

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

REY RESOURCES LIMITED

ABN

84 108 003 890

Quarter ended ("current quarter")

30 September 2009

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		
1.2 Payments for (a) exploration and evaluation	(454)	(454)
(b) development		
(c) production	(396)	(396)
(d) administration		
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	14	14
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(836)	(836)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	(208)	(208)
(b)equity investments		
(c) other fixed assets		
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	(208)	(208)
1.13 Total operating and investing cash flows (carried forward)	(1,044)	(1,044)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(1,044)	(1,044)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,529	2,529
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 (provide details if material)		
	Net financing cash flows	2,529	2,529
	Net increase (decrease) in cash held	1,485	1,485
1.20	Cash at beginning of quarter/year to date	528	528
1.21	Exchange rate adjustments to item 1.20		
		2,013	2,013
1.22	Cash at end of quarter		

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	179
1.24	Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

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

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

+ 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	1,000
4.2 Development	
Total	1,000

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	2,013	528
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,013	528

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	T8, T9, T10 Timon	100%	100%	0%

+ See chapter 19 for defined terms.

6.2 Interests in mining tenements acquired or increased	E04/1928	100%	0%	100%
	E04/1943	100%	0%	100%
	E04/1944	100%	0%	100%
	E04/1948	100%	0%	100%
	E04/1949	100%	0%	100%
	E04/1950	100%	0%	100%
	E04/1952	100%	0%	100%
	E04/1953	100%	0%	100%
	E04/1954	100%	0%	100%
	E04/1955	100%	0%	100%
	E04/1956	100%	0%	100%
	E04/1957	100%	0%	100%
	E04/1958	100%	0%	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 <i>(description)</i>	Nil	Nil	Nil	Nil
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A	N/A	N/A	N/A
7.3 +Ordinary securities	183,639,445	183,639,445	N/A	N/A
7.4 Changes during quarter (a) Increases through issues	30,606,697	30,606,697	9 cents	Nil
7.5 +Convertible debt securities <i>(description)</i>	N/A	N/A	N/A	N/A
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A	N/A	N/A	N/A

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7.7	Options <i>(description and conversion factor)</i>	3,000,000	Nil	<i>Exercise price</i> 20 cents	<i>Expiry date</i> 31.12.2009
		1,000,000	Nil	10 cents	09.08.2010
		1,000,000	Nil	15 cents	09.08.2011
		1,000,000	Nil	20 cents	09.08.2012
		1,000,000	Nil	30 cents	09.08.2013
		29,636,819	29,636,819	30 cents	31.03.2010
		50,000	Nil	30 cents	09.08.2010
		50,000	Nil	45 cents	09.08.2011
		50,000	Nil	60 cents	09.08.2012
		500,000	Nil	30 cents	09.08.2010
		500,000	Nil	35 cents	09.08.2011
		500,000	Nil	40 cents	09.08.2012
		500,000	Nil	50 cents	09.08.2013
7.8	Issued during quarter	Nil	Nil	Nil	Nil
7.9	Exercised during quarter	Nil	Nil	Nil	Nil
7.10	Expired during quarter	N/A	N/A	N/A	N/A
7.11	Debentures <i>(totals only)</i>	N/A	N/A		
7.12	Unsecured notes <i>(totals only)</i>	N/A	N/A		

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 October 2009
(Company Secretary)

Print name: Rolando Tinoco

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.

+ See chapter 19 for defined terms.

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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