
Quantum Resources Limited

ABN 84 006 690 348

ANNUAL REPORT 2009

Quantum Resources Limited Chairman's Report

Dear Shareholder

Quantum Resources Limited ("Quantum" or "the Company") is an Australian base metal, uranium and gold explorer with a suite of projects whose tenements cover approximately 20,000 square kilometres in the Northern Territory and Western Australia. During the year, design and planning for several work programs for tenements in both the Northern Territory and Western Australia were completed with the work set to commence in the September 2009 quarter. These programs include:

- **Uranium Exploration, Gardner Range, WA** This area has a long history of uranium exploration and a significant uranium prospect (Mt Mansbridge) on EL3410. The presence of uranium mineralisation on the surface at Mt Mansbridge demonstrates the uranium prospectivity of the area which, according to BHP, relates to unconformity style mineralisation hosted by the Gardiner Sandstone. The aim of this proposed program is to quickly field evaluate historic work, develop targets through reconnaissance and test for both surface and buried mineralisation on all three tenements.
- **Uranium Exploration, Ware Range, NT** Uranium prospectivity in this area is demonstrated by the anomalous uranium content of the prospective Gardiner Sandstone. Unconformity uranium mineralisation is the target orebody style.

Regional Exploration

The Ware Range tenement holdings cover approximately 170 square kilometres in the Northern Territory and the Gardner Range tenement holdings cover approximately 650 square kilometres in Western Australia. The Ware Range projects are prospective for base metals, uranium and gold. In Western Australia, the Gardner Range project, 150 kilometres southeast of Halls Creek, is prospective for iron oxide copper-gold-uranium ("IOCG") deposits.

Gardner Range (Quantum 100%)

The Company holds tenements in the Gardner Range, 150 kilometres southeast of Hall's Creek with potential for base metals, uranium and gold. Limited historical exploration for uranium around the margins of the Gardner Range was carried out by BHP Exploration and uranium mineralisation was found to be present. The Company's tenements are prospective for Olympic Dam-style iron oxide gold-copper-uranium ("IOCG") deposits and at Mt Mansbridge previous exploration reported uranium up to 980 parts per million ("ppm").

A detailed review of all the historic data was used during the year to plan for the up-coming field season at Gardiner Range. The planned work includes:

- Three weeks of field sampling and mapping.
- The use of radon detection cups to test for buried uranium mineralisation.
- The use of soil geochemical samples and scintillometer surveying for testing surface mineralisation.

This work is planned for the September 2009 quarter and will be based out of Halls Creek using helicopter transportation to and from site to conduct the field program.

Ware Range (Quantum 100%)

The Ware Range tenement was granted in September 2006. Historical exploration for base metals, uranium, gold and diamonds included rock chip sampling and limited drilling. Field reconnaissance, including soil/sediment sampling, has provided valuable information regarding access and identified sites for surface sampling and drilling.

After using the detailed open file reviews completed over the previous quarters, a work program has been submitted for the Ware Range project.

Due to the proximity to the Gardiner Range Project it is planned for the field team to conduct both the Gardner Range and Ware Range field programs at the same time. The program planned is similar to the one for Gardner Range and includes:

- The use of radon detection cups.
- Field mapping plus geochemical sampling and scintillometer surveying.

Quantum Resources Limited Chairman's Report

It is planned that this work will take approximately 1 week to complete and is planned to commence in the September 2009 quarter.

Base Metal & Gold Exploration

Whiteheads Project (Quantum 80%)

The Whiteheads Project is located 50 kilometres northeast of Kalgoorlie within the metamorphosed rocks of the Gindalbie Greenstone Belt. The area hosts mafic and felsic volcanics, sediments, and altered intrusive porphyries. The project areas surround the historic Gindalbie Mining Centre to the east which has produced 45,240 ounces of gold at an average grade of 27 g/t gold. The Carrick Resources Lindsays Project immediately to the west is reported (Carrick announcement 13 May 2008) to contain a resource of nearly 3 million ounces at approximately 3g/t gold.

Numerous significant Quantum RAB anomalies were obtained from previous drilling. The target for drilling in late 2007 and early 2008 was the area in the southern portion of the tenement E27/175 which is adjacent to the Carrick gold resource areas. This phase of drilling contained 253 RAB holes for 15,263 metres. No field work was conducted on this project over the last quarter as time was taken to review all land holdings and joint venture agreements to maximise exploration expenditure in the region. Following the end of the quarter, a further 2 exploration and 21 prospecting tenements were withdrawn from the joint venture with Hawthorn Resources Limited, this was completed to allow for more detailed and focused exploration to occur on the more prospective tenements in the project. There are now 13 granted tenements (2 exploration licences and 11 prospecting licences) and 11 applications. At the end of the quarter, a work program for the remaining tenements was completed.

