

QUARTERLY REPORT

For the three months ending 31 March 2010

Galaxy Resources Limited (ASX: GXY) is pleased to provide shareholders with the March 2010 Quarterly Report which outlines the progress made by the Company during the quarter. The Company is now fully funded and will hold a significant cash position to support the development of both the Mt Cattlin and Jiangsu projects.



Artist Impression of Galaxy Jiangsu Lithium Carbonate Plant

SIGNIFICANT EVENTS DURING THE QUARTER

- Final Creat Share Placement (A\$26m) expected to be completed end of April 2010.
- Appointment of Dr Yuewen Zheng as a Non Executive Director on 7 January 2010.
- Finalisation of loan drawdown RZB and CDB facility documentation is near completion.
- Admission to the S&P/ASX 300 Index and All Ordinaries Index.
- Mt Cattlin construction progressing on schedule.
- Pre-strip mining commenced at Mt Cattlin on 5 March 2010.
- Increased resource estimation by 23% and mine life to 16 years.
- Foundation Day Ceremony at Jiangsu Lithium Carbonate Plant.
- Project Approval, Business Licence and Environmental and Safety Approvals received for Jiangsu Lithium Carbonate Plant.
- Jiangsu construction progressing on schedule.
- Finalisation of long term shipping contract for Spodumene Concentrate.
- Executed Off-take Agreements for 100% of Galaxy's 17,000 tonnes of lithium carbonate production in April 2010.
- Major Offtake Agreement signed with Mitsubishi Corporation.
- EMD Project to be advanced at an appropriate time.

Corporate

Creat Equity Raising Update

The Company has been advised by AIM listed Creat Resources Holdings Limited (CRHL) that it was unsuccessful in raising the required funds for the acquisition of Galaxy shares and accordingly will rely on the underwriting funding obligations of the Company's controlling shareholder, Creat Group Co Limited (Creat Group) to complete the remaining Galaxy subscription.

Galaxy has been advised by Creat Group that its Board has approved on 29 March 2010, the release of A\$26 million to CRHL for the Galaxy placement obligations.

Creat Group has advised that the disbursement of funds from China will take until the end of April 2010 due to the Chinese financial regulatory approvals process.

As a result, Creat Group has requested an extension of the deadline and agreed to pay interest on outstanding amounts during the extension period. Galaxy has agreed to the extension of time in light of the required financial regulatory approval process.

During the quarter, Dr Yuewen Zhang had been appointed as a Non Executive Director of the Company on 7 January 2010.

Project Finance from RZB and CDB

Following the transfer of the Debt Facility Agreement from Creat Group to an independent syndicate of banks comprising Austrian Bank RZB and China Development Bank in November 2009, Galaxy achieved the first of three drawdowns to the value of US\$20 million.

The Company is currently working with its finance partners and legal representatives on loan and security arrangements and expects the documents to be finalised in time for the second US\$40 million drawdown around June 2010.

The final drawdown of US\$45 million is scheduled for November 2010.

Admission to S&P/ASX 300 Index

On 22 March 2010, the Company was admitted to the S&P/ ASX 300 Index and All Ordinaries Index.

General Meeting

A General Meeting was held on Wednesday, 10 February 2010 and the following resolutions were all passed on a show of hands:

1. Approval of prior Share Issue;
2. Approval of future issue of Shares; and
3. Increase remuneration of non-Executive Directors.

Annual General Meeting

The Annual General Meeting will be held on Monday, 31 May 2010 to consider the following resolutions:

1. Adoption of Remuneration Report;
2. Re-election of Robert Wanless as a Director;
3. Approval of Issue of Performance Options to Iggy Tan;
4. Approval of Issue of Performance Options to Craig Readhead; and
5. Approval of Issue of Performance Options to Robert Wanless.

Mt Cattlin Spodumene Project



Primary Screen being installed at Mt Cattlin

Construction Progress

The construction of the processing plant at the Mt Cattlin Spodumene Project near Ravensthorpe, Western Australia is progressing on schedule.

