



Aussie Q Resources Limited
ABN 91 121 964 725

October 29, 2008

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

Dear Madam,

Report on Activities and Appendix 5B – September Quarter 2008

The Company is pleased to provide the following report on activities for the three month period ending 30th September, 2008.

QUARTER HIGHLIGHTS

- **AQR's maiden Mineral Resource Statement for the Whitewash mineralisation was released in September 2008.**
- **Drilling programme at Gordon's Knob (North of Whitewash) increased from 3,000 metres to 4,500 metres due to good visual Molybdenum (Mo) being seen in the diamond core from early drilling.**
- **The Company spent over \$618,000 on drilling and exploration during the September quarter which represents approximately 69% of the total expenditure for the period.**
- **Preliminary Mo assays from diamond drilling at Gordon's reveal that there are some zones with grades some 5 to 10 times the average grade assayed at Whitewash.**
- **Preliminary copper and silver assays at Gordon's Knob are elevated compared to Whitewash**
- **Juicy Fruit drill assay results released**

Whitewash Resource Statement

During the quarter, the Company announced the maiden Resource Statement at Whitewash (EPM 14628 – 100% AQR) to the market. Further drilling at Whitewash will be considered

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once the Resource Statement is updated with additional data from the Gordon's Knob diamond drilling programme which should terminate mid or near the end of November, 2008.

The Mineral Resource Statement based on a Mo cut-off grade of 0.02%, strike length of 800 metres and depth extent of 400 metres is:

Resource Category	Tonnes (million)	Molybdenum Grade % Mo	Copper Grade % Cu	Silver Grade g/t Ag	Molybdenum Metal (t)	Copper Metal (t)	Silver Metal million oz
Inferred	68.5	0.033%	0.10%	1.2	22,600	68,200	2.5

This represents:

22,600 tonnes of Mo, 68,200 tonnes of Cu and 2.5 million ounces of Ag

An additional 0.9 million tonnes grading 0.03% Mo, 0.1% Cu and 1.4 g/t Ag is contained in the oxide mineralisation overlying the resource.

The maiden Resource Statement does NOT include the Gordon's Knob mineralisation immediately to the north of Whitewash.

This resource is open to the north, south, west and at depth. The Resource Statement was prepared by Sydney based SRK Consulting.

Gordon's Knob

Gordon's is immediately north of Whitewash (EPM 14628 – 100% AQR) see Figure 1. A diamond drilling programme now of some 4,500 metres was initiated during the September quarter. Preliminary assays are being assembled at present and will be released to the market when the complete set of assays for all drill holes is received. Visual inspection and preliminary assays from the recent drilling at Gordon's are encouraging for both Mo and Cu.

Drilling and Exploration Expenditure

During the period the Company spent over \$618,000 on drilling and general exploration. This represents approximately 69% of the total amount expended during the period. The other 31% was spent on administration and acquiring assets to assist the exploration programme. Cash reserves at the end of the period are \$4.77 million.

