

.....Rule 5.3

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

AuDAX Resources Limited

ABN

50 009 058 646

Quarter ended ("current quarter")

31 DECEMBER 2009

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	-	-
Receipts from joint venture partners	130	245
1.2 Payments for		
(a) exploration and evaluation	(863)	(1,504)
(b) development	-	-
(c) production	-	-
(d) administration	(206)	(405)
(e) payments on behalf of JV	-	(120)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	16	21
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material) GST refunds, exploration refunds and cost recoveries from JV	161	303
Net Operating Cash Flows	(762)	(1,460)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(1,303)	(1,303)
(b) equity investments	-	-
(c) other fixed assets	(27)	(28)
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)		
- Exploration Bond	-	(1,755)
- Rental Bond	(21)	(21)
Net investing cash flows	(1,351)	(3,107)
1.13 Total operating and investing cash flows (carried forward)	(2,113)	(4,567)

1.13	Total operating and investing cash flows (brought forward)	(2,113)	(4,567)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc (net of costs)	2,873	5,334
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	2,873	5,334
	Net increase (decrease) in cash held	760	767
1.20	Cash at beginning of quarter/year to date	930	942
1.21	Exchange rate adjustments to item 1.20	(8)	(27)
1.22	Cash at end of quarter	1,682	1,682

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	151
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

- payment of director consulting fees.

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

Capital implementation fee of 5 million ADX shares (A\$600k) paid to Trafalgar Capital to secure equity facility. No impact on assets or liabilities as this fee was offset against share capital.

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	-	-
Other facilities – refer Note 1	20,000	-

Note 1 - In October 2009, AuDAX Resources Ltd executed a Committed Equity Facility Agreement to secure a A\$20,000,000 facility with Trafalgar Capital Specialised Investment Fund, Luxembourg (Trafalgar). Subject to terms and conditions of the facility, AuDAX Resources Limited may, at its discretion, issue shares to Trafalgar at any time over the next 30 months. Shares issued to Trafalgar will be priced at 95% of the lowest of the daily volume weighted average price (“VWAP”) of the Ordinary Shares on ASX as quoted by Bloomberg during the prior five consecutive trading day period.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation (net, after partners receipts)	1,143
4.2 Development	-
Total	1,143

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	1,681	930
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	-	-
Total: cash at end of quarter (item 1.22) ⁽¹⁾	1,681	930

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	E31/491	Surrendered	100%	-
	E31/492	Surrendered	100%	-
	E52/1803	Surrendered	100%	-
	E52/1960	Surrendered	100%	-
	E53/1117	Surrendered	100%	-
	P38/3400-3406	Relinquished	100%	-
	E38/2020-2021	Relinquished	100%	-
	E69/1958	Surrendered	100%	-
	E69/1959	Surrendered	100%	-
	P36/658	Surrendered	100%	-
	P36/1690-1692	Surrendered	100%	-
6.2 Interests in mining tenements acquired or increased	Nil			

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				
7.3 +Ordinary securities	289,230,386	289,230,386		Fully paid
7.4 Changes during quarter	5,000,000	5,000,000	12 cents	Fully paid
(a) Increases through issues	90,611	90,611	12.6 cents	Fully paid
	<u>28,571,428</u>	<u>28,571,428</u>	10.5 cents	Fully paid
(b) Decreases through returns of capital, buy-backs	33,662,039	33,662,039		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter				
7.7 Options <i>(description and conversion factor)</i>	1,250,000	-	<i>Exercise price</i> 15 cents	<i>Expiry date</i> 31/12/2010
	5,800,000	-	30 cents	21/4/2010
	3,600,000	-	35 cents	21/4/2011
	3,600,000	-	40 cents	21/4/2012
	700,000	-	30 cents	13/5/2010
	525,000	-	35 cents	13/5/2011
	525,000	-	40 cents	13/5/2012
	2,250,000	-	20 cents	1/7/2011
	1,500,000	-	25 cents	1/7/2012
	1,500,000	-	30 cents	1/7/2013
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter - Forfeitures				
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 ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date: 29 January 2010
Company Secretary

Print name: PETER IRONSIDE

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.