Other Projects (Quantum 100%)

During the June 2009 quarter, representatives attended a meeting with the traditional owners as part of the Central Land Council meetings planned for the granting of ELA's 23403 and 24182 in the Northern Territory. These tenements are within the package of applications held by Quantum in the Tanami Region. The meeting was held in Lajamanu which is located around 700 kilometres north-west of Alice Springs. This meeting with the Traditional Owners is a critical part of the granting process.

Management conducted a review of all tenement holdings throughout the year and as a result, the Company relinquished a number of tenement holdings including those at Barrow Creek, Tanami, Mt Peake, Millrose, Jackson, Dulcie North, Bounty, Wiluna and Telfer; in order to prioritise exploration on areas believed to be more prospective.

Farm-Out Joint Ventures

Kalgoorlie North Joint Venture (Quantum 20%)

The Company's Kalgoorlie North Project is the subject of a joint venture, with Jackson Gold acting as managers, earning an 80% interest. The Exploration License E31/757 was part of a sale agreement between Jackson Gold and Saracen Gold Mines.

Saracen Gold Mines has completed a review of its project priorities for 2009, and has decided it does not intend to undertake any further exploration on E31/757. This reflects both Saracen's own exploration budget constraints and the results of their last drilling campaign. As a result, the joint venture partner has excluded the tenement from the joint venture.

Officer Hill Joint Venture

Newmont Australia have joint ventured into EL23150 which is located 34 kilometres southwest of The Callie gold mine, also owned by Newmont. Previous explorers located sporadic mineralization from drilling such 4 metres @ 4.64g/t, numerous short intervals of 1-4g/t, and several wide intercepts of 0.1-1g/t. The prospect is considered to have excellent potential to host steeply plunging shoots such as those at the Tanami Gold Mine. An apparent fold closure to the east offers the possibility of discovery of Callie-style mineralization at depth. Newmont did not conduct any field work during the June 2009 quarter.

Quantum Resources Limited
Chairman's Report

CORPORATE

On 30 June 2009, the Company finalized the pro-rata rights issue of ordinary shares raising \$2 million.



JI GUTNICK
Chairman and Managing Director

The technical information in this report has been reviewed and approved by Dr D S Tyrwhitt who is a Fellow of the Australasian Institute of Mining and Metallurgy and has 50 years experience in the industry and has more than 5 years experience which is relevant to the style of mineralisation being reported upon to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Tyrwhitt consents to the inclusion in the report of the matters based on the information in the form and context to which it appears.

Quantum Resources Limited Directors' Report

The Directors of Quantum Resources Limited present their report for the year ended 30 June 2009.

1. Directors

The Directors of the Company in office since 1 July 2008 and up to the date of this Report are:

Mr Joseph Gutnick FAusIMM FAIM MAICD
Chairman and Managing Director

Mr Gutnick has been a Director of the Company since 1987 and is currently President and Chief Executive Officer of Legend International Holdings, Inc. (December 2004 to current), Golden River Resources Corporation (March 1988 to current), ProIndia International, Inc., Northern Capital Resources Corp and Yahalom International Resources Corp, North Australian Diamonds Limited and Top End Uranium Ltd. Mr Gutnick has been responsible for overseeing the discovery, development and operation of a number of world class gold and nickel mines in Australia. He was awarded the Diggers award at the 1997 Diggers and Dealers Industry Awards and is a former Director of the World Gold Council. He was a Director of Astro Diamond Mines N.L. from October 1988 to October 2007 and of Hawthorn Resources Limited from July 1987 to November 2007. Age 57

Dr David Tyrwhitt PhD(Geology) BSc(Hons) FSEG(USA) FAusIMM CPGeo
Non-Executive Director

