

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

SANDFIRE RESOURCES NL

ABN

55 105 154 185

Quarter ended ("current quarter")

30 June 2009

Statement of cash flows

	Current quarter	Year to date
	\$A'000	\$A'000
Cash flows related to operating activities		
1.1 Receipts from provision of services	-	-
1.2 Payments for (a) exploration and evaluation	(971)	(4,630)
(b) development	-	-
(c) production	-	-
(d) administration	(184)	(653)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	24	178
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Movement in Working Capital	-	-
Net Operating Cash Flows	(1,131)	(5,105)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(185)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	26	42
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (payments for security deposits/bonds)	(39)	(43)
Net investing cash flows	(13)	(186)
1.13 Total operating and investing cash flows (carried forward)	(1,144)	(5,291)

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(1,144)	(5,291)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	69	69
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Interest and other costs of finance paid	-	-
1.19	Dividends paid	-	-
1.20	Share issue expenses	-	(496)
1.21	Other – reclassification of cash to environmental bonds	-	-
	Net financing cash flows	69	(427)
	Net (decrease)/increase in cash held	(1,075)	(5,718)
1.22	Cash at beginning of quarter/year to date	3,720	8,363
1.23	Exchange rate adjustments to item 1.22	-	-
1.24	Cash at end of quarter/year	2,645	2,645

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
1.25	Aggregate amount of payments to the parties included in item 1	161
1.26	Aggregate amount of loans to the parties included in item 1.10	-

1.27 Explanation necessary for an understanding of the transactions

Payment of Director and consulting fees to Directors and Director related entity.

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

None.

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

None.

+ See chapter 19 for defined terms.

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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation (i)	1,770
4.2 Development	-
Total	1,770

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	645	720
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Term Deposits	2,000	3,000
Total: cash at end of quarter (item 1.24)	2,645	3,720

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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		<u>WA Exploration Licences</u>		
	E04/1449	Reduced block size	100%	100%
	E04/1451	Reduced block size	100%	100%
	E09/1111	Reduced block size	100%	100%
		<u>NT Exploration Licences</u>		
	EL10121	Final Surrender	100%	0%
	EL24349	Final Surrender	100%	0%
	EL24373	Final Surrender	100%	0%
	EL24374	Final Surrender	100%	0%
	EL24402	Final Surrender	100%	0%
	EL24664	Final Surrender	100%	0%
	EL24700	Final Surrender	100%	0%
	EL24714	Final Surrender	100%	0%
	EL24778	Final Surrender	100%	0%
	EL24942	Final Surrender	100%	0%
	EL24943	Final Surrender	100%	0%
	EL24946	Final Surrender	100%	0%
	EL24996	Final Surrender	100%	0%
	EL24997	Final Surrender	100%	0%
	EL25070	Final Surrender	100%	0%
	EL25312	Final Surrender	100%	0%
	EL25328	Final Surrender	100%	0%
	EL25462	Final Surrender	100%	0%
	EL25590	Final Surrender	100%	0%
	EL25592	Final Surrender	100%	0%
	EL25647	Final Surrender	100%	0%
	EL26298	Final Surrender	100%	0%
	EL26361	Final Surrender	100%	0%
	EL25480	Final Surrender	100%	0%
	EL26481	Final Surrender	100%	0%
	EL26482	Final Surrender	100%	0%
EL26486	Final Surrender	100%	0%	
EL26637	Final Surrender	100%	0%	
6.2 Interests in mining tenements acquired or increased	E52/2358	<u>WA Exploration Licences</u> Granted	0%	100%
		<u>NT Exploration Licences</u>		
	EL26908	Granted	0%	100%
	EL26909	Granted	0%	100%
	EL26953	Granted	0%	100%
		<u>NT Substitution ELs</u>		
	SEL26831	Granted	0%	100%
	SEL26833	Granted	0%	100%
	SEL26835	Granted	0%	100%
	SEL26836	Granted	0%	100%
	SEL26837	Granted	0%	100%
	SEL26938	Granted	0%	100%
	SEL26939	Granted	0%	100%

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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)	Amount paid up per security (see note 3)
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	82,844,965 12,480,979	82,844,965 12,480,979		Fully paid Partly paid to \$0.0001 cents
7.4 Changes during quarter (a) Increases through issues (b) Decreases through contributing shares paid up in full	110,000 202,000 202,000	110,000 202,000 202,000	\$0.35 \$0.15 \$0.15	Fully paid Fully paid Partly paid to \$0.0001 cents
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>	1,060,000 1,420,000 3,000,000 6,000,000		<u>Exercise price</u> \$0.35 \$0.40 \$0.50 \$0.60; \$0.80; \$1.00	<u>Expiry date</u> 7 Feb 2011 8 Aug 2011 30 Sep 2011 12 Jul 2013
7.8 Issued during quarter				
7.9 Exercised during quarter	110,000		\$0.35	7 Feb 2011
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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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 July 2009
(Company secretary)

Print name: JEAN MATHIE

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.