All major contracts for site works have now been awarded with the exception of the Electrical and Instrumentation package which will be awarded early in the second quarter.

The site earthworks contract has now been completed by Martin's Mining and Civil of Esperance and the contractor demobilised.

The concrete civils contractor S&N Constructions has completed all the concrete structures in the dry and wet plants and these areas have been handed over to the respective SMP contractors CPC Engineering and Interquip. The placement of special backfill behind the crusher retaining wall is expected to be complete in early April. The only remaining concrete works to be completed are the mine workshop floor and washdown slab by mid April which are on schedule.



Mt Cattlin Crusher Steelwork

Erection of structural steel and platework by the two SMP contractors is progressing well. The majority of the structural steel for the project is now on site awaiting erection.

The construction of the fine ore bin by Pacific Industrial Company is on schedule for completion by the end of April. The seventh strake has been placed in position and after welding, the final strake including the roof structure will be lifted into position.

Local Ravensthorpe building contractor R&L Constructions has moved quickly with the construction of the Maintenance Office and the Administration Offices. The first of these is expected to be handed over on schedule with the main office to follow at the end of April, again on schedule.

Construction of the power station and the laboratory building has also commenced with these being due for completion by mid June.

The mine pre-strip which is scheduled to take approximately four months began in early March using equipment supplied by mining contractor Orionstone. At the same time an RC grade control drilling program has been carried out to enable definition of the first ore zones expected to be mined in the June quarter.

Recruitment of a local workforce for the processing plant is nearing completion and training of these personnel will commence in mid May ready for commissioning of the dry plant during June.

Commencement of Mining at Mt Cattlin

On 5 March 2010, it was announced that the Company has commenced pre-strip mining at its Mt Cattlin Spodumene Project ahead of schedule. A four month pre-strip program is being undertaken in time for mining of pegmatite ore to commission the Concentrator in late Q3 2010.



Completion of Mt Cattlin Fine Ore Bin

Increased Resource Estimation and Mine Life

On 11 March 2010, a new ore reserve statement for the Mt Cattlin Spodumene Project was announced. The total "Proved" and "Probable" estimate has increased to **11.4 million tonnes @ 1.05% Li₂O** which represents a **23% increase** from the previous reserve estimation in September 2009 (9.3 million tonnes at 1.04% Li₂O).

New Ore Reserve Estimation

The new ore reserve estimate reported in compliance with the JORC Code is provided in Table 1 below.

Table 1 - Mt Cattlin Ore Reserve estimate (Mar 2010)

Reserve	Tonnes	Li ₂ O %	Ta ₂ O ₅ ppm
Proved	2,683,000	1.08	135
Probable	8,684,000	1.04	151
TOTAL	11,367,000	1.05	147

Note: Li₂O lower cut off grade >= 0.4% Li₂O. Figures in the above table may not sum due to rounding

Ore reserves are based on the January 2010 Mt Cattlin global resource estimate (Table 2). Reserves were estimated within an optimal Whittle pit shell and a final pit design developed by consultant Roselt Croeser.

Table 2 – Mt Cattlin Global Resource Estimate (Jan 2010)

Resource	Tonnes	Li ₂ O %	Ta ₂ O ₅ ppm
Measured	2,672,000	1.17	150
Indicated	9,629,000	1.09	171
Inferred	3,575,000	1.00	145
TOTAL	15,875,000	1.08	161

Note: Li₂O cut off grade >= 0.4% Li₂O. Figures in the above table may not sum due to rounding



Mt Cattlin Heavy Media Plant

The reserve estimation has incorporated data from resource definition drilling, geological modelling/resource estimation, detailed surface topography surveys, metallurgical test work, process/plant design, capital/processing cost estimation and mine planning. The pit design incorporates geotechnical pit design parameters developed by consultants Dempers and Seymour.

The resource increase at Mt Cattlin would extend the mine life of the spodumene project to 16 years.

Mining Contract Awarded

The Mt Cattlin mining contract was awarded to Orionstone Pty Ltd (Orionstone).



