ABN: 44 103 423 981
Tel: +61 8 9322 6974
Fax: +61 8 9486 9393
email: dcrook@PIOresources.com.au

Address: 21 Ord Street
West Perth Western Australia

Postal: PO Box 1787
West Perth
Western Australia 6872

Friday, 29 January 2010

Pioneer Resources Limited (ASX: PIO)

QUARTERLY ACTIVITIES REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2009

HIGHLIGHTS: The Lignum Dam Gold Trend - Gold Discovery Continues

Very encouraging gold mineralisation intersected at the Hughes Prospect, including:

- LDRC058: 42m at 1.38g/t from 32m
  - including **16m at 2.58g/t from 36m**
- LDRC059: 49m at 2.31g/t from 61m
  - including **19m at 2.41g/t from 61m**
  - **and 15m at 3.56g/t from 89m**

New gold intercepts extend the strike length of the Tregurtha Prospect to 400m:

- LDRC036: 12m at 1.52g/t from 43m
  - including **5m at 2.41g/t from 44m**
- LDRC038: 22m at 1.18g/t from 120m
- LDRC039: **8m at 2.24g/t from 36m**
- LDRC040: 12m at 1.43/t from 36m

Tregurtha Diamond Drilling provides structural information and confirms high-grade potential:

- LDRD013: 13m at 2.22g/t from 145m
- LDRD015: **8m at 8.55g/t from 43m**
  and 21m at 2.03g/t from 81m
- LDDD028: **6.19m at 8.78g/t from 80.2m**
- LDDD029: **4m at 65.34g/t from 53m**

During the December 2009 quarter, 35 RC drill holes were completed for 3,602 metres. In addition, 6 diamond drill holes generated 465.9 metres of core. Gold mineralisation was reported for 28, or 68%, of the holes drilled.

The gold project's landholding was significantly increased by around 50% through the acquisition of the Golden Cities North Tenements, which immediately provided two new drilling targets.

Pioneer is pleased to confirm that drilling is expected to resume on 2 February 2010 at the Hughes Prospect. Currently evident mineralisation, which has a strike length of 200m, will be tested with a pattern of 40x40m spaced drill holes.

Given the significantly expanded project and tenement area, coupled with ongoing exploration success and the now heightened gold prospectivity at multiple locations, the Company has chosen to rename its gold project to the ***Mt Jewell Gold Project (previously referred to as the Lignum Dam Gold Project)***

At 31 December 2009 Pioneer had cash reserves of $4.2 million and no debt.

www.PIOresources.com.au

THE MT JEWELL GOLD PROJECT

Following the return of excellent gold results from both the Tregurtha and Hughes Prospects; coupled with the acquisition of the large and strategically important Golden Cities North tenements, the Company has decided to re-name its expanded gold project (previously referred to as the Lignum Dam Gold Project) to the Mt Jewell Gold Project. This is expected to simplify future identification of work areas and assist in streamlining statutory obligations. Mt Jewell is a geographic feature located towards the centre of the project area.

All tenements within the Mt Jewell Gold Project are held 100% by Pioneer with no royalties or third party interests in respect of gold. (Refer to Figure 1 below).

As gold zones are revealed through discovery, these will be named by trend. To date these include the Lignum Dam Trend and the Golden Cities North Trend.

Prospect names will identify areas that are drill-ready for gold, and will continue to acknowledge the earlier gold pioneers of the district, including Messieurs Tregurtha and Hughes.

OUTLOOK: Substantial Drilling Programs for the Mt Jewell Gold Project.

Lignum Dam Gold Trend:

- The Company is set to commence 3,800m of RC drilling at the Hughes Prospect on 2 February 2010 to follow up the recently returned, very encouraging assay results. (Refer to Figures 3 and 4, p10)
- A small program of RC and diamond drilling will be completed at the Tregurtha Prospect to deepen short holes and confirm mineralised strike extensions. (Refer to Figures 5 and 6, p11)

Golden Cities North Gold Trend:

- RAB drilling at the newly acquired gold property will commence following the completion of RC drilling at the Lignum Dam Trend, in April 2010.

