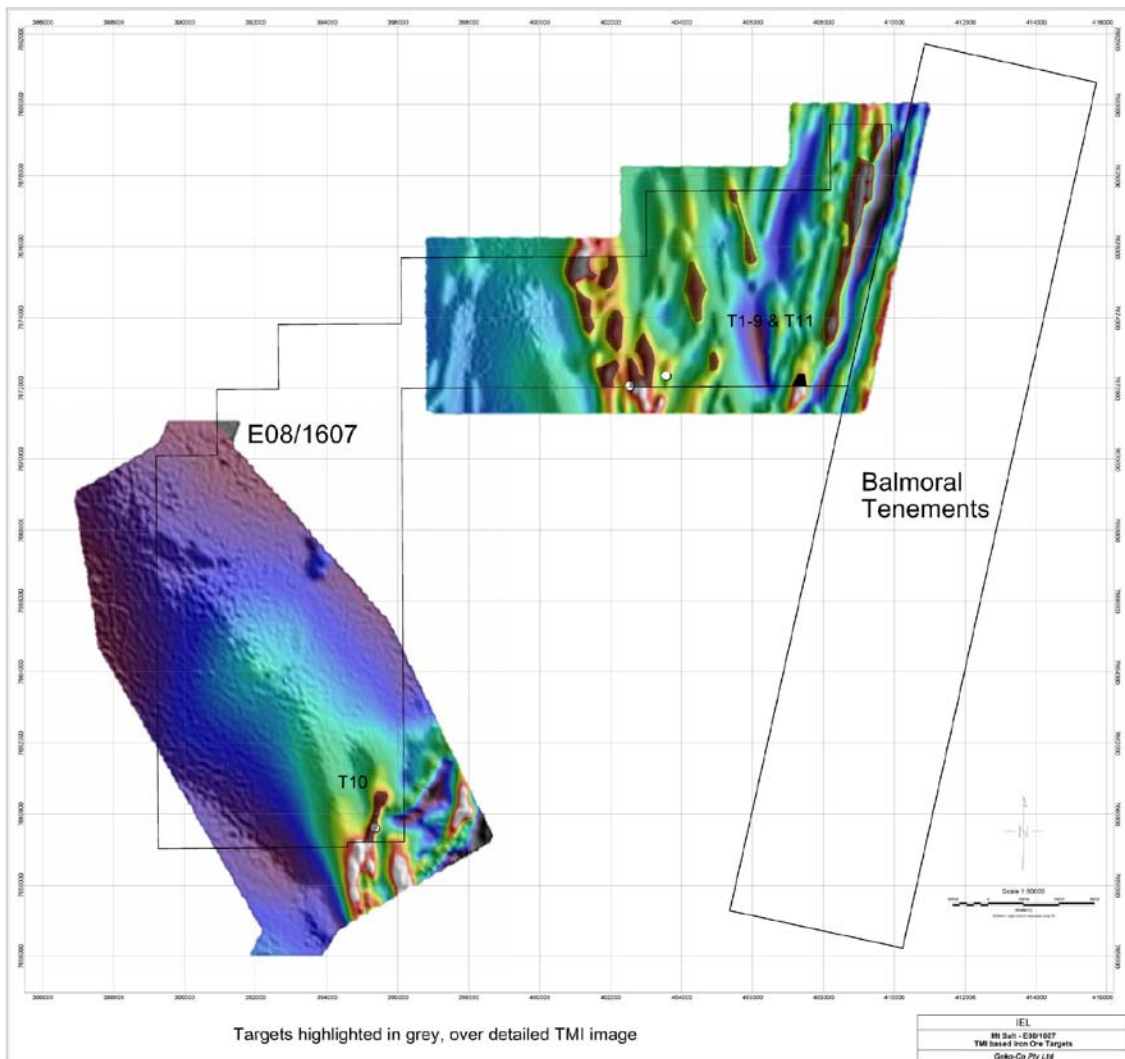


Figure 1: Exploration target areas shaded grey on detailed TMI image

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On 8 May 2010 an Application for Relief from Compulsory Relinquishment was lodged with the DMP, with the aim of avoiding the requirement to surrender 50% of the tenement. The Company's intention is to retain tenure to the entire landholding, to enable establishment of infrastructure associated with a potential large scale magnetite mining and processing operation (should exploration in other areas be successful).

CAT CAMP (BASE METALS)

The Cat Camp prospect, lies within the Lake Johnston Greenstone Belt and is located approximately 170km south west of Kalgoorlie. It contains lithologies that are consistent with the nickel sulphide deposits that have been mined at the nearby Emily Ann and Maggie Hays operations.