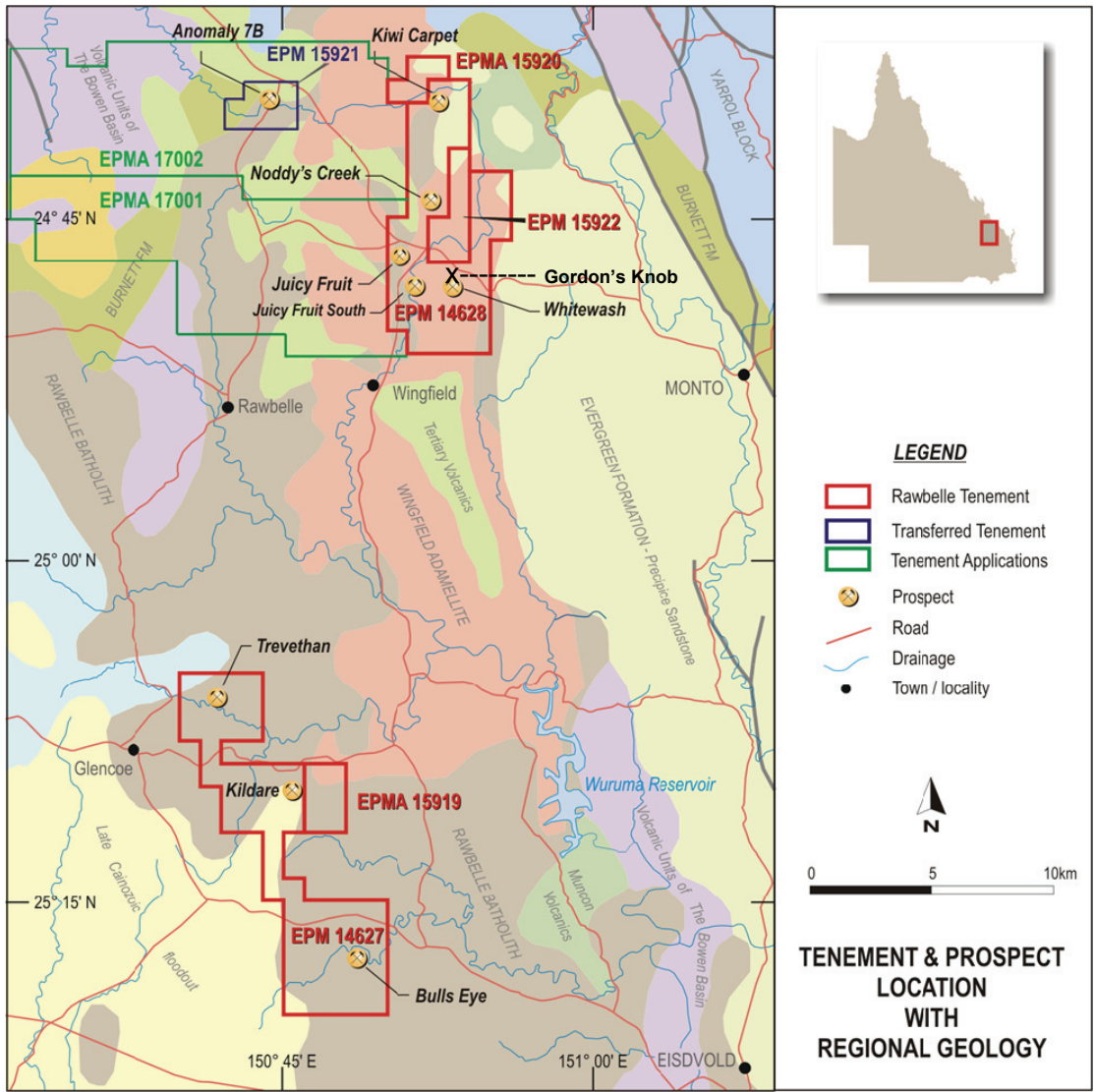


Figure 1. Tenement and prospect location plan showing the proximity of the Whitewash, Gordon's Knob and Juicy Fruit prospects on EPM 14628

Preliminary Gordon's Assay Data

The original two drill holes (08WW073 and 08WW075) into Gordon's produced the best continuous Molybdenum intercept recorded from the drilling in 2008. Once the assays were received the Company decided to initiate a new drilling programme based around Gordon's Knob and at present (October 2008) a total of 10 holes have been completed with assays for some parts of the completed drill holes finalized. The latest drilling has revealed strong visual molybdenum and copper mineralisation in much of the drill core. Assay data is available for some sections of drill holes 08WW076 and 08WW078, and these are shown below. Once all of the assays are finalized the Company will report the complete results for each drill hole to the market.

Results from initial drilling programme

DRILL HOLE	FROM	TO	WIDTH	GRADE	
				Mo	Cu
08WW075	10m	153m	143m	0.10%	0.07%
including	64m	128m	64m	0.20%	0.10%
including	64m	83m	19m	0.48%	0.08%
including	67m	74m	6m	0.88%	0.10%
including	68m	69m	1m	1.48%	
and	72m	74m	2m	1.50%	
including	72m	73m	1m	1.87%	0.09%
08WW073	7m	84m	77m	0.05%	0.08%
including	35m	45m	10m	0.14%	0.06%
and	59m	65m	6m	0.10%	0.13%

Highlights from these most recent drill results include;

	Intersection m	Mo %	Grade		From m	to m
			Cu %	Ag ppm		
08WW078D	119m @	0.086%	0.128%	1.6	46	165
inc	4m @	0.047%	0.0126%	0.4	46	50.5
and	90.5m @	0.111%	0.182%	2.2	74.5	165
inc	8m @	0.643%	0.31%	3.9	151	159
inc	1m @	1.65%	0.39%	4.2	158	159

	Intersection m	Grade		From m	to m
		Mo ppm			
08WW076D	190m @	377		43m	230m
inc	10m	557		12m	21m
and	7.7m	859		43m	50.7m
and	52.3m	564		78.7m	131m
and	21m	1047		181m	202m
and	5m	575		215m	220m
and	4m	697		229m	233m

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Juicy Fruit Assay Data

During the period, the assay data from the drilling at Juicy Fruit (EPM 14628 – 100% AQR) (See Figure 1) was released to the market. Juicy Fruit is one of more than ten prospects on the AQR permits to the west of Monto. These data indicate that Juicy Fruit hosts a similar style of mineralisation to Whitewash and, in the near future, more drilling will be completed at the prospect to determine the nature and size of the mineralised system. The proximity of the mineralised prospects to Whitewash augurs well for a centralised processing plant.

Work Planned for the December Quarter

The Company intends to finalize the Gordon's Knob drilling and assays and then recalculate the Resource Estimate for the combined zone of Whitewash and Gordon's Knob. Once the revised Resource Estimate is at hand the Company 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.

Appendix 5B

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

Yours sincerely,



Dr Richard Haren
CEO

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.

To the extent this report relates to the Mineral Resource Statement prepared by SRK Consulting Pty Ltd and released by the Company on September 25, 2008 such information was provided by Mr Paul Hunter and Mr Daniel Guibal who are fulltime employees of SRK Consulting and collectively take responsibility for the content. Both have over 17 years of relevant experience relating to the evaluation of base and precious metal deposits of this style and the estimation of mineral resources and application of advanced geostatistical techniques. Both are considered to have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they undertook to qualify as Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves.

For further information please contact:

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CEO

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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")

30 September 2008

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	3	3
1.2 Payments for (a)exploration and evaluation (b)development (c)production (d)administration	(618) - - (249)	(618) - - (249)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	93	93
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Security Deposits GST Payments	- (127)	- (127)
Net Operating Cash Flows	(898)	(898)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b)equity investments (c) other fixed assets	- - (222)	- - (222)
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	(222)	(222)
1.13 Total operating and investing cash flows (carried forward)	(1,120)	(1,120)

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,120)	(1,120)
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		(1,120)	(1,120)
1.20	Cash at beginning of quarter/year to date	5,896	5,896
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	4,776	4,776

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	224
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	920
4.2	Development	-
Total		920

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	4,776	5,896
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		4,776	5,896

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)			<i>Exercise price</i>	<i>Expiry date</i>
	30,000,000	N/A	30	30 January 2010
	600,000	N/A	20	31 January 2012
7.8 Issued during quarter	600,000	N/A	20	31 January 2012
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: 29/10/08
(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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