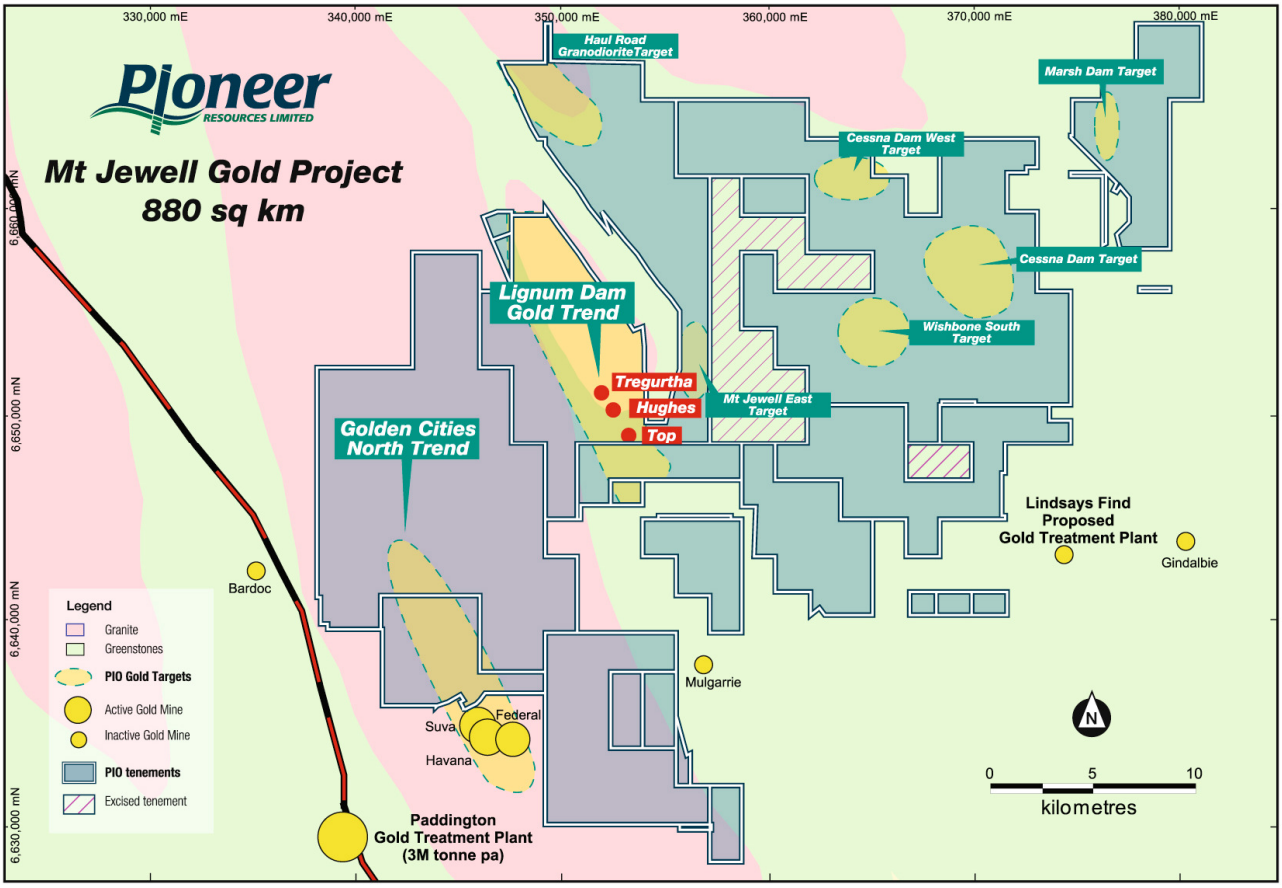


Figure 1: Pioneer's 100% held Mt Jewell Project Area.

EXPLORATION:

1. Mt Jewell Gold Project. (Pioneer 100%).

- **Hughes Prospect gold potential revealed.**
- **Landholding substantially increased.**

Highlights.

- Three adjacent holes, LDRC057, LDRC058 and LDRC059, intersected strong mineralisation at Pioneer's second gold target, the Hughes Prospect.
- Pioneer's field crew has returned to site and drilling will re-commence on 2 February 2010.
- Pioneer acquired the Golden Cities North Project in December 2009. Drill targets are immediately evident based on Pioneer's review of 1990s reconnaissance RAB results, and environmental approvals have been sought by Pioneer to enable drilling to commence in April 2010.

- 24 RC holes were drilled at the Tregurtha, and 11 RC holes drilled at the Hughes Prospects for a total of 3,602 metres. An additional 6 holes were drilled or extended by diamond drilling, generating 465.9 metres of core. A full list of drill hole collar locations and significant mineralisation for the December 2009 quarter is provided as Table 1, and Figures 3 to 6 provide additional information.
- Gold mineralisation was reported for 28 of the 41 holes drilled.
- Mineralisation remains open along strike and down dip at both Tregurtha and Hughes Prospects.
- In a number of holes, multiple zones of mineralisation were intersected.

Project Status.

The Mt Jewell Gold Project is located 50km north of Kalgoorlie, and now comprises approximately 880km^2 of highly prospective tenements.

Within the Mt Jewell Gold Project the Company has recognised mineralisation along the Lignum Dam Gold Trend (Tregurtha and Hughes) and along the Golden Cities North Trend (prospects as yet un-named, however the Havana-Suva and Federal Mines (1.2Moz reported, owned by Norton Gold Fields Limited) occur immediately south of Pioneer's ground). The project is also adjacent to Norton's 3 million tonne per annum Paddington Gold Operation.

Additional gold anomalies have been identified within Pioneer's 100%-held tenements in the vicinity of the historic Gindalbie Mining Centre and near the Lindsay's Find Gold Project.

Outlook.

Lignum Dam Gold Trend

Recent drilling activities have largely targeted the Tregurtha Prospect, however the recent mineral orientation drilling at Hughes returned broad zones of strong mineralisation. A 3,800 metre mineral definition drilling program will be undertaken immediately at the Hughes Prospect, with results expected from mid February to the end of March 2010. Four holes will also be deepened at the Tregurtha Prospect during this round of drilling.

Golden Cities North Trend

Pioneer has recognised from earlier explorer's work, a RAB gold anomaly that extends from the Golden Cities and Federal Mines, which are located 2km to the south - outside the newly acquired ground. This anomaly extends at least 6km into Pioneer's project area. Limited RC drilling is reported to have intersected significant mineralisation including:

- 6m at 1.78g/t from 51m
- 10m at 1.03g/t from 93m and
- 3m at 3.26 from 50m (NB This drill hole ended in mineralisation).

A 7,000m RAB drilling program, designed to build upon existing reconnaissance RAB drilling information from the 1990s, is scheduled to be completed during April 2010. This will bring the drill density down to 160x80m patterns over selected targets.

2. Mt Chester Manganese Prospect: (Pioneer 100%).

The Mt Chester Manganese Prospect is located within granted mining lease M74/163, approximately 9km from Ravensthorpe, Western Australia and 180km from the Port of Esperance. Field work has located indications of manganese mineralisation in outcrop over 500m of strike length where rock samples assayed in the range of 25-49% Mn. This mineralised horizon was originally accessed by an adit prior to 1909. Metana Metals NL (1989) reported that channel sampling within the adit by returned 15m at 17.7% Mn.

