

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

PETRATHERM LTD

ABN

17 106 806 884

Quarter ended ("current quarter")

31st 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 (b) development (c) production (d) administration	(14,266)	(20,055)
1.3 Dividends received	(563)	(1,242)
1.4 Interest and other items of a similar nature received	73	167
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Joint Venture Repayments)	3,413	4,609
Other (REDI Grant Proceeds)	196	537
Other (GDP Grant Funding [GST inc.])	-	4,620
Other (Other Grant Funding)	-	143
Net Operating Cash Flows	(11,147)	(11,221)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	(15)	(49)
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	(15)	(49)
1.13 Total operating and investing cash flows (brought forward)	(11,162)	(11,270)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	10	460
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	40
1.17	Repayment of borrowings	(1)	(3)
1.18	Dividends paid	-	-
1.19	Other (Share issue expenses)	(3)	(6)
Net financing cash flows		6	491
Net increase (decrease) in cash held		(11,156)	(10,779)
1.20	Cash at beginning of quarter/year to date	13,377	13,002
1.21	Exchange rate adjustments to item 1.20	(2)	(4)
1.22	Cash at end of quarter	2,219	2,219

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	124
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors' fees, superannuation.

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

+ 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 outflow	2,668
Joint Venture inflows	<u>(2,247)</u>
Net Outflow	421
4.2 Development	-
4.3 Administration Costs	550
Total	971

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	2,009	13,230
5.2 Deposits at call	210	147
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,219	13,377

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			
6.2	Interests in mining tenements acquired or increased			

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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) (cents)	Amount paid up per security (see note 3) (cents)
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	94,493,673	94,493,673	Fully Paid	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	30,000	30,000	Fully Paid	Fully Paid
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>	200,000 200,000 650,000 750,000 100,000 40,000 40,000 400,000 200,000 20,000 215,000 350,000 75,000 1,000,000		<i>Exercise price</i> \$0.32 \$0.37 \$0.32 \$0.37 \$0.53 \$0.91 \$0.90 \$0.90 \$0.97 \$0.91 Various \$0.42 \$0.50 \$0.50	<i>Expiry date</i> 21/05/2011 21/05/2011 30/04/2012 30/04/2013 1/01/2012 4/03/2012 31/05/2012 31/05/2012 25/06/2012 21/03/2012 Various 27/11/2013 30/06/2014 23/12/2014
7.8 Issued during quarter	1,000,000 60,000		\$0.50 \$0.50	23/12/2014 23/12/2014

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Appendix 5B
Mining exploration entity quarterly report

7.9	Exercised during quarter	30,000		\$0.32	29/05/2011
7.10	Expired during quarter	400,000		\$0.76	6/07/2013
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

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: 29th January 2010

Print name: **DONALD STEPHENS**
(Company secretary)

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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