



Aussie Q Resources Limited
ABN 91 121 964 725

January 30, 2008

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

Dear Madam,

Report on Activities and Appendix 5B – December Quarter 2007

The Company is pleased to provide the following report on activities for the three month period ending 31st December, 2007.

HIGHLIGHTS

- **Infill drilling program at Whitewash Copper / Molybdenum Prospect (EPM 14628 – 100%) west of Monto in Central Queensland continued.**
- **The Company pegged two new Exploration Permits for Minerals (EPMs) in the Rawbelle Project area to extend the AQR tenement holdings to more than twice the holding at the IPO.**
- **The Company has now released available assay data on 50 completed holes at Whitewash, with results from another 12 holes awaited.**
- **The company is controlling expenditures and since the IPO in June 2007 has spent \$2.58 million with over 85% of this being on exploration.**
- **A zone of higher grade Molybdenum to the north of the main drilling has been identified in assays received to date.**
- **Post December 31st drilling has recommenced at Whitewash and a second drill rig is expected to arrive mid February to aggressively explore the Rawbelle Project area.**
- **A JORC resource statement is in preparation and expected to be ready for release to the market in mid to late February.**

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Infill Drilling Program at Whitewash Copper/Molybdenum Prospect is continuing.

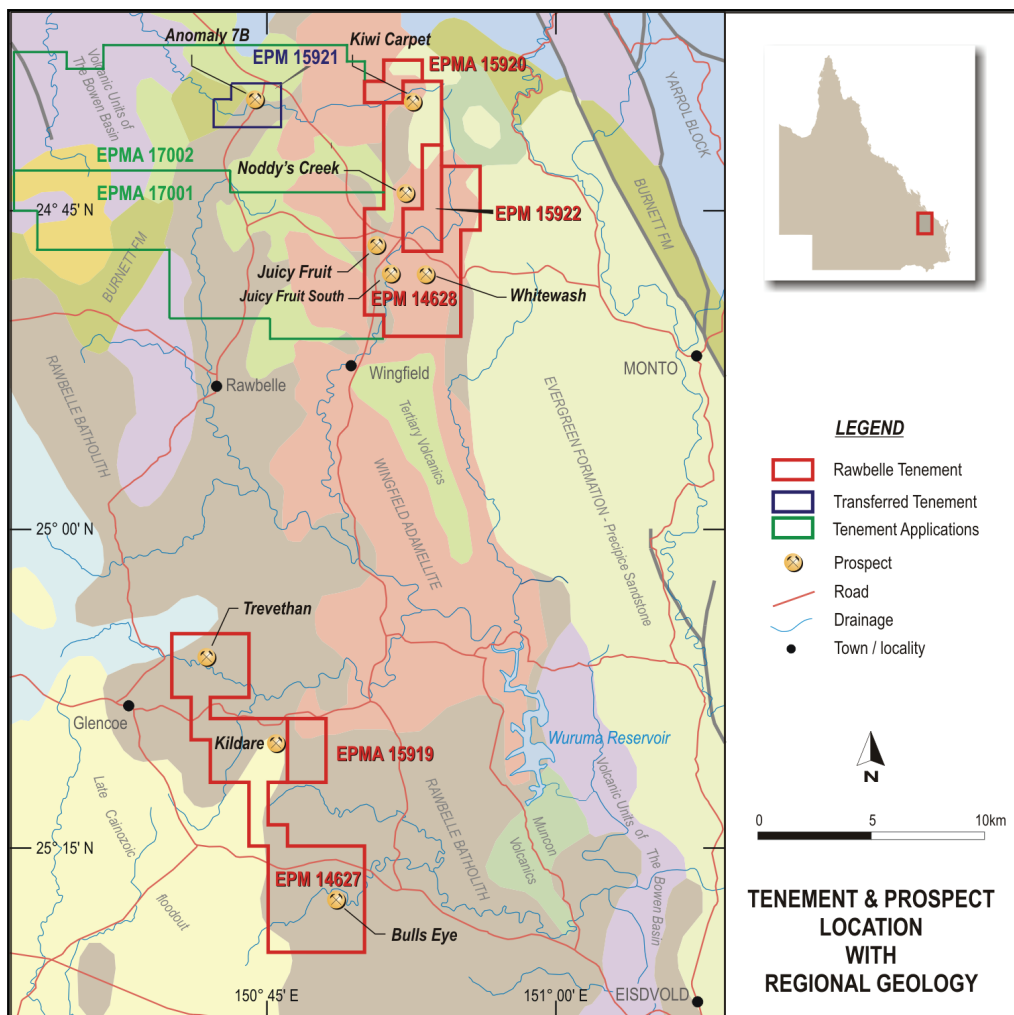
During the period the Company continued to perform the program of infill drilling at the Whitewash Project (EPM 14628 – AQR 100%) as part of its objective to delineate a JORC-compliant resource for the Whitewash prospect.

To date assay data from a total of 50 holes has been released to the market

Most of the holes drilled in this phase of the drilling program were RC angle drilled to a depth of 250 metres (215 metres vertical) with some tails drilled using diamond drilling to 600 metres. The Company is encouraged by the results achieved with molybdenum grades as high as 1.13% MoO₃ (Molybdenum Oxide) and copper grades as high as 1.41%.
(See Table 1 & 2).