Dr Tyrwhitt has been a Director of the Company since 1999. He has more than 45 years experience in the mining industry. He is currently a Director of Legend International Holdings Inc (March 2005 to current), Hawthorn Resources Limited (November 1996 to current), Golden River Resources Corporation (November 1996 to current) and Northern Capital Resources Corp (January 2008 to current). He worked for over 20 years with Newmont Mining Corporation in Australia, South East Asia and the United States. During this time, he was responsible for the discovery of the Telfer Gold Mine in Western Australia. He was Chief Executive of Newmont Australia Limited between 1984 and 1988 and Chief Executive Officer of Ashton Mining Limited between 1988 and 1991 and a Director of Astro Diamond Mines N.L. from November 1996 to May 2008. He established his own consultancy in 1991 and worked with Normandy Mining Limited on a number of mining projects in South East Asia. Age 71

Mr Mordechai Gutnick
Non-Executive Director

Mr Mordechai Gutnick is a businessman and long-term investor in the mining industry. He is also a Director of Golden River Resources Corporation (appointed September 2005). He was a Director of Astro Diamond Mines N.L. from May 2003 to October 2007 and of Hawthorn Resources Limited from May 2003 to November 2007. Age 30

2. Principal Activities and Review and Results of Activities

The principal activity of the Company during the financial year was mineral exploration. There has been no significant change in the nature of these activities during the financial year.

Objectives

The Company's objective is to increase shareholder wealth through successful exploration activities whilst providing a safe workplace and ensuring best practice in relation to its environmental obligations.

The key opportunity for the Company during the year has been the advancement of its exploration projects, however this was hampered by the difficulty in sourcing consultants, drilling rigs, field supplies and field infrastructure allowing it to commence a field program.

Income Statement

As an exploration company, Quantum does not have an ongoing source of revenue. Its revenue stream is normally from ad-hoc tenement disposals, sale of fixed assets and interest received on cash in bank.

In the current year, revenue has increased from \$8,261 in 2008 to \$424,757 in 2009. During 2009, a debt owing by the Company amounting to \$423,950 was forgiven and from an accounting point of view, this is treated as

Quantum Resources Limited
Directors' Report

revenue. Finance revenue in both years was interest income and the decrease in 2009 resulted from the lower level of cash reserves and no interest-bearing receivables.

Costs and expenses have increased from \$1,053,729 in 2008 to \$1,462,892 in 2009. Exploration expenditure provided for or written off amounted to \$324,486 in 2008 compared to \$1,197,338 in 2009 as a result of the writedown of non-prospective tenement interests and expenditure incurred under a joint venture farm-in agreement. Administration expenses amounted to \$671,762 in 2008 compared to \$248,224 in 2009. Other expenses decreased from \$43,967 in 2008 to \$11,630 in 2009 and finance costs were \$5,700 in 2009 compared to \$13,514 in 2008. As a result, the Company made a net loss after tax for 2008 of \$1,045,468 compared to a net loss after tax of \$1,038,135 in 2009.

Balance Sheet

At 30 June 2009, the Company had cash at bank of \$2,045,001. During the year, the Company increased its receivables and other current assets from \$6,041 to \$11,552 and decreased the capitalized exploration expenditure by \$908,412 to \$400,025. At 30 June 2009, the Company had total liabilities of \$613,571. As a result, the Company had at 30 June 2009 working capital of \$1,442,982 and net assets of \$1,862,340.

Cash Flow

During the year, the Company paid \$65,575 for operating activities, \$172,000 for exploration costs; a refund of a security deposit of \$1,000; received a loan from an Other Entity \$132,000 on normal arms length terms and conditions and raised net \$2,033,130 from the issuance of shares. At year end, the Company had \$2,045,001 in cash.

3. Significant Change in State of Affairs

The Directors are of the opinion that other than that disclosed in the Principal Activities section of the Directors' Report, there have not been any significant changes in the state of affairs of the Company during the year under review.

4. Dividends

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of dividend since the end of the previous financial year and up to the date of this Annual Report.

5. Events After The End Of The Financial Year

There has not arisen in the interval between the end of the financial year and the date of this Report any item, transaction or event of a material and unusual nature which in the opinion of the Directors of the Company, has significantly affected or may significantly affect:

- the operations of the Company
- the results of those operations, or
- the state of affairs of the Company

in financial years subsequent to this financial year.

6. Future Developments and Results

There are no likely developments of which the Directors are aware which could be expected to significantly affect the results of the Company's operations in subsequent financial years not otherwise disclosed in this Annual Report.

Quantum Resources Limited
Directors' Report

7. Options

At the date of this Report, the Company had on issue the following options over fully paid ordinary shares.