Orionstone selected as Mt Cattlin mining contractor

Orionstone is a provider of quality mining equipment and services that was established in the Eastern Goldfields 17 years ago and currently has fleets of equipment operating around Australia. Former clients of the company include Norilsk Nickel, Harmony Gold, Newcrest Mining, Haddington and Panoramic Resources.



Mt Cattlin Administration Complex

At the Mt Cattlin Spodumene Project, Orionstone will provide a Hitachi 1800 excavator, Caterpillar 777D dump trucks, Cat D9 dozer and other ancillary equipment as well as plant operators and maintenance staff.

The drill and blast component of the mining contract will be delivered by an Orionstone subcontractor, Total Drilling Services Pty Ltd who has also been operating in the Goldfields region for many years.

Shoemaker Joint Venture

General Mining Corporation Limited (GMC) has received from Coffey Mining a technical overview of the previous exploration on this project and recommendations on the future exploration strategy.

Coffey Mining concluded that the project has good potential for iron-ore mineralisation, in both the bedded and taconite styles in BIF (banded iron-formation) with maghemite and hematite mineralogy dominant and some potential for near surface DSO hematite mineralisation within the target Frere Formation.

According to Coffey Mining, the Lockeridge Prospect discovery announced last week by Zinc Co Australia Ltd (ASX:ZNC), next to the Shoemaker project in the Earraheedy Basin, indicates potential for stratiform bedded manganese mineralisation in the Karri Karri Member of the Chiall Formation that overlies the Frere Formation and outcrops within the Shoemaker project tenements.

There are significant sulphur and antimony anomalies in the area with some weakly anomalous arsenic and gold levels in regolith materials. The Sweetwaters Well Member beneath the Frere Formation is reported to be prospective for stratabound and stratiform sulphide and sulphate base metal mineralisation.

Coffey Mining recommended outcrop mapping as a follow up to historical surface sampling which demonstrated the presence of high-grade, low impurity iron ore.



Cone Crushers installed at Mt Cattlin

Some initial RC drilling is necessary to confirm the extent of the mineralisation and should be followed up by early stage diamond drilling to develop a good understanding of the relationships between structure, mineralisation and stratigraphy.

In the preparation for the field operations, GMC is currently engaged in discussions on some non-ground disturbing activities with the lawyers representing the Native Title claimants. A heritage survey over some priority exploration areas is being planned to facilitate drilling later this year.

West Kundip Manganese Project

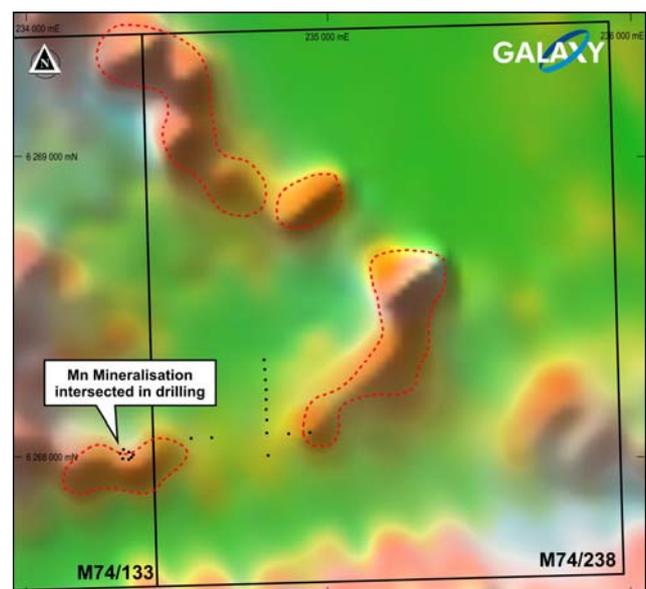
Airborne Survey

The Company has commenced exploration on its West Kundip Manganese Project tenements with the completion of a VTEM airborne electromagnetic survey.