During the quarter Pioneer completed the acquisition of the outstanding 25% participating interest in the Ravensthorpe Joint Venture from its partner, Galaxy Resources Limited and Pioneer now holds a 100% unencumbered interest in all Ravensthorpe tenements. The Company also resolved some minor encumbrances with third party interests associated with certain of the tenements and in doing so addressed a potential environmental issue. The consolidation of ownership was a necessary step before commercial offers, which have been received by the Company in respect of manganese-iron rights and copper-gold rights, could be considered.

3. Golden Ridge Nickel JV Project: (Pioneer 56%, Australian Mines Limited (ASX: AUZ) 44% contributing).

One diamond drill hole, GRD009, was drilled to 378.3m to test the Leo's Dam ultramafic unit directly down-dip of Ni-Cu-PGE anomalism intersected in earlier aircore drilling.

Rare sulphide minerals were intersected within the Leo's Dam ultramafic unit. Several intersection assays were anomalous in nickel, up to 0.8% Ni, however the absence of anomalous copper suggests a metamorphic origin for the sulphide mineralisation. A down hole EM survey detected no significant conductive material.

The whole-rock geochemistry of the Leo's Dam ultramafic unit is considered inconsistent with that hosting Kambalda-style nickel sulphide mineralisation, therefore no further work is planned.

Evaluations of the Central Ultramafic Unit and the near-Blair Mine area will continue. Drilling to date has revealed that ultramafic stratigraphic elements are very complex, which is often the case in the nickel sulphide ore environment, in contrast to uniform sheet-like ultramafic strata that typifies un-mineralised terrains.

4. Acra Nickel JV Project: (Pioneer 40% (free-carried), Xstrata Nickel Australasia Pty Ltd 60% and may earn up to an 80% interest).

Three diamond drill holes, (ACDD011 (348m), ACDD012 (303.3m) and JBDD015 (extended 283m to 769.4m) were completed during the December 2009 quarter for a total of 934.3m.

Diamond drill hole JBDD015 successfully intersected similar stratigraphic elements, including sulphide mineralisation, to that intersected in previously reported JBDD014. Two zones of ultramafic rocks containing sulphides of interest were intersected. Detailed logging will be completed before the core is cut for assay.

- From 635m to 690m: Small localised accumulations of matrix or net-textured sulphides. Niton (hand held XRF analyser) suggested that the sulphides are nickeliferous.
- From 732m to 740m: Nickeliferous (by Niton) sulphides are present as well-formed blebs within ultramafic and non-ultramafic rock including along an irregular contact with possible felsic material.

A down-hole EM survey did not indicate a conductor in the vicinity of the sulphide mineralisation.

No significant results are reported for holes ACDD011 and ACDD012.

CORPORATE:

The Board of Pioneer is very pleased to welcome Mr Wayne Spilsbury as an Independent Non-Executive Director. Mr Spilsbury is a geologist with in excess of 25 years experience in exploring and evaluating mineral projects in Australia and internationally, including as General Manager, Exploration (Asia Pacific) for Teck Cominco Limited. Mr Spilsbury is based in Perth and continues to consult in the mining industry and is a Non Executive Director on the Board of two Canadian listed companies, GGL Resources Corporation and Minco Silver Corporation.

ANNOUNCEMENTS:

The following announcements may be accessed by activating the accompanying hyperlink.

12 January 2010
Latest Gold Results Expand Lignum Dam Discovery
(PDF, 229 KB)

14 December 2009
Appointment of Independent Non-Executive Director
(PDF, 36 KB)

11 December 2009
Pioneer increases stake in Mt Chester Manganese Project
(PDF, 129 KB)

10 December 2009
Major increase to Landholding at Lignum Dam Gold Project
(PDF, 661 KB)

19 November 2009
Diamond Drill results - Lignum Dam
(PDF, 808 KB)

Yours sincerely

Managing Director

For more information please contact:

David Crook
Pioneer Resources Limited
Managing Director
(08) 9322 6974
dcrook@PIOresources.com.au

Glossary:

"Diamond Drilling" or "Core Drilling" is a drilling technique which uses a diamond-set drill bit to produce a cylindrical core of rock.
"EM" means electromagnetic, a geophysical survey technique used to locate conductive rocks which may host nickel sulphide mineralisation. There are a number of configurations of transmitters, receivers and processing available depending on the application.
"g/t" means grams per tonne (used for precious metals) and is equivalent to ppm.
"ppm" means 1 part per million by weight.
"RAB" means rotary air blast, a cost-effective drilling technique used to geochemically sample weathered rock.
"RC" means reverse circulation, a drilling technique that is used to return uncontaminated pulverised rock samples through a central annulus inside the drill pipes. RC samples can be used in industry-standard Mineral Resource statements.
"NSR" means Net Smelter Return.
"Au" means gold.
"Cu" means copper.
"Ni" means nickel.
"PGE" means platinum group elements. Here it means platinum + palladium.

The information within this report as it relates to geology and mineralisation was compiled by Mr David Crook who is a member of the Australasian Institute of Mining and Metallurgy and is a competent person with over 20 years experience in the minerals industry, including the activity reported. This person consents to the inclusion of this information in the form and context in which it appears in this report.