(i) Listed

Number	Maturity Date	Issue Price	Exercise Price	Exercise Period
43,748,673	31 October 2010	No issue price	A\$0.09275	Anytime after 1 January 2002

During the year and up to the date of this Report, no options have been issued and no options have been exercised. Optionholders have no rights to participate in an issue of shares unless they convert their options. The names of all the persons who currently hold options are entered on a register maintained for the Company, by Link Market Services Limited. In accordance with the Corporations Act 2001, this Register may be inspected free of charge.

Number	Maturity Date	Issue Price	Exercise Price	Exercise Period
32,875,597	30 April 2012	A\$0.02	A\$0.09275	Anytime after 1 January 2003

During the year and up to the date of this Report, no options have been issued and no options have been exercised. Optionholders have no rights to participate in an issue of shares unless they convert their options. The names of all the persons who currently hold options are entered on a register maintained for the Company, by Link Market Services Limited. In accordance with the Corporations Act 2001, this Register may be inspected free of charge.

Number	Maturity Date	Issue Price	Exercise Price	Exercise Period
68,378,151	30 November 2012	A\$0.02	A\$0.04275	Anytime after 1 July 2003

During the year and up to the date of this Report, no options have been issued and no options have been exercised. Optionholders have no rights to participate in an issue of shares unless they convert their options. The names of all the persons who currently hold options are entered on a register maintained for the Company, by Link Market Services Limited. In accordance with the Corporations Act 2001, this Register may be inspected free of charge.

(ii) Unlisted

Number	Maturity Date	Issue Price	Exercise Price	Exercise Period
1,400,000	24 March 2010	A\$0.037	A\$0.05825	Under terms and conditions of the employee share option plan

During the year and up to the date of this Report, no options have lapsed, no options have been issued and no options have been exercised. Optionholders have no rights to participate in an issue of shares unless they convert their options. The names of all the persons who currently hold options are entered on a register maintained for the Company, by the Company. In accordance with the Corporations Act 2001, this Register may be inspected free of charge.

Number	Maturity Date	Issue Price	Exercise Price	Exercise Period
7,250,000	19 October 2011	Nil	A\$0.06275	Under terms and conditions of the employee share option plan

During the year and up to the date of this Report, 250,000 options have lapsed, no options have been issued and no options have been exercised. Optionholders have no rights to participate in an issue of shares unless they convert their options. The names of all the persons who currently hold options are entered on a register maintained for the Company, by the Company. In accordance with the Corporations Act 2001, this Register may be inspected free of charge.

Quantum Resources Limited
Directors' Report

As a result of the rights issue in 2009, the exercise price of options was recast in accordance with ASX Listing Rules.

There were no options granted to Directors and Officers of the Company during the year and up to the date of this report.

8. Directors' Interests in Shares and Options

The relevant interest of each Director in the number of fully paid ordinary shares and options over fully paid ordinary shares of the Company disclosed by that Director to the Australian Stock Exchange as at the date of this Report is:

Director	Relevant Interest				
	Ordinary Shares	Employee Options	Options 31/10/2010	Options 30/04/2012	Options 30/11/2012
J I Gutnick	-	1,000,000	-	-	-
D S Tyrwhitt	-	-	-	-	-
M Z Gutnick	9,672,022	2,000,000	532	-	-

9. Meetings of Directors

The number of meetings of Directors held including meetings of Committees of the Board during the financial year including their attendance was as follows:

	BOARD		AUDIT COMMITTEE		REMUNERATION COMMITTEE	
	ELIGIBLE TO ATTEND	ATTENDED	ELIGIBLE TO ATTEND	ATTENDED	ELIGIBLE TO ATTEND	ATTENDED
J I Gutnick	4	4	-	-	-	-
D S Tyrwhitt	5	5	2	2	-	-
M Z Gutnick	5	5	2	1	-	-

Note: Dr. D.S. Tyrwhitt and Mr M Z Gutnick were members of the Audit Committee and Remuneration Committee during the year and up to the date of this Report.

10. Company Secretary

Mr Peter Lee is the Company Secretary of the Company. Mr Lee is a Member of the Institute of Chartered Accountants in Australia, a Fellow of Chartered Secretaries Australia Ltd., a Member of the Australian Institute of Company Directors and holds a Bachelor of Business (Accounting) from Royal Melbourne Institute of Technology. He has over 25 years commercial experience and is currently General Manager Corporate and Company Secretary of several listed public companies in Australia and a Director, Chief Financial Officer and Secretary of a US Corporation listed on the over the counter market in the USA and Chief Financial Officer and Secretary of a further three US Corporations listed on the over the counter market in the USA.

