



Aussie Q Resources Limited

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30 January 2009.

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

Dear Madam,

Report on Activities and Appendix 5B - December Quarter 2008

The Company is pleased to provide the following report on activities for the three month period ending 31 December 2008.

QUARTER HIGHLIGHTS

- The 18 Hole drilling programme at Gordons (north of Whitewash) was completed on 3 December 2008 and the final assay results for all holes were progressively announced to the ASX.
- This drilling programme confirms Gordons as a significant new Molybdenum discovery.
- The Company spent over \$970,000 on drilling and exploration during the December quarter which represented approximately 73% of the total expenditure for the period.
- Dr. Richard Haren retired as CEO but continues as a non-executive Director.
- Mr. Edgar Newman was appointed a non-executive Director of the Company.

Exploration Activities

The focus of the Company's activities during the quarter was drilling at Gordons (EPM 14628) previously known as the Gordon's Knob prospect. This 18 hole programme was completed on 3 December 2008 and the assay results were progressively released to the market in the Company's announcements of 5 November 2008, 13 November 2008, 12 December 2008 and 20 January 2009.

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Gordons is an exciting and significant discovery as molybdenum and copper mineralisation is found in broad zones within highly-altered porphyritic granite, brecciated granite, brecciated granodiorite and brecciated pegmatite. Mineralisation is also found in the overlying pegmatite body. This is quite different to the sheeted mineralised quartz veins found immediately to the south at Whitewash. Mineralisation at Gordons is open in all directions and at depth.

The Company has obtained the assistance of a pre-eminent structural geologist to assist in the interpretation of the results so far and to guide it in how to approach further exploration of the approximately 900 sq kms of tenements held by the Company in the Monto area. The information and insight provided by this consultant has proved invaluable to the Company. As a result, the Company's geological personnel have prepared the following key points which now reflect the Company's understanding of the Gordons and Whitewash deposits and the future direction of exploration:

- Gordons hosts higher Mo-Cu grades as metals and volatiles that have ponded in the apophysis to a polyphasal granitic intrusion locally constrained below weakly potassic altered granodiorite. The presence of mineralised structures suggests metals may have been derived from unseen source rocks at depth.
- Gordons Mo-Cu mineralisation occurs in a carapace to a polyphasal granitic intrusion system developed at the apophysis to a large magma source for mineralisation. Most Mo occurs in the brecciated carapace wall rocks and pegmatites and declines in porphyry A veins and disseminated ores which may be linked by feeder structures to more significant magma sources at depth. Comparisons with other porphyry Mo occurrences (Climax-Henderson in White et al., 1981) suggest the intrusion carapace is a preferred setting for mineralisation. Buried carapace structures to larger granitic magma source bodies for Mo mineralisation therefore represent important exploration targets.
- The above model is considered by AQR geological personnel to be of such importance that it is intended to use the geological, geophysical and geochemical signature from Gordons to seek similar structures in the remainder of the Company's 900 sq kms of tenements in the Rawbelle district where several Gordons' "look-alike bodies" have been identified.
- The Rawbelle district warrants continued exploration for additional Gordons-Whitewash style porphyry Mo-Cu mineralisation. Exploration to date by AQR has been focused upon drill testing of Whitewash and Gordons areas. A change in direction will now focus upon compilation and verification of the existing database and investigation of a wider region to ensure the best exploration targets are currently under investigation. Application of the geological model provided above should assist in the documentation and prioritisation of geological targets which emerge from interrogation of the developing geological database.
- In contrast to Gordons, but typical to wall rock porphyry systems, the porphyry mineralisation in the Whitewash Mo-Cu prospect displays low metal grades with localised high grade but may attain a considerable size with continued exploration as it is currently open in several directions (Cadia Hill, Australia; Gady, Ecuador; Maricunga Belt, Chile). The source of mineralisation need not be the granite which underlies this prospect but may be more deeply buried.

The Company is now engaged in designing geophysical data collection methodology including close spaced aeromagnetic and gravity programmes to identify and prioritise additional targets using the Whitewash and Gordons signatures. The resultant work should, at relatively modest cost, generate drillable world class targets within the Rawbelle Project

Area and the Company can then decide which it may farm out and which, consistent with its remaining funds, it should pursue in its own right.

Drilling and Exploration Expenditure

During the period the Company spent over \$970,000 on drilling and general exploration. This represents approximately 73% of the total amount expended during the period. The other 27% was spent on administration.

Cash reserves at the end of the period were \$3,980,000.

Work Planned for the March Quarter

The results of the recent drilling programme at Gordons, together with consultant geologists' input, will be reviewed by independent geologists to recalculate the resource estimate for the combined zone of Whitewash and Gordons.

The Company, once the revised resource estimate is to hand, will initiate a preliminary pit design as a precursor to a scoping study.

As well, the Company will continue collecting and analysing geo-scientific data from all of the other 100% owned exploration permits near Monto. The Company is continuing carrying out its work commitments on all of its tenements, particularly geological mapping, geochemical field work incorporating the Niton Portable XRF machine and the acquisition of geophysical data including aeromagnetic and gravity data.

Appendix 5B

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

Yours sincerely,



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John Goody
Executive Director

During the quarter ending 31 December 2008 and prior to this report, the Company has released the following announcements bearing on its exploration results which are available on its website www.aussieqresources.com.au

12/12/2008	Progress Report Gordons Knob Diamond Drilling
13/11/2008	Progress Report Gordon's Diamond Drilling Holes 77D and 82D
05/11/2008	Progress Report Latest Gordon's Drilling (North of Whitewash)
20/01/2009	Progress Report Rawbelle Project Gordons Drilling -

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

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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.

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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 2008

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	-	3
1.2 Payments for (a)exploration and evaluation (b)development (c)production (d)administration	(974)	(1,592)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	65	158
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Security Deposits GST Payments	469	342
Net Operating Cash Flows	(795)	(1,693)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b)equity investments (c) other fixed assets	(1)	(223)
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)	(223)
1.13 Total operating and investing cash flows (carried forward)	(796)	(1,916)

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(796)	(1,916)
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	-	-
Net financing cash flows		-	-
Net increase (decrease) in cash held		(796)	(1,916)
1.20	Cash at beginning of quarter/year to date	4,776	5,896
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,980	3,980

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	204
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 Director, F.Gardiner as well as the reimbursement of ordinary and capital related 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

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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	Nil

The company has a corporate credit card facility for the purpose of company expenses. There are three 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	400
4.2	Development	-
Total		400

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	3,980	4,776
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		3,980	4,776

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 <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	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 <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>(each exercisable to 1 fully paid ordinary share)</i>	30,000,000	N/A	<i>Exercise price</i> 30	<i>Expiry date</i> 30 January 2010
	600,000	N/A	20	31 January 2012
7.8 Issued during quarter	N/A			
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			

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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: 30/1/09
(Director/Company secretary)

Print name: Stephen Lonergan

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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