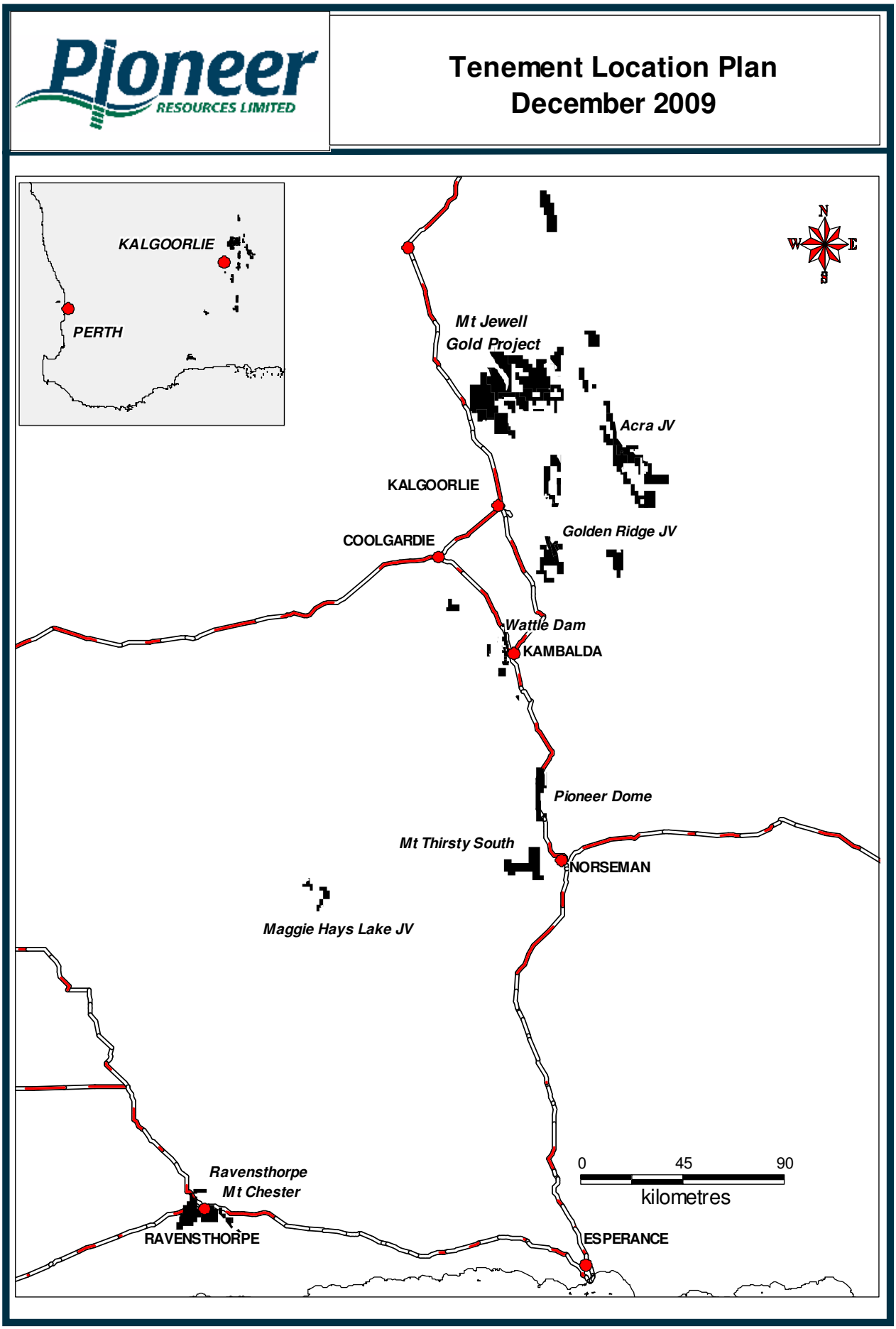


Figure 2: Tenement Location Plan

Table 1 Mt Jewell Gold Project: Drill Hole Collar Summary and Significant Results								
Hole ID	**East**	**North**	**Depth**	**From**	**To**	**Intercept**	**Au**	**Note**
	(m)	**(m)**	**(m)**	**(m)**	**(m)**	**(m)**	**(g/t)**	
Hughes								
LDRD004	352,320.18	6,650,398.50	183	142	144	2	1.27	2,3
LDRD004			and	159	176	17	1.03	1,3
LDRD004			Including	163	170	7	1.40	2,3
LDRD008	352,677.43	6,650,601.58					NSR	
LDRC053	352,230.90	6,650,500.20					NSR	
LDRC054	352,282.48	6,650,498.66	100	27	32	5	0.90	1
LDRC054			and	96	100	4	0.96	1
LDRC055	352,282.48	6,650,498.66					NSR	
LDRC055A	352,282.48	6,650,498.66					NSR	
LDRC056	352,559.73	6,650,498.77					NSR	
LDRC057	352,599.63	6,650,499.11	100	32	56	24	1.09	1
LDRC057			Including	32	48	16	1.32	2
LDRC058	352,638.52	6,650,501.33	100	32	74	42	1.38	1
LDRC058			Including	36	52	**16**	**2.58**	2
LDRC058			Including	56	59	3	1.14	2
LDRC058	352,638.52	6,650,501.33	100	82	90	8	1.16	1
LDRC059	352,679.78	6,650,500.65	110	61	110	49	2.31	1
LDRC059			Including	61	80	**19**	**2.41**	2
LDRC059			Including	89	104	**15**	**3.56**	2
LDRC059			Including	108	110	2	1.47	2
LDRC060	352,549.53	6,650,400.53	100	32	36	4	0.71	1
LDRC061	352,589.89	6,650,400.64	100	36	40	4	2.71	1
LDRC061			and	48	52	4	0.51	1
LDRC062	352,640.78	6,650,401.07	100	64	68	4	0.86	1
Tregurtha								
LDRD013	351,982.75	6,651,257.42	198.2	97	102	5	1.53	1,3
LDRD013			and	113	119	6	0.86	1,3
LDRD013			and	138.85	160	**21.15**	**1.66**	1,3
LDRD013			Including	140	143	3	1.28	2,3
LDRD013			Including	145	158	**13**	**2.22**	2,3
LDRD015	352,060.76	6,651,256.50	132.3	43	51	**8**	**8.55**	1,3
LDRD015			and	71	75.9	4.9	0.72	1,3
LDRD015			and	80.5	102.7	22.2	1.95	1,3
LDRD015			Including	81	102	**21**	**2.03**	2,3
LDDD028	352,016.00	6,651,255.41	137.99	80.21	87	6.79	8.06	1
LDDD028			Including	80.21	86.4	**6.19**	**8.78**	2
LDDD028			and	108	112.05	4.05	2.05	1
LDDD028			Including	108	110	2	3.28	2
LDDD029	352,017.23	6,651,294.62	114.4	53	58	5	52.42	1
LDDD029			Including	53	57	**4**	**65.34**	2
LDRC030	352,197.55	6,651,092.51						
LDRC031	352,248.83	6,651,097.16	120	40	44	4	0.68	1