11. Directors And Officers' Indemnity

The Company has entered into an Indemnity Deed with each of the Directors and certain former Directors which will indemnify them against liability incurred to a third party (not being the Company or any related company) where the liability does not arise out of conduct including a breach of good faith. The Indemnity Deed will continue to apply for a period of 10 years after a Director ceases to hold office and a Director's Access and Insurance Deed with each of the Directors pursuant to which a Director can request access to copies of documents provided to the Director whilst serving the Company for a period of 10 years after the Director ceases to hold office. There will be certain restrictions on the Directors' entitlement to access under the deed.

12. Environment

The exploration activities of the Company are conducted in accordance with and controlled principally by Australian state and territory government legislation. The Company has exploration land holdings in Western Australia and Northern Territory. The Company employs a system for reporting environmental incidents, establishing and communicating accountability, and rating environmental performance. During the year data on environmental performance was reported as part of the monthly exploration reporting regime. In addition, as

Quantum Resources Limited
Directors' Report

required under various state and territory legislation, procedures are in place to ensure that the relevant authorities are notified prior to the commencement of ground disturbing exploration activities.

The Company is committed to minimising the impact of its activities on the surrounding environment at the same time aiming to maximise the social, environmental and economic returns for the local community. To this end, the environment is a key consideration in our exploration activities and during the rehabilitation of disturbed areas. Generally rehabilitation occurs immediately following the completion of a particular phase of exploration. In addition, the Company continues to develop and maintain mutually beneficial relationships with the local communities affected by its activities.

13. Non- Audit Services

During the year, PKF, the Company's auditor, has not performed any other services in addition to their statutory duties.

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act is attached to the Directors' Report.

Details of the amounts paid to the auditor of the Company, PKF, and its related practices for audit and non-audit services provided during the year are set out below.

	2009 \$	2008 \$
Statutory audit		
Auditors of the Company		
- audit and review of financial reports	39,000	24,000

The auditors performed no other services.

14. Remuneration Report - Audited

(i) Overview of Remuneration Policies

The Company is managed by AXIS Consultants Pty Ltd ("AXIS Consultants") pursuant to a Service Deed dated 25 November 1988. In accordance with the arrangement with AXIS Consultants, it provides company secretarial, finance, geology, exploration, IT and other services to the Company. As a result, the Company has no employees.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company, including Directors of the Company and other Executives. Key management personnel includes the five most highly remunerated S300A Directors and Executives of the Company.

Remuneration levels for Directors of the Company are competitively set to attract and retain appropriately qualified and experienced Directors. The Remuneration Committee obtains independent advice on the appropriateness of remuneration packages given trends in comparative companies and the objectives of the Company's remuneration strategy, when appropriate.

The remuneration structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

- the capability and experience of the Directors;
- the Directors' ability to control the Company's performance;
- the Company's performance including:
 - the Company's earnings
 - the growth in share price and returns on shareholder wealth

Quantum Resources Limited
Directors' Report

The Company's performance during the current year and over the past four years has been as follows:

	2009	2008	2007	2006	2005
	\$	\$	\$	\$	\$
Revenue	424,757	8,261	71,885	20,825	4,158
Net profit /(loss)	(1,038,135)	(1,045,468)	(904,511)	(273,629)	(571,573)
Basic loss per share (cents)	(0.25)	(0.28)	(0.26)	(0.09)	(0.19)
Diluted loss per share (cents)	(0.25)	(0.28)	(0.26)	(0.09)	(0.19)
Net assets	1,862,340	954,757	771,507	1,637,166	766,893

The Directors do not believe the financial or share price performance of the Company is an accurate measure when considering remuneration structures as the Company is in the mineral exploration industry. Companies in this industry do not have an ongoing source of revenue, as revenue is normally from ad-hoc transactions.

The more appropriate measure is the identification of exploration targets, identification and/or increase of mineral resources and reserves and the ultimate conversion of the Company from explorer status to mining status.

(ii) Service Agreements with AXIS Consultants Pty Ltd

Messrs JI Gutnick and MZ Gutnick and Dr DS Tyrwhitt do not have a contract for their services as Directors. Their remuneration and fees are paid to them by AXIS Consultants Pty Ltd, based on amounts agreed by the Company.