Assays results for vegetation samples collected from E15/987 were received in June supporting the previous work undertaken. A further exploration plan for E15/1114 has been developed, involving the collection of two lines of vegetation samples running SW-NE across the tenement. The planned sampling runs across structural lineaments visible in the satellite imagery, with a total of 142 samples spaced 50 metres apart to be collected (refer to figure 2 below). This work will take place in early July.

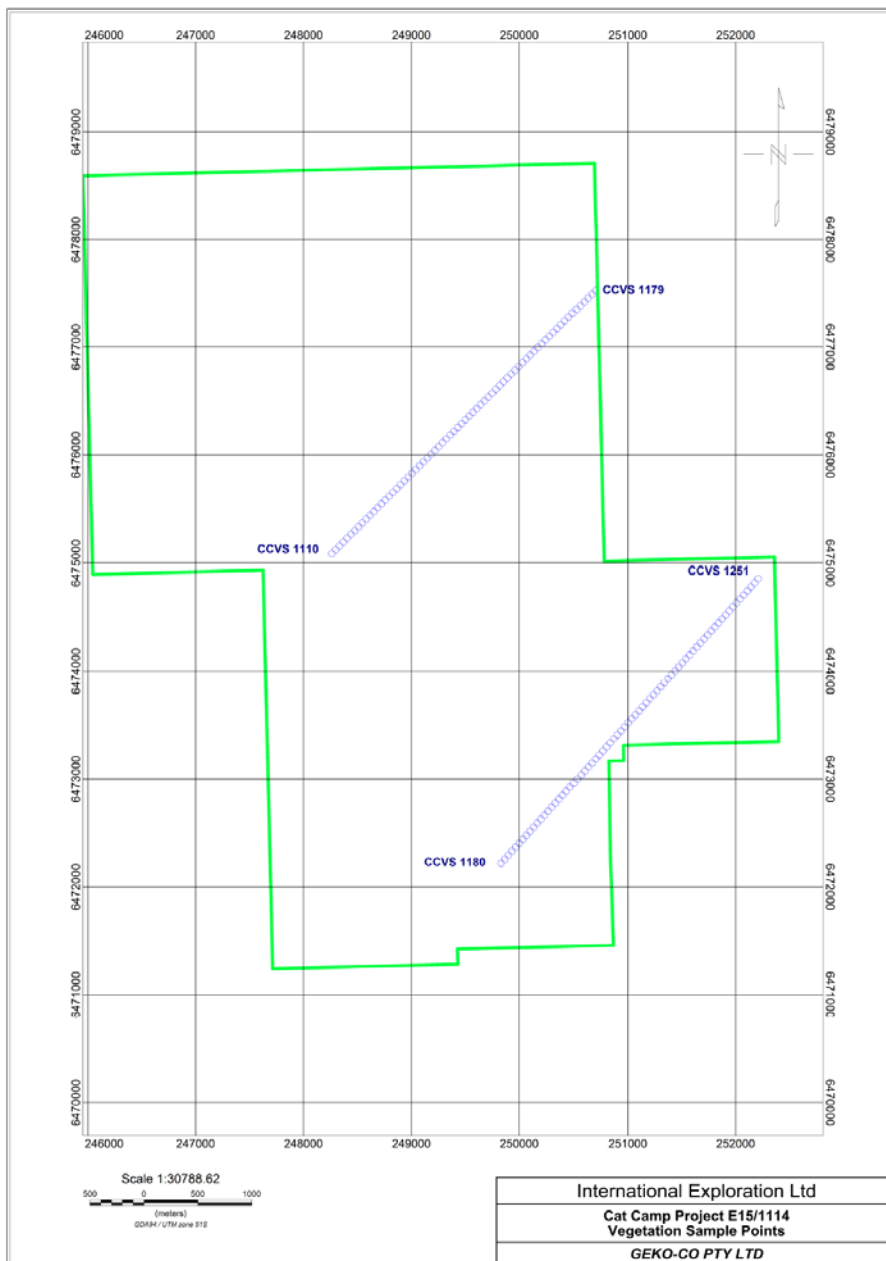


Figure 2: Sampling Run

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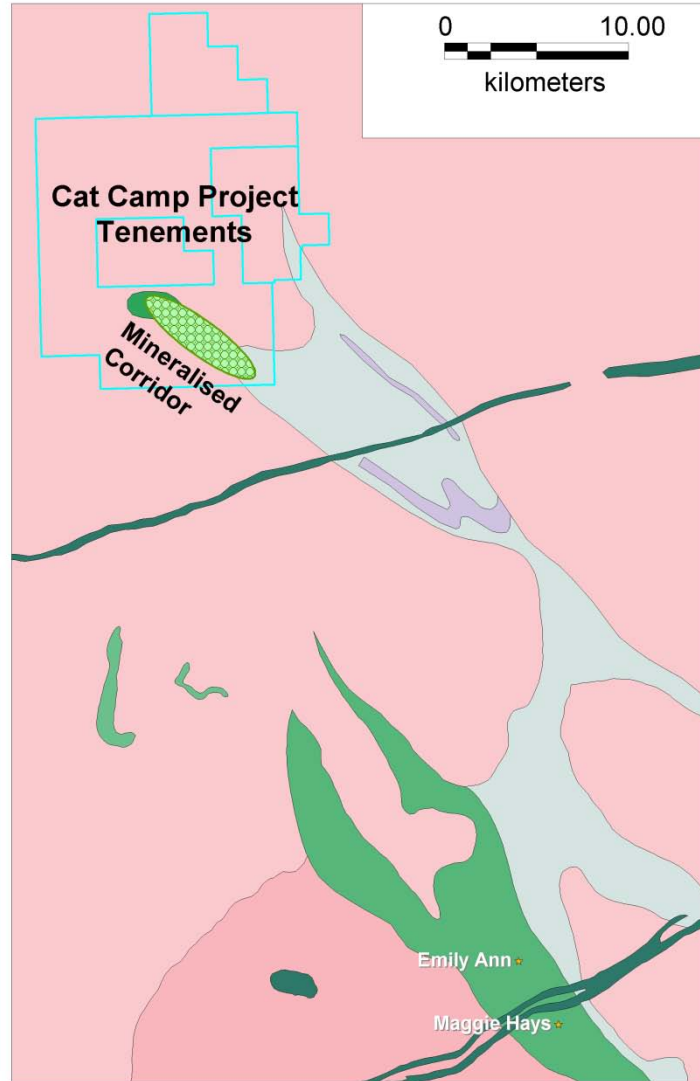


Figure 3 – Mineralised Corridor

COPPER BORE WELL (URANIUM/COPPER/SILVER/GOLD)

No further exploration work was undertaken during the quarter.

50% compulsory surrender of E08/1555 tenement was made on 16 April 2010.

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SIGNIFICANT UPCOMING ACTIVITIES

Significant activities for the period July - September will include:

- Vegetation sampling programs on the Sherlock Bay and Andover tenements to be undertaken during this quarter.
- Advance negotiations with potential strategic investors/partners including conducting site visits and potential due diligence.

For and on behalf of Australasian Resources Limited



Dio Wang
Chief Executive Officer

Attribution

The information in this report that relates to Exploration Results is based on information compiled by Todd Axford, who is a member of the Australasian Institute of Mining and Metallurgy. Todd Axford is engaged as a consultant to the company, and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the December 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Todd Axford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

*The information in this report that relates to Mineral Resources (August 2005 Mineral Resource estimate) at the Sherlock Bay Project is based on information compiled by Mr Paul Payne, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Runge Limited and has sufficient experience, which is relevant to the style of mineralisation and type of deposit 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 Payne and Runge Limited consent to the inclusion in this report of the matters based on his information in the form and context in 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, 01/06/10.

Name of entity

Australasian Resources Ltd.

ABN

46 008 942 809

Quarter ended ("current quarter")