The two mining leases (M74/133 and M74/238) comprising Galaxy's West Kundip Manganese Project were granted recently and are located approximately 15km south of Ravensthorpe. The leases cover a sequence of Proterozoic sediments including dolomite units, which are prospective for manganese mineralisation. Work conducted by Galaxy several years ago, prior to the tenements being converted to mining leases, outlined the presence of scattered pods of high grade manganese mineralisation.

The VTEM survey has defined several anomalous zones potentially related to bedrock conductors which could represent targets for

manganese mineralisation. An anomaly in the south west of the area lies adjacent to previous drilling which has intersected poddy zones of high grade manganese mineralisation. However, existing drilling has not tested the main portion of the centre of the anomaly, or any of the other target zones.



VTEM airborne survey

Final processing and interpretation of the geophysical data is almost complete. Galaxy is planning follow up ground checking and mapping of the target areas, and is progressing required

environmental and aboriginal heritage approvals in order to carry out drill testing.

Geological Activities Excellent Drill Intercepts

Subsequent to the end of the quarter, results from an RC drilling program aimed at upgrading and extending resources at the Mt Cattlin Spodumene Project were released. Excellent intercepts have been identified from drilling to date.

A diamond drilling program has also been completed to provide further geological, metallurgical and geotechnical information.

North West Zone

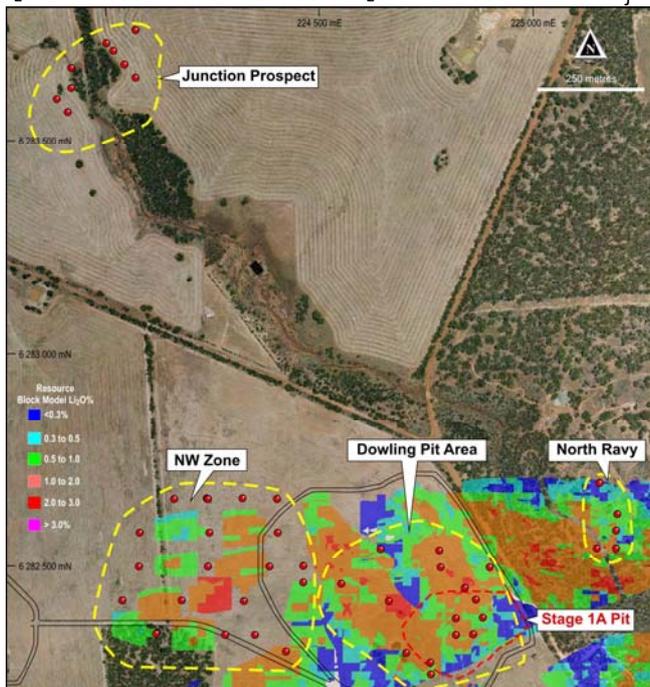
A new zone of lithium-bearing pegmatite mineralisation to the northwest of the current resource was discovered in late 2009. Ongoing drilling in this area is infilling collar spacing to 80m x 80m, in order to define additional inferred resources.

Significant intercepts have been received from the current program including **16m @ 1.52% Li₂O** in GX1098, **9m @ 2.41% Li₂O** in GX1099 and **10m @ 1.15% Li₂O** in GX1093.

These results support the geological model for the area and additional assay results are awaited.

Dowling Pit Area

Drilling in the Dowling Pit area was aimed at extending the eastern margin of the Western Pegmatite Lens which remains open at some locations. Some relatively narrow, but good grade intercepts were returned from the Western Pegmatite Lens, including **3m @ 1.71% Li₂O** in GX1082 and **3m @ 1.58% Li₂O** in GX1084. These lie just



beneath the current final pit outline, and have the potential to expand the pit and further grow the resource base.

Wide, high grade upper intercepts in drill holes in Table 2, such as **11m @ 1.37% Li₂O** in GX1086 represent the upper Eastern Pegmatite lens.

North Ravensthorpe Area

Five RC holes were completed in a small zone in the north east of the resource. Drill access was previously not possible in this area because it was covered by a small prospecting license application. This application has now been incorporated into the larger Mt Cattlin Mining Lease, which was granted in late 2009.

