



(Formerly New World Alloys Limited)

ABN 36 060 774 227

129 Edward Street, Perth, 6000 Western Australia

P O Box 8475, Perth Business Centre, 6849, Western Australia

Telephone (618) 9322 2744 Facsimile (618) 9227 8178

Email : info@australafrica.com.au : Website www.australafrica.com.au

30 October 2009

Manager, Company Announcements
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

By E-Lodgement

Dear Sir/Madam

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2009

Operations

Austral Africa Resources Ltd (AAF) suspended processing operations of its Congolese copper smelting plant due to current economic conditions and continues to discuss the possible sale, joint venture or other arrangements with some interested parties. Should these discussions continue to be fruitless, the Board will put these assets up for sale by tender.

AAF holds eight mineral exploration concessions in the Katanga province in the Democratic Republic of Congo (DRC). The Company is in continuing talks with third parties regarding exploration activities on selected concessions. These talks are still in preliminary stages and full details will be provided as and when formal agreement is reached.

Corporate

The Company finalised a non-renounceable rights issue to all shareholders on a one for one basis raising \$903,306.

The Board is continuing to actively seek new mineral exploration opportunities as well as considering its many options in DRC and other parts of Africa and Australia.

Yours faithfully,
for **AUSTRAL AFRICA RESOURCES LIMITED**

A handwritten signature in black ink, appearing to read 'L A Colless', is positioned below the typed name.

L A Colless
Chairman