New EPMS pegged at the Rawbelle Project area

During the quarter the Company pegged two new application areas at Rawbelle, EPMA 17001 and 17002. These tenements are contiguous with EPM 14628 and surround EPM 15921 (hosting Anomaly 7B). These additional tenements take the overall land tenure from 360 sq km at IPO to over 900 sq km, more than doubling the area under permit in this geologically prospective region of Queensland (see map below – new tenement applications in green).



Assay Data for 50 drill holes released to Market, assay data for a further 12 drill holes awaited and drilling is ongoing

Assay data for drilling at Whitewash has now been released for 50 drill holes and data for a further 12 drill holes is awaited. At present the assay laboratory turn around time is a minimum of nine weeks. This is causing delays in the preparation of the Resource Statement as some of the holes awaited are critical to the calculation.

The Company is controlling overall expenditures

In the six months since listing on the ASX in June 2007 the Company has expended approximately \$2.58 million of which over 85% went directly into the cost of exploration at the Rawbelle Project. The Company has cash reserves of more than \$8.3 million and is continuing to spend money drilling its prospects aggressively.

Zone to the north of infill drilling confirmed as having higher grade Molybdenum

At the recent AGM it was noted that exploration within the Whitewash prospect had shown a zone of elevated Molybdenum values to the north of the main region of drilling. The area was called the "Moly Sweet Spot". Assays from the drilling in this region have shown elevated values for Molybdenum and a few hundred metres to the north an outcrop known as Gordon's Knob has produced some of the best rock chip and soil molybdenum anomalies in the prospect area. Drilling is programmed to address these anomalous zones in the near future.

Post December 2007

Infill drilling recommenced at Whitewash on January 15 and a second drill rig will be on-site from mid February to aggressively assess the Whitewash Prospect and other anomalous regions in the vicinity of Whitewash.

The JORC resource announcement is nearing completion and is expected mid to late February. The reason for this delay is due to the delay in receiving assay results as referred to above. Preliminary data compilation is encouraging and is based around assay data from 47 drill holes for a total of 12,000m; 10,800m of RC drilling and 1,200m of diamond drilling. Not all new holes can be included because some are too distant from the main infill drilling zone.

The Appendix 5B Mining exploration entity quarterly report for December 2007 is also appended to this Report on Activities.

Yours sincerely,



Dr Richard Haren
CEO

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The information in this report that relates to exploration results 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 mineralisation 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 works for AQR and has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.

For further information please contact:

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TABLE 1 Aussie Q Resources Drill Results (see Note 1)

ALL AQR DRILL HOLES							
Drill Hole	GRADE Mo %	GRADE Cu %	GRADE Ag g/t	GRADE W ppm	GRADE Re ppm	GRADE MoO ₃ eq %	GRADE MoO ₃ eq 85% Recovery
07WW013	0.04%	0.11%	1.2	34	0.22	0.10%	0.09%
07WW014	0.05%	0.13%	4.2	43	0.21	0.14%	0.12%
07WW015	0.07%	0.26%	3.3	48	0.34	0.19%	0.16%
07WW016	0.03%	0.11%	2.3	52	0.74	0.11%	0.09%
07WW017	0.04%	0.18%	4.3	26	0.23	0.12%	0.10%
07WW018	0.03%	0.10%	0.9	47	0.07	0.08%	0.07%
07WW019	0.05%	0.24%	2.3	51	0.20	0.16%	0.13%
07WW020	0.04%	0.16%	1.6	65	0.12	0.12%	0.10%
07WW021	0.05%	0.20%	1.8	27	0.14	0.14%	0.12%
07WW022	0.05%	0.13%	1.6	55	0.15	0.11%	0.09%
07WW023	0.04%	0.15%	1.5	46	0.09	0.09%	0.08%
07WW024	0.04%	0.12%	1.9	71	0.08	0.09%	0.08%
07WW025	0.06%	0.16%	1.4	38	0.30	0.12%	0.10%
07WW026	0.05%	0.10%	2.5	35	0.05	0.10%	0.09%
07WW027	0.07%	0.13%	1.3	19	0.27	0.14%	0.12%
07WW028	0.05%	0.12%	1.6	43	0.10	0.10%	0.08%
07WW029	0.04%	0.19%	1.8	42	0.09	0.10%	0.09%
07WW030	0.04%	0.16%	2.1	30	0.14	0.09%	0.08%
07WW031	0.05%	0.22%	1.5	52	0.16	0.12%	0.10%
07WW032	0.09%	0.13%	2.0	22	0.32	0.17%	0.14%
07WW033	0.04%	0.11%	1.0	124	0.05	0.09%	0.08%
07WW034	0.09%	0.27%	6.4	63	0.26	0.21%	0.18%
07WW035	0.04%	0.19%	2.4	128	0.07	0.11%	0.10%
07WW036	0.04%	0.20%	1.7	31	0.12	0.10%	0.09%
07WW037	0.06%	0.28%	2.5	98	0.09	0.15%	0.13%
07WW038	0.05%	0.15%	1.6	50	0.16	0.11%	0.10%
07WW039	0.04%	0.15%	1.6	38	0.17	0.10%	0.09%
07WW040	0.05%	0.21%	2.7	158	0.03	0.13%	0.11%
07WW041	0.03%	0.11%	1.0	28	0.05	0.06%	0.05%
07WW042	0.04%	0.21%	1.9	61	0.12	0.11%	0.09%
07WW043	0.02%	0.35%	3.1	108	0.02	0.11%	0.09%
07WW044	0.03%	0.11%	1.1	27	0.10	0.08%	0.07%
07WW045	0.07%	0.19%	10.3	30	0.08	0.16%	0.13%
07WW046	0.05%	0.08%	1.1	25	0.03	0.09%	0.08%
07WW047	0.07%	0.14%	1.6	23	0.13	0.13%	0.11%
07WW052	0.04%	0.18%	2.1	39	0.06	0.10%	0.08%
Wt Average	0.05%	0.16%	2.3	45	0.17	0.12%	0.10%