Table 1 Mt Jewell Gold Project: Drill Hole Collar Summary and Significant Results								
Hole ID	**East**	**North**	**Depth**	**From**	**To**	**Intercept**	**Au**	**Note**
	(m)	**(m)**	**(m)**	**(m)**	**(m)**	**(m)**	**(g/t)**	
LDRC032	352,278.11	6,651,086.29						
LDRC033	352,141.39	6,651,160.64	100	40	48	8	0.94	1
LDRC033			Including	46	48	2	2.03	2
LDRC034	352,188.81	6,651,160.08						
LDRC035	352,207.62	6,651,159.11						
LDRC036	352,126.01	6,651,199.16	100	43	55	12	1.52	1
LDRC036			Including	44	49	**5**	**2.41**	2
LDRC036			Including	52	54	2	1.13	2
LDRC037	352,146.57	6,651,200.50	80	41	45	4	0.72	1
LDRC038	351,945.56	6,651,297.98	150	120	142	22	1.18	1
LDRC038			Including	121	126	5	1.20	2
LDRC038			Including	129	131	2	2.17	2
LDRC038			Including	136	142	6	1.63	2
LDRC039	352,039.96	6,651,300.44	80	36	44	**8**	**2.24**	1
LDRC039			and	66	68	2	1.53	2
LDRC040	351,995.19	6,651,336.56	130	36	48	12	1.43	1
LDRC040			Including	40	48	8	1.76	2
LDRC040			and	56	60	4	0.68	1
LDRC040			and	80	84	4	0.98	1
LDRC041	352,092.32	6,651,346.99					NSR	
LDRC042	352,144.82	6,651,341.40					NSR	
LDRC043	351,883.30	6,651,400.88	100	20	24	4	1.02	1
LDRC043			and	40	62	22	1.07	1
LDRC043			Including	40	48	8	1.63	2
LDRC043			Including	52	56	4	1.03	2
LDRC044	351,919.31	6,651,404.93	100	8	12	4	0.67	1
LDRC045	351,963.58	6,651,404.59					NSR	
LDRC046	351,821.24	6,651,440.05	100	60	71	11	0.73	1
LDRC046			Including	69	71	2	1.20	2
LDRC047	351,872.61	6,651,439.95	120	36	40	4	0.53	1
LDRC048	351,902.72	6,651,445.74					NSR	
LDRC049	351,851.82	6,651,299.94	100	36	40	4	0.64	1
LDRC050	351,808.58	6,651,298.64	100	68	80	12	0.68	1
LDRC051	351,761.88	6,651,297.21	100	40	48	8	0.85	1
LDRC051			and	68	72	4	0.84	1
LDRC052	351,724.13	6,651,297.16	100	72	76	4	1.33	1
LDRC063	352,100.97	6,651,298.18	80	36	40	4	0.57	1

