

ASX Release: 29 July, 2011

Company Announcements Office
Australian Securities Exchange
PO Box 7055
Riverside Centre
BRISBANE QLD 4001

ASX: AQR

Quarterly Activities Report - for the three months ending June 2011

HIGHLIGHTS

Greater Whitewash Project, Rawbelle Queensland

- A revised Resource Estimate for the Greater Whitewash Project was released in late May 2011.
- The Resource which includes Whitewash, Whitewash South, Gordons and Windmill Hill was calculated by SRK Consulting ("SRK") and now stands at 242 million tonnes grading 604 ppm MoEq* based on a 425 ppm MoEq cutoff.
- The Resource according to SRK is open at depth, along strike and across strike in many places.
- During the quarter the Company initiated metallurgical test work on the ore from Greater Whitewash to assist in determining the most practical beneficiation process.
- A revised investor presentation and Company Video were also released.
- Drilling at Rawbelle will re-commence in early September 2011.

Greater Whitewash Resource Update

In May 2011, the Company announced an updated Resource Estimate for Greater Whitewash. SRK were engaged to review the drilling, logging and mapping data to provide the update and it showed an increase of 240% in tonnage compared to the Resource Estimate released in May 2009. A total of 76% of the Resource Estimate is in the "Indicated" category, thus 185 million tonnes grading 615 ppm MoEq is "Indicated". As well SRK reported outcropping shallow high grade resources of 10mt at 939ppm MoEq, in three occurrences along strike and these may assist the Company in achieving an early mining development. The Resource occurs along a length of 5km and is 1km at its widest point. SRK believes there is good potential for additional mineralisation between Whitewash South and Windmill Hill. The Company is working on a plan to infill drill the most prospective regions of the strike, while also exploring other prospective regions within the broader Rawbelle Exploration Permits.

* The MoEq formula is; $MoEq = Mo + Cu/3.8 + Ag*28.8$

This is based on metal prices in May 2011

Mo = US\$37 150 /t

Cu = US\$9 781/t

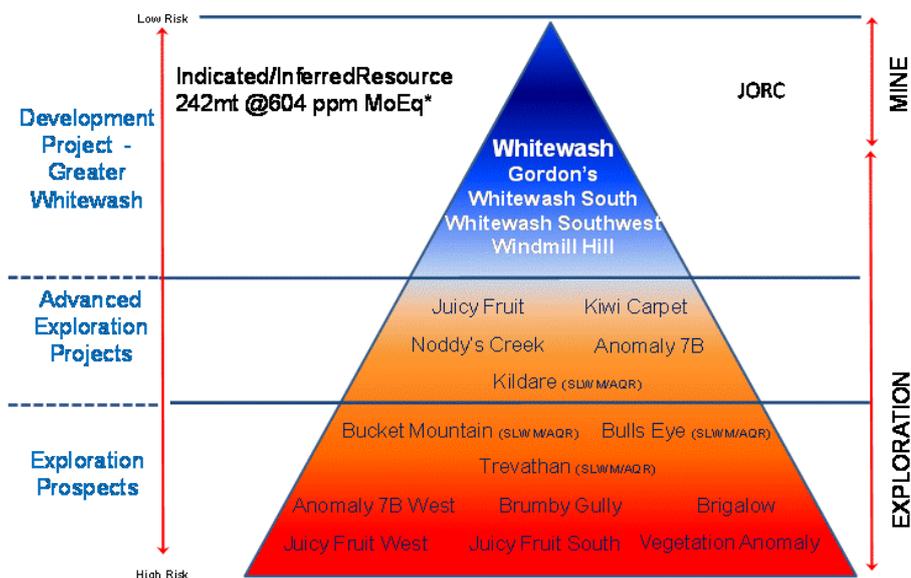
Ag =US\$33.38 /troyOz, and assumes equal process recoveries for all three elements.

Regional Exploration

The Company has not performed further drilling at Greater Whitewash partly due to other priorities for the exploration team (including core logging and data recording and the provision of samples for the metallurgical study that is now underway), and also because rig availability has basically been non-existent during the past three months. Research continued on identifying the most effective and efficient exploration techniques to explore the Whitewash – Kiwi Carpet corridor that stretches over 15km and is extensively covered by Tertiary basalt and Jurassic sandstone. A combination of detailed magnetic and induced polarisation geophysical techniques would seem to be most appropriate.

Work is continuing on the Permits south of Greater Whitewash which are joint ventured with SLW Queensland Pty Ltd (SLWQ). Field mapping and assessment combined with other exploration techniques including the use of the portable Xray system have been used to define drill targets on the SLWQ EPMs once a drill rig is sourced.

The prospectivity and risk profile at Rawbelle is illustrated in the diagram below



Corporate

During the Quarter the CEO Mr Charles Carnie resigned his position, for personal reasons. The Board accepted the resignation and wishes Charles all the best in the future.