Significant results from the recent North Ravensthorpe drilling include a best intercept of **9m @ 1.03% Li₂O** and **271ppmTa₂O₅**.

Junction Prospect

Nine shallow RC holes were completed at a prospect located approximately 1.5km NW of the Mt Cattlin resource. This program was targeting outcropping spodumene-bearing pegmatite.

Drilling encountered spodumene in some holes, but pegmatite zones intersected to date are patchy, with a best intercept of **3m @ 0.94% Li₂O**. This is considered significant in this new area, and follow up work is being planned.

Jiangsu Lithium Carbonate Project

Foundation Day Ceremony

On 21 February 2010, the Company moved a step closer to becoming a world player in lithium as it marked the commencement of piling foundations for its Jiangsu Lithium Carbonate Project with a ceremony on site.

The Foundation Day Ceremony was jointly conducted by Galaxy and the Zhangjiagang Free Trade Zone authorities to coincide with the conclusion of the Chinese New Year celebrations.

The Company's rapid progress through the Chinese approvals process has been helped by Galaxy's strong working relationship with the Zhangjiagang Free Trade Zone. The Ceremony was attended by Party Secretary of Zhangjiagang City, Mr Qin Huang and Mayor of the Free Trade Zone, Mr Xu Zhongao.

Business Licence and Approvals

On 9 February 2010, the Company received the Project Approval and Business Licence for its China Lithium Carbonate Plant in Jiangsu Province.



Foundation Day at Jiangsu on 21 February

Both approvals were granted by the Jiangsu Province Administration Bureau for Industry and Commerce and represent the final key milestones for the Company's Lithium Carbonate plant development.

On 7 January 2010, the Company received the safety and energy saving approvals for its Jiangsu Lithium Carbonate Plant. Both approvals were granted by the Suzhou Municipal Administration of Work Safety.

Construction Progress

The construction of the Jiangsu Lithium Carbonate Plant in the Zhangjiagang Yangtze River International Chemical Industrial Park has commenced and the following progress has been made:

- site has been filled, levelled and fenced;
- access has been established to site;
- site management office has been constructed, fitted out and all services including communications connected;
- electricity and water services required for construction have been connected to and reticulated around site;
- road sub-bases have been installed;
- building pads have been installed;
- piling has commenced; and
- construction of the stormwater drainage systems has commenced.

Long Term Shipping Arrangements

On 10 February 2010, the Company finalised a long term contract for the shipping of spodumene concentrate to China with Hong Kong based company, Pacific Basin Shipping Limited (Pacific Basin).

The Pacific Basin shipping contract provides a five year, fixed price arrangement to ship Galaxy's spodumene concentrate from Esperance Port in Western Australia to Zhangjiagang Port, Jiangsu Province in China.

Marketing

100% Sales Offtake Agreements

Subsequent to the end of the quarter, Galaxy announced that it has executed agreements with 13 major Chinese lithium cathode producers for the offtake of its battery grade lithium carbonate product. Almost all of the lithium cathode producers engaged are doubling their capacities over the coming 12 to 24 months.

When coupled with the sales agreement with Mitsubishi Corporation, the commercially confidential offtake agreements signed equate to 100 per cent of Galaxy's 17,000 tonnes of lithium carbonate production per annum and involve the supply of battery grade product commencing in 2011.



Jiangsu site levelling completed



Jiangsu Hatch Construction Office

Mitsubishi Offtake Agreement

The Company signed an Offtake Agreement with Mitsubishi Corporation for a significant proportion of its battery grade lithium carbonate production. The agreement involves long term offtake sales and distribution of Galaxy's product to the Japanese market.

Mitsubishi Corporation (MC) is Japan's largest general trading company with more than 200 bases of operations in approximately 80 countries worldwide. Mitsubishi employs a multinational workforce of approximately 60,000 people across some 500 companies. Mitsubishi has long been engaged in business with customers around the world in virtually every industry, including energy, metals, machinery, chemicals, food and general merchandise.

Lithium Market Update

The demand for lithium batteries in electric vehicles (EVs) and in the energy storage segment is forecast to grow exponentially in the next two years as the Chinese Government implements policies aimed at reducing greenhouse gas emissions.