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Table 2 AQR DRILL RESULTS PRE IPO (see Note 1)

Drill Hole	GRADE Mo %	GRADE Cu %	GRADE Ag g/t	GRADE W ppm	GRADE Mo/e %	GRADE MoO ₃ eq 85% Recovery
NS1	0.15%	0.28%				
OWW1	0.08%	0.27%	2.8	24		
OWW3	0.03%	0.26%				
OWW4	0.03%	0.17%				
OWP6	0.03%	0.12%	3.1	40		
OWP7	0.02%	0.18%	2.5	40		
OWP9	0.03%	0.05%	23.73	40		
97WW1	0.04%	0.11%	1.89	41		
97WW2	0.03%	0.09%	1.22	30		
97WW3	0.06%	0.14%	3.9	21		
97WW4	0.03%	0.13%	1.95	23		
97WW7	0.10%	0.15%	0.56	20		
97WW8	0.03%	0.11%	1.56	53		
97WW12	0.07%	0.21%	2.82	28		
Wt Average	0.05%	0.18%	4.1	33	0.09%	0.12%

Note 1

The drilling results shown provide MoO₃ equivalent (MoO₃eq) values, These are derived from the individual assay data provided in the drill-hole spreadsheets above. For completeness extra assay sections that may add to the in-ground value have been included as part of the spreadsheet for each drill hole.

The assumed commodity prices used to calculate the MoO₃eq are shown below. The assumed metal recovery for all metals has been set at 85% which the Company believes is conservative. It is the Company's opinion that all of the minerals included in the metal equivalent calculation have a reasonable potential to be recovered during processing. The formula used to calculate the MoO₃eq is;

The formula is $Mo + (Cu/6) + (Ag * 8.5) + (W * 2) + (Re * 166) = Mo\ eq.$

The MoO₃eq = Mo eq * 1.5

Long term price used in Calculation of MoO₃ eq

Mo: US\$26.4/kg
Cu: US\$4.4/kg
Ag: US\$7/oz
W: US\$26/kg
Re: US\$4400/kg

Price 8.8.07

Mo: US\$115/kg
Cu: US\$7.5/kg
Ag: US\$13/oz
W: US\$38/kg
Re: US\$8800/kg

If assays for any element in the above grouping are not available the contributing value is set to zero and thus plays no role in the calculation.

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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")

31 December 2007

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a)exploration and evaluation	(1,342)	(2,209)
(b)development	-	-
(c)production	-	-
(d)administration	(190)	(450)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	147	337
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Security Deposits	(5)	(5)
GST Payments	(127)	(262)
Net Operating Cash Flows	(1,517)	(2,589)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	(58)	(104)
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	(58)	(104)
1.13 Total operating and investing cash flows (carried forward)	(1,575)	(2,693)

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,575)	(2,693)
	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	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other Capital Raising Costs	(1)	(15)
	Net financing cash flows	(1)	(15)
	Net increase (decrease) in cash held	(1,576)	(2,708)
1.20	Cash at beginning of quarter/year to date	9,972	11,104
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	8,396	8,396

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	128
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 Superannuation, Wages and Salaries Paid to the Directors R.Haren and J.Goody and also the reimbursement of ordinary and capital related expenditure.

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	30	3

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

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Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	1,350
4.2	Development	-
Total		1,350

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	8,396	9,972
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		8,396	9,972

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			

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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 Preference securities (description)	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	120,166,663	120,166,663		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	N/A			
7.5 *Convertible debt securities (description)	N/A			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A			
7.7 Options (each exercisable to 1 fully paid ordinary share)	30,000,000	N/A	<i>Exercise price</i> 30	<i>Expiry date</i> 30 January 2010
7.8 Issued during quarter	N/A			
7.9 Exercised during quarter	N/A			
7.10 Expired during quarter	N/A			
7.11 Debentures (totals only)	N/A			
7.12 Unsecured notes (totals only)	N/A			

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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: 30/1/2008
(Director/Company secretary)

Print name: RICHARD HAREN

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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