Mr. Peter Lee, Company Secretary, does not have a contract of employment with the Company. His services are provided to the Company through the service arrangements with AXIS Consultants Pty Ltd. This service contract with AXIS Consultants Pty Ltd is for an unlimited term and is capable of termination on two months notice.

(iii) Non-Executive Directors

Total remuneration for all Non-Executive Directors, last voted upon by shareholders at the 1999 AGM, is not to exceed \$200,000 per annum. Non-Executive Directors' base fees are presently up to \$20,000 per annum per Director. Non-Executive Directors do not receive performance related remuneration. Directors' fees cover all main board activities and membership of board committees. Non-Executive Directors do not receive any benefits on retirement.

(iv) Performance-Linked Remuneration

Performance linked remuneration focuses on long-term incentives and was designed to reward key management personnel for meeting or exceeding their objectives.

Long-Term Incentive

2005 Employee Share Option Plan

At the Annual General Meeting of the Company held in November 2005, shareholders of the Company approved the introduction of the Quantum Resources Limited 2005 Share Option Plan ("the Plan") and the issue of options under the Plan to the Directors at the time.

The Plan was introduced to assist in the reward, retention and motivation of eligible persons.

The key components of the Plan and conditions imposed by the Board for the initial issue of options were that the options will have no issue price; the exercise price of the options will be an amount as determined by the Board and will be not less than the market price for one share on the date the Board decides to invite a participant to apply for options; the Board can determine the exercise conditions (if any) to apply prior to a participant being able to exercise the options; if the exercise condition is met, the participant (subject to continuing to be an eligible participant) is able to exercise the options at any time for a period of 3 years after the vesting period; the number of options that can be on issue under the Plan is 5% of the issued number of

Quantum Resources Limited
Directors' Report

shares in the Company at the date of an invitation or grant of an option (for this purpose, the 5% is calculated as the number of shares the subject of options the Board proposes to issue an invitation or proposes to grant; the number of shares which would be issued if all offers or options to acquire unissued shares pursuant to this Plan or any other employee share option plan were accepted or exercised; the number of shares issued pursuant to the Plan in the last 5 years; and the number of shares issued during the last 5 years pursuant to any other employee share scheme of the Company); if the employment of a participant is terminated before the end of the vesting period, the options held by that participant will lapse, except where a participant has ceased to be employed due to death or mental incapacity (in such circumstances the Board has the ability to allow the legal personal representative of the participant to exercise the option on the terms set by the Board at the time). In the case of termination after the vesting period, the participant has one month to exercise the option otherwise it lapses; the Board will also have the discretion to have the options expire if it determines that a participant has acted fraudulently, dishonestly or in a manner which is in breach of his or her obligations to the Company or a subsidiary of the Company; participants will have their entitlements in respect of options held adjusted to take account of capital reconstructions and bonus issues as if the option has been exercised before the determination of entitlement in respect of these issues. If the Company makes a pro rata rights issue to shareholders, the exercise price of an option will be reduced according to the formula specified in the Australian Securities Exchange ("ASX") Listing Rules; and in the case of a change of control, options are immediately exercisable notwithstanding exercise conditions or the vesting period.

For the initial grant of options, the Directors resolved that the exercise price will be the weighted average closing price of shares sold on ASX on the 5 trading days immediately preceding the offer of options to a Participant (but if no shares were sold on ASX during that 5 day period the exercise price of an option is to be determined by the Board to be equal to the closing price of shares sold on ASX on the last trading day on which the shares were traded) multiplied by up to 200 percent; the options cannot be exercised for 2 years from grant. The options were issued without a specific performance hurdle given the current conditions for attracting and retaining staff in the highly competitive resources market. However a share price hurdle has effectively been built into the options to align shareholders' interests with participants' interests.

The options were valued by an external consultant as at grant date using the binomial option pricing model and the following inputs:

Grant date	19 October 2006
Grant date share price	\$0.04
Vesting date	19 October 2008
Expected life in years	3.5
Risk-free rate	5.91%
Volatility	60%
Exercise price	\$0.07
Fair value of option	\$0.013

The following tables disclose options that have been issued to key management personnel under the Plan during 2007.

