



(Formerly New World Alloys Limited)

ABN 36 060 774 227

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22 April 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 31 MARCH 2009

Operations

Austral Africa Resources Ltd (AAF) suspended processing operations of its Congolese copper smelting plant in the short term due to current economic conditions. The Company continues to discuss the future of the plant with other parties with a view to possible sale, joint venture or other arrangements should the economic climate improve and are keeping all options open during these uncertain times. With a mild improvement in copper prices, we are hopeful of more active interest in these assets.

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 is in the process of finalising a placement of 117,822,560 shares to raise \$117,822 less costs. The funds raised from the issue will be utilised for expenditures on the Group's DRC mineral concessions and to provide working capital. Placement shares will rank equally in all respects with the existing ordinary shares of the Company on issue. The new shares will be issued and Appendix 3B application for quotation of additional the shares will be lodged upon clearance of subscription monies received. No director or their associates has participated in the Placement Issue.

The Company has continued its cost cutting actions as a direct result of the current economic environment and has regretfully taken steps to further reduce its staff commitments. The Board wishes to express their thanks and appreciation to their staff and wish them the very best in their future endeavours.

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 written over a light blue horizontal line.

L A Colless
Chairman

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

AUSTRAL AFRICA RESOURCES LIMITED

ABN

36 060 774 227

Quarter ended ("current quarter")

31 March 2009

Consolidated statement of cash flows

	Current quarter	Year to date (9 months)
	\$A'000	\$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	70	692
1.2 Payments for		
(a) exploration and evaluation	(133)	(133)
(b) development	-	-
(c) production	14	(988)
(d) administration	(158)	(653)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	25
1.5 Interest and other costs of finance paid	(22)	(35)
1.6 Income taxes paid	-	-
1.7 Other – trade creditors etc	-	-
Net Operating Cash Flows	(226)	(1092)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) concessions	-	(155)
(b) equity investments	-	-
(c) other fixed assets	-	(8)
1.9 Proceeds from sale of:		
(a) Batchelor tenements	-	-
(b) equity investments	-	-
(c) other fixed assets	-	2
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	-	(161)
1.13 Total operating and investing cash flows (carried forward)	(226)	(1,253)

1.13	Total operating and investing cash flows (brought forward)	(226)	(1,253)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	11	356
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Brokerage paid	-	-
	Net financing cash flows	11	356
	Net increase (decrease) in cash held	(215)	(897)
1.20	Cash at beginning of quarter/year to date	399	1,081
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	184	184

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 and 1.7	40
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salary, consultancy and superannuation to executive directors and director's fees to non-executive directors.

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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	40
4.2 Development	-
Total	40

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	184	399
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	184	399

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	-	-	-

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 - Note (1)	785,483,734	785,438,734	-	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)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options Unlisted				
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
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.

[signed]

Lindsay Colless
Director
22 April 2009

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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