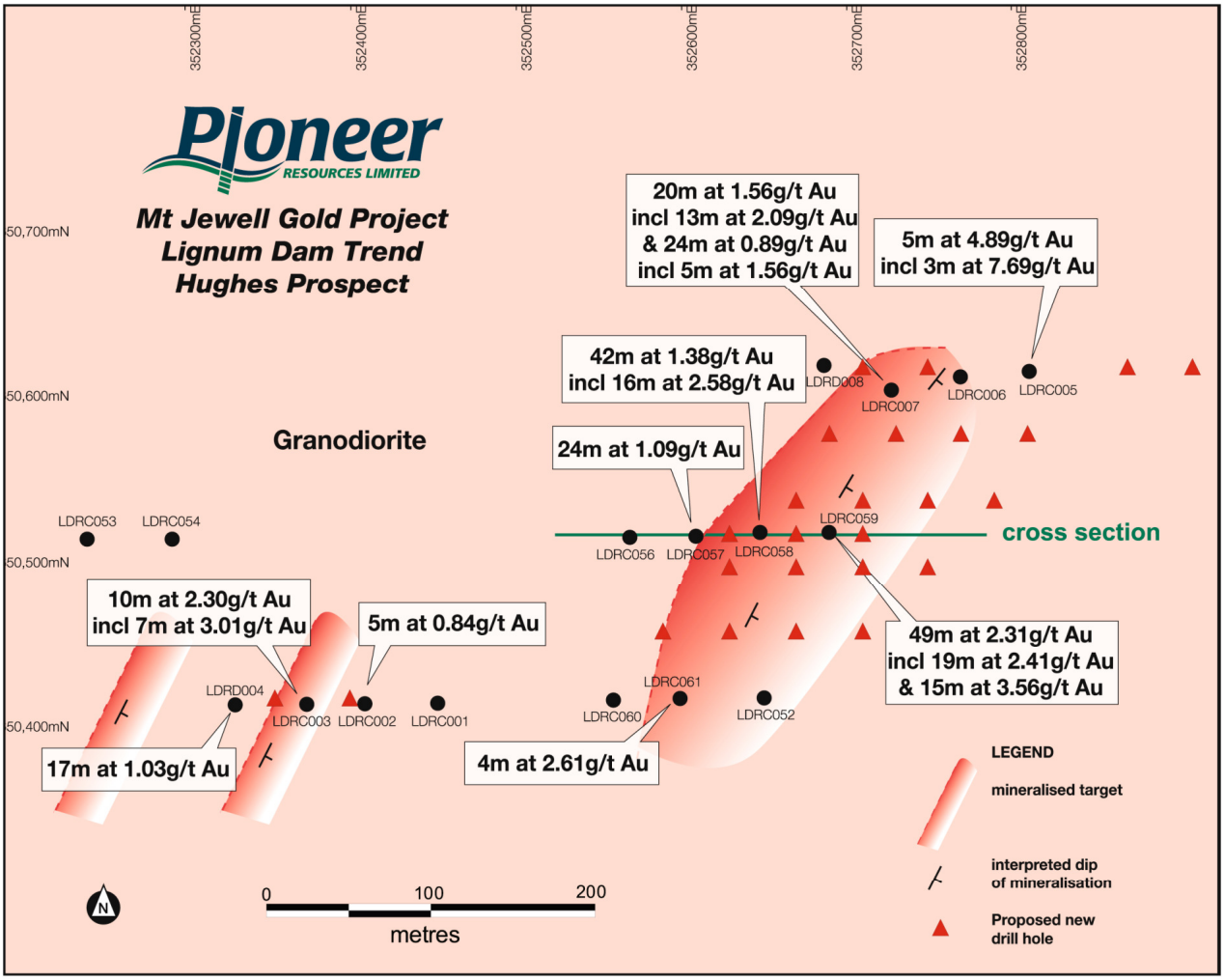
Notes

- *Drill hole collar positions determined by licensed surveyor GDA94-51 datum.*
- *All holes drilled towards east (90^0) and inclined -60^0*
- *Analytical results by Genalysis Laboratories Pty Ltd: 50g Fire Assay, 0.01g/t lower detection limit.*
- *Intersection grade reported here is based on single metre or composites of 2, 3 or 4 samples, made at the geologist's discretion. Length weighted average grade reported. Single metre sample assays will follow composites.*
- *Intercepts are "down-hole" metres. No estimate regarding true thickness is made or implied.*

[1] *reported drill hole intercept based on a minimum of 4m grading above 0.5g/t, 4m internal dilution*

[2] *reported drill hole intercept based on a minimum of 2m grading above 1.0g/t, 2m of internal dilution*