MZ Gutnick – Non-Executive Director	2009	2008
Date of issue	19 October 2006	19 October 2006
Number of options	2,000,000	2,000,000
Issue price	Nil	Nil
Exercise price	\$0.06275	\$0.07
Value of options	\$26,000	\$26,000
Expiry date	19 October 2011	19 October 2011
Number of options vested during the year	2,000,000	Nil
% vested in year	100%	0%
% forfeited in year	0%	0%
Number of options on issue		
- at 1 July	2,000,000	2,000,000
- at 30 June	2,000,000	2,000,000

Quantum Resources Limited
Directors' Report

PJ Lee – General Manager Corporate & Company Secretary	2009	2008
Date of issue	19 October 2006	19 October 2006
Number of options	2,500,000	2,500,000
Issue price	Nil	Nil
Exercise price	\$0.06275	\$0.07
Value of options	\$32,500	\$32,500
Expiry date	19 October 2011	19 October 2011
Number of options vested during the year	2,500,000	Nil
% vested in year	100%	0%
% forfeited in year	0%	0%
Number of options on issue		
- at 1 July	2,500,000	2,500,000
- at 30 June	2,500,000	2,500,000

1. Details concerning the valuation methodology and key assumptions made in the option valuations are set out on the preceding pages.
2. Unless otherwise disclosed, no options were exercised and no options lapsed in the year.

(v) Details of Directors, Executives and Remuneration

As noted in section (i), management services are provided to the Company by AXIS Consultants Pty Ltd. AXIS Consultants Pty Ltd pays the Chairman and Managing Director's remuneration and Non-Executive Directors' fees on behalf of the Company, based on pre-agreed amounts. AXIS Consultants invoices the Company for remuneration paid to the Company's Executives (not being Directors) based on the time the Executive spends in servicing the requirements of the Company. AXIS Consultants has provided the following information in regard to the amounts invoiced to the Company for the Directors and Executives in respect of all remuneration (as that term is defined in the Corporations Act 2001) received by the Directors and/or Executives in connection with the management of the affairs of the Company.

The names of the Directors and Executives in office during the year are as follows:-

(a) Directors

J I Gutnick – Chairman and Managing Director
D S Tyrwhitt – Non Executive Director
M Z Gutnick – Non Executive Director

(b) Executives

P J Lee – General Manager Corporate & Company Secretary
C A Michael – Executive General Manager

Details of the nature and amount of each major element of remuneration of each Director of the Company and each Executive of the Company are:

		Primary		Post-employment	Equity compensation	Total	s300A (1)(e)(i) Proportion of remuneration performance related %	s300A (1)(e)(vi) Value of options as proportion of remuneration %
		Salary & fees \$	Non-monetary benefits \$	Super-annuation benefits \$	Value of options \$			
Directors								
J I Gutnick	2009	12,750	-	1,700	-	14,450	0.00	0.00
	2008	93,748	-	8,437	-	102,185	0.00	0.00
D S Tyrwhitt	2009	20,000	-	1,800	-	21,800	0.00	0.00
	2008	20,000	-	1,800	-	21,800	0.00	0.00
M Z Gutnick	2009	20,000	-	1,800	3,953	25,753	15.3	15.3
	2008	20,000	-	1,800	13,000	34,800	37.3	37.3
Total all Directors	2009	52,750	-	5,300	3,953	62,003		
	2008	133,748	-	12,037	13,000	158,785		

Quantum Resources Limited
Directors' Report

		Primary		Post-employment	Equity compensation	Total	s300A (1)(e)(i) Proportion of remuneration performance related %	s300A (1)(e)(vi) Value of options as proportion of remuneration %
		Salary & fees \$	Non-monetary benefits \$	Super-annuation benefits \$	Value of options \$			
Executives								
P J Lee	2009	9,229	-	1,007	4,942	15,178	32.6	32.6
	2008	20,231	1,374	3,977	16,250	41,832	38.8	38.8
C A Michael	2009	6,660	-	600	-	7,260	0.00	0.00
	2008	-	-	-	-	-	0.00	0.00
Total all Executives	2009	15,889	-	1,607	4,942	22,438		
	2008	20,231	1,374	3,977	16,250	41,832		
Total all Directors & Executives	2009	68,639	-	6,907	8,895	84,441		
	2008	153,979	1,374	16,014	29,250	200,617		

There were no STI cash bonuses, post-employment prescribed benefits, termination benefits or insurance premiums paid during 2009 or 2008.

Signed in accordance with a resolution of the Board of Directors at Melbourne this 29th day of September 2009.