To meet this demand, there are more than 100 companies in the value adding chain that produce lithium cathode, anode and electrolyte materials, battery assemblers and power management systems. Additionally, several Chinese car manufacturers have announced the release of EVs in the next one to two years.

EVs are listed as one of the major projects of national importance. In total, the planned investment in policies to reduce pollution and promote energy conservation is expected to reach US\$1.6 billion. In addition, local provincial governments have developed regulations to support the development of EVs.



Jiangsu Site fencing completed



Jiangsu foundation piling has commenced

China's State Grid has commenced efforts in Beijing, Shanghai, Tianjin, Shandong, Zhejiang, Hubei, Hunan and other provinces to replace current fleet vehicles with approximately 2,000 EVs as well as building a recharging network. A year ago, the Chinese Department of Science & Technology and the Ministry of Finance jointly launched a program to have 1,000 new-energy cars on the roads in each of the nominated 10 cities across China.

China is now the largest market for automobiles and potentially of EVs in the future. The Government aims to increase ownership of EVs to 50% in 2030, the equivalent of between 10 million and 19.5 million annually. It could reach this target earlier if the cost of batteries is reduced and the recharging station network is established country wide.

The current market of lithium batteries in power tools, lap tops, mobiles, PDA's and other consumer electronics in China is forecast to increase as manufacturers of these products shift their facilities from Japan into China. China currently supplies 48% of the total demand.

With strong progress being made on the development of both the Mt Cattlin and Jiangsu projects, Galaxy is well positioned to capitalise on the burgeoning demand for lithium.

EMD Project on Hold

Subsequent to the end of the quarter, the Company has decided that it will concentrate solely on the lithium carbonate project before advancing further the development of a battery grade Electrolytic Manganese Dioxide (EMD) Project at Jiangsu.

The Company announced on 24 February 2010 that it had successfully completed a Pre Feasibility Study on EMD production and would make a decision on advancing the project at the appropriate time.

The commissioning and start-up of the Mt Cattlin mine and associated Jiangsu Lithium Carbonate Plant remains the foremost priority for Galaxy and as a result, no decision will be made on the EMD project until cash flow is being generated from its initial project.

For more information, please contact:

Iggy Tan
Managing Director
08 9215 1700
0419 046 397

Jon Snowball
FD Third Person
08 9386 1233
0424 473 841

Competent Persons

The information in this report that relates to Mineral Resources and Exploration Results is based on information compiled by Mr. Robert Spiers who is a full time employee of Hellman & Schofield Pty Ltd and Mr Philip Tornatora who is a full time employee of the Company. Mr. Spiers and Mr Tornatora have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Spiers and Mr Tornatora consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Mineral Ore Reserves is based on information compiled by Mr. Rosell Croeser who is a full time employee of Croeser Pty Ltd. Mr. Croeser has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Croeser consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Caution Regarding Forward Looking Statements

Statements regarding Galaxy's plans with respect to its mineral properties are forward-looking statements. There can be no assurance that Galaxy's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Galaxy will be able to confirm the presence of additional mineral deposits, that any mineralization will prove to be economic or that a mine will successfully be developed on any of Galaxy's mineral properties. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements.

About Galaxy (ASX: GXY)

Galaxy Resources is a Western Australian S&P/ASX 300 index company which is soon to become one of the world's leading producers of lithium – the essential component for powering the world's fast expanding fleet of hybrid and electric cars.

By 2010, GXY's Mt Cattlin mine will be the world's second largest hard rock producer of lithium and, through the development of its value adding lithium carbonate plant (17,000 tpa), the Company will be the largest and lowest cost lithium producer in China.

Lithium concentrate and lithium carbonate materials are forecast to be in short supply against high future demand due to advances in long life batteries and sophisticated electronics including mobile phones and computers.