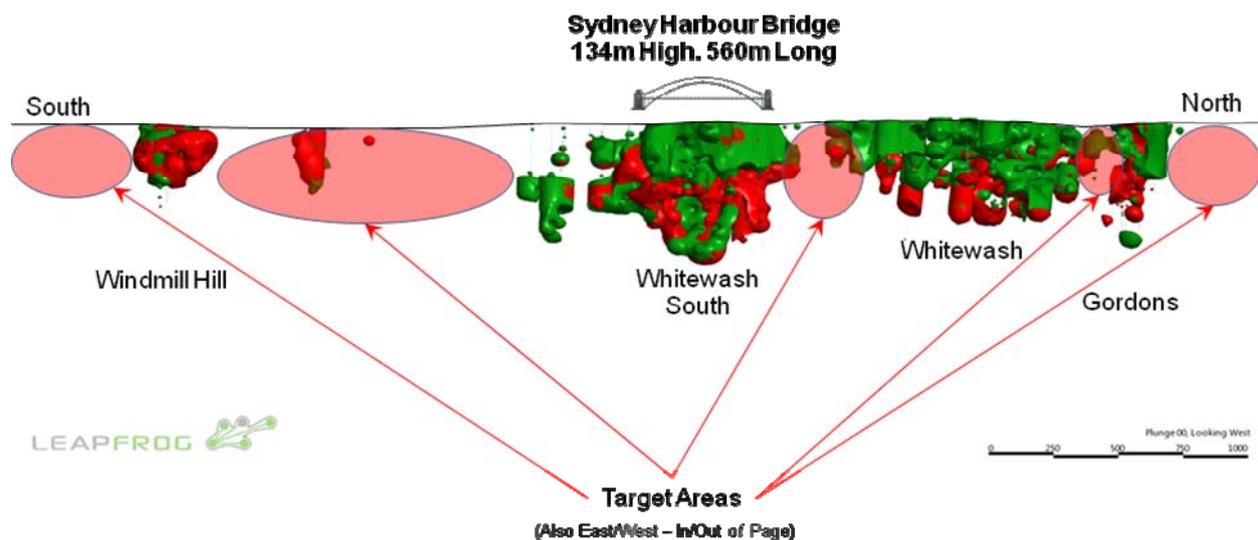
Two Directors and a consultant travelled to Hong Kong during the Quarter to promote the Company and the updated resource estimate to institutional investors. As well the Board was active discussing the Company and the Project to industry parties that have shown interest in a joint venture or taking a major role in the development of the Project.

Outlook

The recent Resource Estimate update has shown that the Rawbelle Region is highly prospective and provided the Company with the incentive to increase the overall resource size in the near term.

Drilling will now most likely recommence in early September 2011 with a number of exciting targets identified and a 10,000 metre drilling contract signed up. Regions within the Greater Whitewash strike length that require infill drilling to test the continuity of mineralisation will also be assessed (see Diagram below). The proposed programme will be linked with that of SLWQ to minimise costs and create greater flexibility.

- Target areas to extend the known area of mineralisation



General

No drilling was undertaken during the period.

Exploration Expenditure

During this Quarter, the Company has expended approximately \$248,000 on exploration.

The Company has cash reserves of approximately \$3.37 million as at the end of the June Quarter.

Work Planned for the September Quarter

Work planned for the next quarter includes ongoing metallurgical testwork, and further drilling within the Rawbelle Project area, a 10,000 metre contract has recently been signed. Other

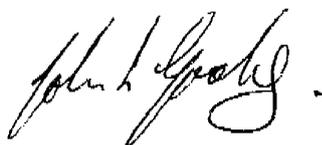
work that is currently being investigated which may be undertaken in the period are ground magnetic surveys and several IP surveys.

The Company has also been actively assessing other prospective regions of the EPMs held to the west of Monto in Queensland. Discussions with a number of parties regarding the continued funding of the Company's exploration programs will also continue.

Appendix 5B

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

Yours sincerely,

A handwritten signature in black ink, appearing to read 'John Goody'.

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John Goody

The information in this report that relates to exploration results and mineral resources is based on information compiled by John Goody 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.

For further information please contact:

John Goody
Executive Director Exploration
Aussie Q Resources Limited
07 5574 3830
E: info@aussieqresources.com.au
Website: www.aussieqresources.com.au

For media inquiries please contact:

Fergus Ross
Director
Six Degrees Investor Communication
Ph: 0420 980 448

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

AUSSIE Q RESOURCES LIMITED

ABN

91 121 964 725

Quarter ended ("current quarter")

30 June 2011

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(248)	(3,901)
(b) development	-	-
(c) production	-	-
(d) administration	(490)	(1,755)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	41	151
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
- GST Payments	185	116
- Service Fees	1	1
Net Operating Cash Flows	(511)	(5,388)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(1)	(96)
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	560	560
1.12 Other (provide details if material)		
- Adjustment for cash held by former subsidiary on becoming an associate	-	(200)
Net investing cash flows	559	264
1.13 Total operating and investing cash flows (carried forward)	48	(5,124)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	48	(5,124)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	6,219
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	200
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	- Capital raising costs	-	(113)
	Net financing cash flows	-	6,306
	Net increase (decrease) in cash held	48	1,182
1.20	Cash at beginning of quarter/year to date	3,325	2,191
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,373	3,373

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	176
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, the payment of Superannuation and Directors fees to the Directors, R. Haren, E. Newman, S. Griff & T. Mann, 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

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

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

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

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	30	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	600
4.2 Development	-
4.3 Production	-
4.4 Administration	400
Total	1,000

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'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,373	3,325
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	3,373	3,325

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			

+ See chapter 19 for defined terms.

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Mining exploration entity quarterly report

6.2	Interests in mining tenements acquired or increased	EPM 19029	Acquisition by SLW Queensland Pty Ltd	0%	35%
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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>	N/A			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A			
7.3	+Ordinary securities	145,022,440	145,022,440		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	N/A			
7.5	+Convertible debt securities <i>(description)</i>	N/A			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A			
7.7	Options <i>(description and conversion factor)</i>	2,000,000 250,000	N/A N/A	<i>Exercise price</i> 10 20	<i>Expiry date</i> 31 December 2011 31 January 2012
7.8	Issued during quarter	N/A			

+ See chapter 19 for defined terms.

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

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 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 29/07/2011
(~~Director~~/Company secretary)

Print name: Stephen Lonergan
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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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

+ See chapter 19 for defined terms.

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- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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