[3] *part of hole previously reported*



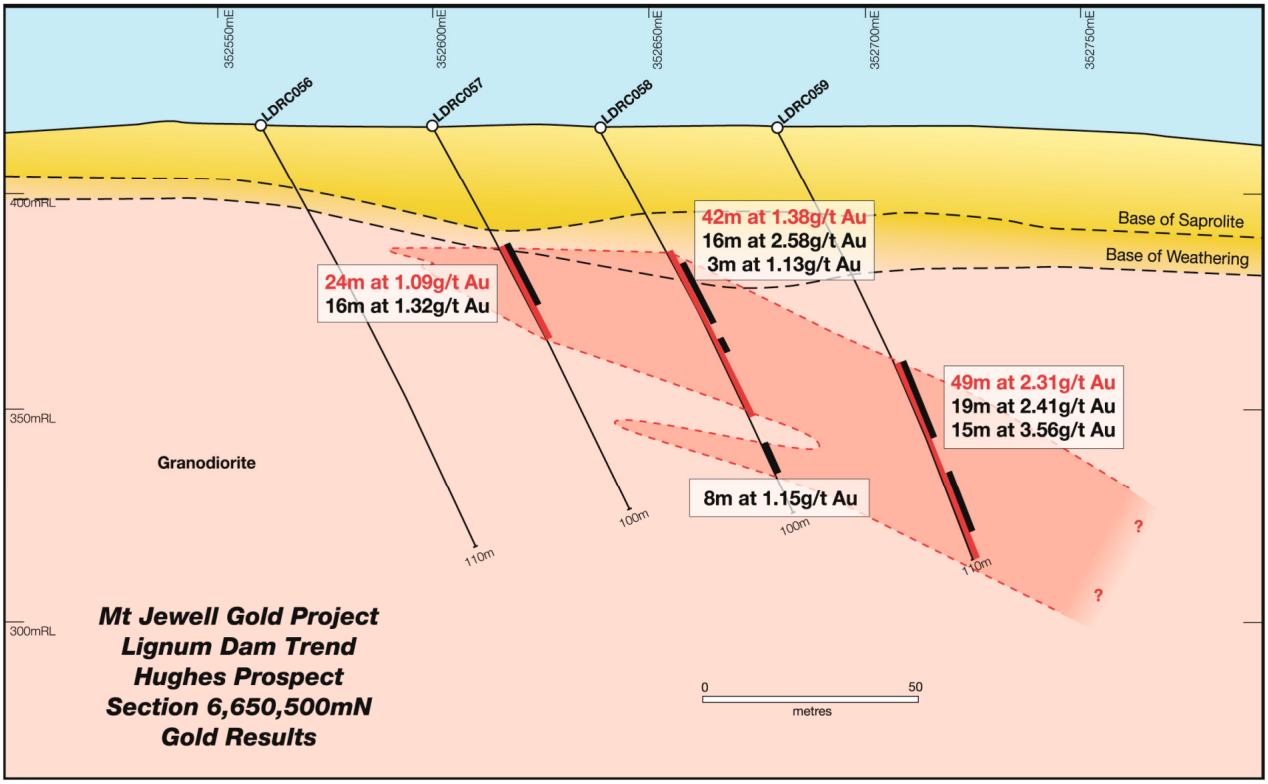
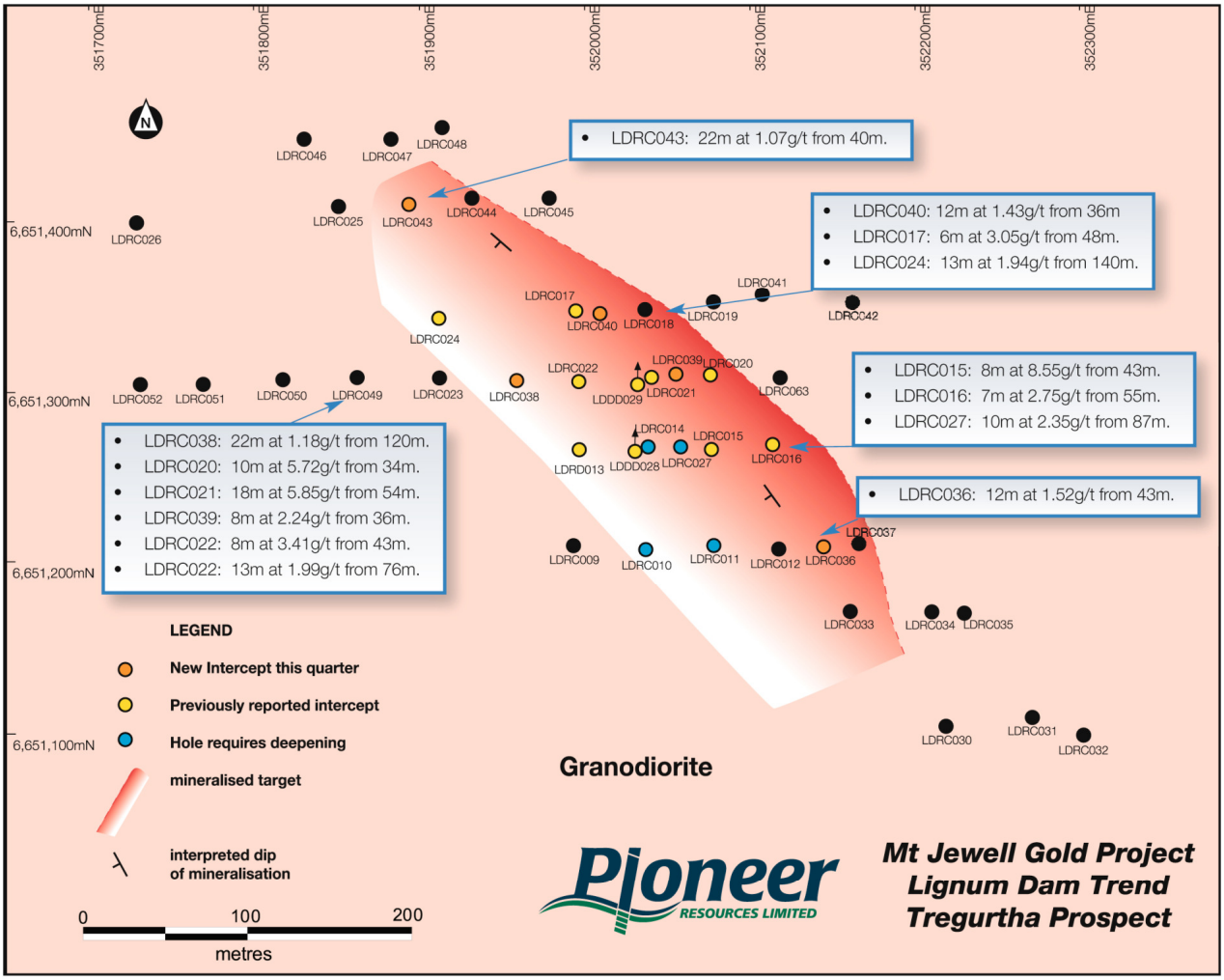


Figure 3: Hughes Drill Hole Layout Plan showing significant results, planned drill holes for the forthcoming program and a schematic representation of drill targets.

Figure 4: Hughes Drill Hole Cross Section at 6,650,500m North.