Galaxy Resources has positioned itself to meet this lithium future by not only mining the lithium but by downstream processing to supply lithium carbonate to the lucrative Asian market.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

GALAXY RESOURCES LIMITED

ABN

11 071 976 442

Quarter ended ("current quarter")

31 March 2010

Consolidated statement of cash flows

	Current Quarter \$A'000	Year to date (3 Months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(446)	(446)
(b) development	-	-
(c) production	-	-
(d) administration	(3,108)	(3,108)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	627	627
1.5 Interest and other costs of finance paid	(277)	(277)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material) - R&D taxation rebate	-	-
Net operating cash flows	(3,204)	(3,204)
Cash flows related to investing activities		
1.8 Payment for purchases of		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(19,470)	(19,470)
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) – Security bonds	(43)	(43)
Net investing cash flows	(19,513)	(19,513)
1.13 Total operating and investing cash flows (carried forward)	(22,717)	(22,717)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(22,717)	(22,717)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,086	1,086
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) – costs of issues	-	-
	Net Financing Cash Flows	1,086	1,086
	Net increase (decrease) in cash held	(21,631)	(21,631)
1.20	Cash at beginning of quarter/year to date	83,441	83,441
1.21	Exchange rate adjustments to Item 1.20	(559)	(559)
1.22	Cash at end of quarter	61,251	61,251

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	282
1.24	Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Includes directors' fees, salary and superannuation and also fees paid to directors or director related entities for professional and technical services.

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

N/A

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

N/A

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	22,361	22,361
3.2 Credit standby arrangements	-	-

Estimated cash outlays for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	1,000
TOTAL	1,500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	34,634	21,999
5.2 Deposits at call	26,617	61,442
5.3 Bank overdraft	-	-
5.4 Other – investment commercial bills of 6 months or less	-	-
Total: cash at end of quarter (item 1.22)	61,251	83,441

Changes in interests in mining tenements – refer attached tenement schedule

	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			

Appendix 5B
Mining exploration entity quarterly report

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) (\$)	Amount paid up per security (see note 3) (\$)
7.1 Preferences securities <i>(description)</i>				
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks, redemptions				
7.3 Ordinary securities	151,903,358	151,903,358		
7.4 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks	700,000 750,000 518,750	700,000 750,000 518,750	\$0.90 \$0.40 \$0.30	\$0.90 \$0.40 \$0.30
7.5 Convertible debt securities				
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted				
7.7 Options			<i>Exercise price</i>	<i>Expiry date</i>
GXYAQ	750,000	-	\$0.40	06/02/11
GXYAK	20,250,000	-	Various	Various
GXYAM	6,650,000	-	\$1.11	Various
7.8 Issued during quarter GXYAM	6,650,000	-	\$1.11	Various
7.9 Exercised during quarter				
GXYAS	18,750	-	\$0.30	30/01/10
GXYAO	500,000	-	\$0.30	06/02/10
GXYAQ	750,000	-	\$0.40	06/02/11
GXYAK	700,000	-	\$0.90	26/11/14
7.10 Expired/Cancelled during quarter				

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/~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Date: 23/04/2010
(Company Secretary)

Print name: A L Meloncelli

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 the topic, the Australian standard on that topic (if any) must be complied with.

Tenement Schedule as at 31 March 2010

Project	Tenement	Notes
<u>Boxwood Hill</u>	E70/1988	
	E70/2493	
	E70/2513-E70/2514	
	E70/2547	
<u>Connolly</u>	E69/1878	
<u>Ponton</u>	E28/1317	
	E28/1830	
<u>Shoemaker</u>	E69/1869-1871	1
<u>Ravensthorpe</u>		
Aerodrome	E74/334	
	E74/398	
Bakers Hill	E74/287	
	E74/295	
	E74/299	
	E74/415	
	P74/278	
	P74/336	
McMahon	M74/165	
	M74/184	
	P74/334	
Mt Cattlin	L74/46	
	M74/244	
Mosaic	M74/136	
West Kundip	M74/133	
	M74/238	
Floater	E74/400	
	P74/307-P74/308	
Sirdar	E74/401	
	P74/309-P74/310	

1) 50% Interest with GMC.