30th 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 & evaluation (b) development (c) production (d) administration	(248) (90) (635)	(612) (1,838) (3,203)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	12	65
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
	(961)	(5,588)
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		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(961)	(5,588)

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(961)	(5,588)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	493	474
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	493	474
	Net increase (decrease) in cash held	(468)	(5,114)
1.20	Cash at beginning of quarter/year to date	1,131	5,777
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	663	663

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	86
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Consulting fees, salaries, super and reimbursement of expenses.

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	3,000	500
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	100
4.3 Production	
4.4 Administration	580
Total	880

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	288	698
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (Environmental & Security Bonds)	375	433
Total: cash at end of quarter (item 1.22)	663	1,131

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			

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Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in mining
tenements acquired or
increased

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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	442,452,773	442,452,773		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	Incentive Options 500,000 1:1 500,000 1:1 300,000 1:1 300,000 1:1 19,191,904 1:1 4,200,000 1:1 3,000,000 1:1 1,250,000 1:1	- - - - - - - -	<i>Exercise price</i> \$1.00 \$1.50 \$1.21 \$1.46 \$1.18 \$1.18 \$1.18 \$2.24	<i>Expiry date</i> 30/11/2010 30/11/2010 06/07/2011 19/07/2011 10/01/2012 06/12/2012 06/12/2012 18/01/2013
7.8 Issued during quarter				

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Appendix 5B
Mining exploration entity quarterly report

7.9	Exercised during quarter	14,000,000	-	\$1.50	17/06/2010
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

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* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:
(Director/Company secretary)

Date: 30 July 2010

Print name: Grant Ryan

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.

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- 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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