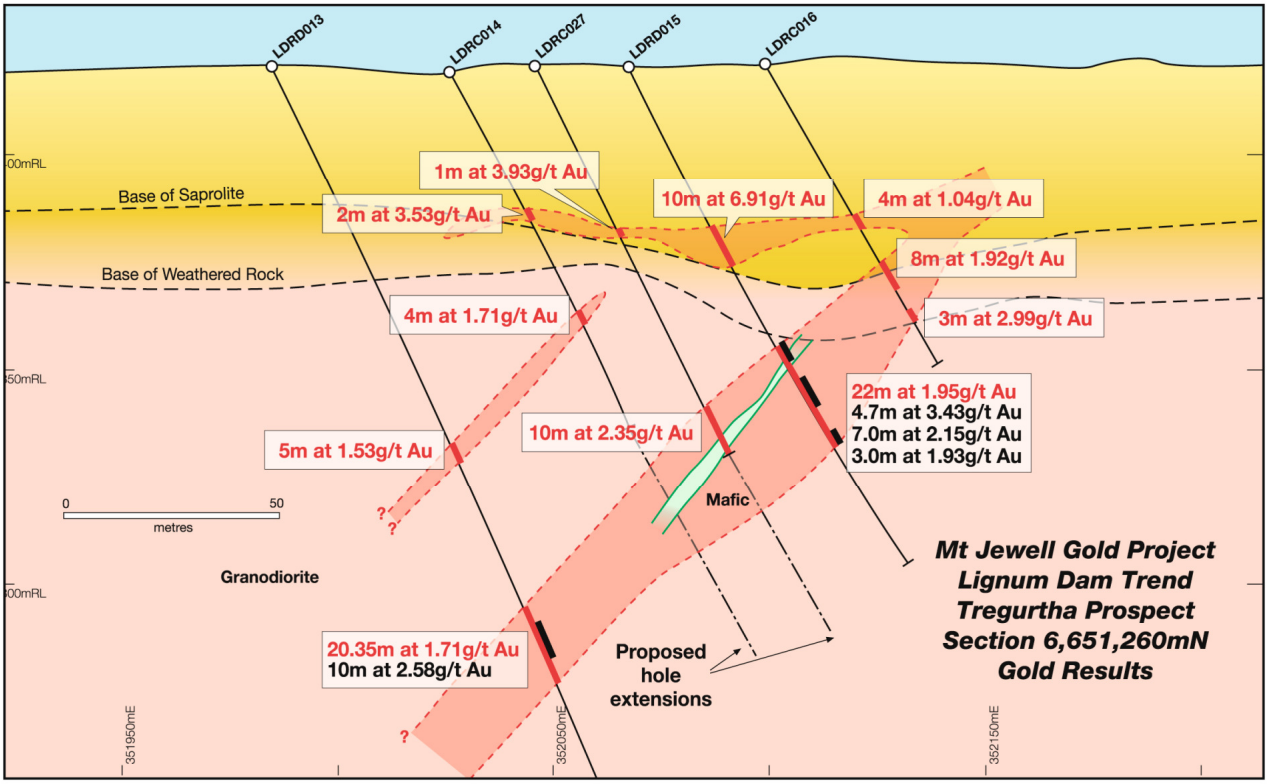


Figure 5: Tregurtha Drill Hole Layout Plan showing significant results, planned drill holes for the forthcoming program and a schematic representation of the principle drill target.

Figure 6: Tregurtha Drill Hole Cross Section at 6,651,260m North.

Rule 5.3

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

PIONEER RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
44 103 423 981	**31 DECEMBER 2009**

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	(835)	(1,248)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(125)	(292)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	33	48
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – Joint venture and other exploration funding	554	650
	Net Operating Cash Flows	(373)	(842)
	Cash flows related to investing activities		
1.8	Payment for purchases of:(a) prospects	(175)	(175)
	(b) equity investments	-	-
	(c) other fixed assets	(5)	(12)
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 – Payment for tenement bond	-	-
	Other – Tenement bonds refunded	-	1
	Net investing cash flows	(180)	(186)
1.13	Total operating and investing cash flows (carried forward)	(553)	(1,028)

1.13	Total operating and investing cash flows (brought forward)	(553)	(1,028)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	4,178
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 – Share issue costs	(170)	(266)
	Net financing cash flows	(170)	3,912
	Net increase (decrease) in cash held	(723)	2,884
1.20	Cash at beginning of quarter/year to date	4,932	1,325
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	**4,209**	**4,209**

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	$94k
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Within item 1.2

(i) Managing Director and Non-Executive Directors' remuneration - $94k

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

NIL

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

NIL

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	NIL	NIL

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	600
4.2	Development	NIL
	Total	**600**

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	304	12
5.2	Deposits at call	3,905	4,920
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	**4,209**	**4,932**

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	E15/1039 P31/1707	Registered Holder Registered Holder	100% 40%	0% 0%
6.2	Interests in mining tenements acquired or increased	E24/149 E24/157 E74/406 M74/162 M74/163 P74/259 P74/260 P74/304 P74/305 P74/306	Beneficial Holder Beneficial Holder Registered Holder Beneficial Applicant Registered Holder Registered Holder Registered Holder Registered Holder Registered Holder Registered Holder	0% 0% 75% 75% 75% 75% 75% 75% 75% 75%	100% 100% 100% 100% 100% 100% 100% 100% 100% 100%

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)*	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities** Ordinary Shares (PIO)	279,044,749	279,044,749		Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-		
7.5	**+Convertible debt securities** (*description)*	-	-		

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options**			*Exercise price*	*Expiry date*
	Unlisted options	1,000,000	-	25 cents each	31 Aug 2011
	Unlisted options	2,400,000	-	20 cents each	8 Sept 2010
	Unlisted options	2,400,000	-	22 cents each	8 Sept 2011
	Unlisted options	200,000	-	25 cents each	31 March 2012
	Unlisted options	350,000	-	25 cents each	30 June 2011
	Unlisted options	250,000	-	30 cents each	30 June 2011
	Unlisted options	750,000	-	20 cents each	30 June 2012
	Unlisted options	750,000	-	22 cents each	30 June 2013
	Unlisted options	3,366,665	-	8.5 cents each	30 Nov 2013
	Unlisted options	3,341,665	-	10 cents each	30 Nov 2013
	Unlisted options	3,341,670	-	12 cents each	30 Nov 2013
	Unlisted options	2,000,000	-	10 cents each	31 Dec 2011
	Unlisted options	2,000,000	-	10 cents each	31 Dec 2011
7.8	Issued during quarter				
	Unlisted options	3,366,665	-	8.5 cents each	30 Nov 2013
	Unlisted options	3,341,665	-	10 cents each	30 Nov 2013
	Unlisted options	3,341,670	-	12 cents each	30 Nov 2013
	Unlisted options	2,000,000	-	10 cents each	31 Dec 2011
	Unlisted options	2,000,000	-	10 cents each	31 Dec 2011
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter (lapsed) Unlisted options	3,750,000	-	25 cents each	28 Nov 2009
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

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: 28 January 2010
Company Secretary

Print name: JULIE-ANNE WOLSELEY

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.

+ See chapter 19 for defined terms.

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.

== == == == ==