J. I. Gutzink

Director

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of Quantum Resources Limited for the year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



J A Mooney
Partner
PKF

29 September 2009
Melbourne

Tel: 61 3 9603 1700 | Fax: 61 3 9602 3870 | www.pkf.com.au
PKF | ABN 83 236 985 726
Level 14, 140 William Street | Melbourne | Victoria 3000 | Australia
GPO Box 5099 | Melbourne | Victoria 3001

The PKF East Coast Practice is a member of the PKF International Limited network of legally independent member firms. The PKF East Coast Practice is also a member of the PKF Australia Limited national network of legally independent firms each trading as PKF. PKF East Coast Practice has offices in NSW, Victoria and Brisbane. PKF East Coast Practice does not accept responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Liability limited by a scheme approved under Professional Standards Legislation.

Quantum Resources Limited
Income Statement
For the Year Ended 30 June 2009

	Note	2009 \$	2008 \$
Other revenue	4	424,176	-
Finance revenue	4	581	8,261
Exploration expenditure written off		(1,197,338)	(324,486)
Administration expenses		(248,224)	(671,762)
Other expenses	4	(11,630)	(43,967)
Finance costs	4	(5,700)	(13,514)
Loss before income tax		(1,038,135)	(1,045,468)
Income tax expense	5	-	-
Loss for the year after tax from continuing operations		(1,038,135)	(1,045,468)
Loss for the year		(1,038,135)	(1,045,468)
Loss per share		Cents	Cents
Basic loss per share for the year attributable to ordinary equity holders	6	(0.25)	(0.28)
Diluted loss per share for the year attributable to ordinary equity holders	6	(0.25)	(0.28)

The income statement is to be read in conjunction with the accompanying notes to the financial statements.

Quantum Resources Limited
Balance Sheet as at 30 June 2009

	Note	2009 \$	2008 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	2,045,001	116,220
Receivables	8	11,552	4,555
Other current assets	9	-	1,486
Total Current Assets		2,056,553	122,261
Non-Current Assets			
Receivables	8	19,000	20,000
Financial assets	10	333	175
Exploration expenditure	11	400,025	1,308,437
Property, plant and equipment	12	-	67
Total Non-Current Assets		419,358	1,328,679
TOTAL ASSETS		2,475,911	1,450,940
LIABILITIES			
Current Liabilities			
Trade and other payables	13	613,571	496,183
Total Current Liabilities		613,571	496,183
TOTAL LIABILITIES		613,571	496,183
NET ASSETS		1,862,340	954,757
EQUITY			
Contributed equity	14	56,604,118	54,670,187
Reserves	15	714,249	702,462
Accumulated losses		(55,456,027)	(54,417,892)
TOTAL EQUITY		1,862,340	954,757

The balance sheet is to be read in conjunction with the accompanying notes to the financial statements.

Quantum Resources Limited
Cash Flow Statement for the Year Ended 30 June 2009

	Note	2009 \$	2008 \$
Cash flows from operating activities			
Payments in the course of operations		(66,156)	(669,203)
Interest received		581	8,261
Borrowing costs paid		-	(1,328)
Net cash used in operating activities	17	<u>(65,575)</u>	<u>(662,270)</u>
Cash flows from investing activities			
Payments for exploration expenditure		(172,000)	(1,045,562)
Refund of security deposits		1,000	20,000
Proceeds from related party loan		-	118,357
Proceeds from sale of investment		226	-
Loans to other entity		-	(200,000)
Loans from other entity		132,000	610,963
Net cash used in investing activities		<u>(38,774)</u>	<u>(536,242)</u>
Cash flows from financing activities			
Proceeds from issue of shares		2,036,755	1,270,100
Transaction costs on issue of shares		(3,625)	(84,213)
Net cash provided by financing activities		<u>2,033,130</u>	<u>1,185,887</u>
Net increase/(decrease) in cash held		1,928,781	(12,625)
Cash and cash equivalents at beginning of year		<u>116,220</u>	<u>128,845</u>
Cash and cash equivalents at end of year	7	<u>2,045,001</u>	<u>116,220</u>

The cash flow statement is to be read in conjunction with the accompanying notes to the financial statements.

Quantum Resources Limited
Statement of Changes in Equity for the Year Ended 30 June 2009

	Issued Capital \$	Accumulated Losses \$	Reserves \$	Total Equity \$
At 30 June 2007	53,484,829	(53,372,424)	659,102	771,507
Loss for the year	-	(1,045,468)	-	(1,045,468)
Net loss on revaluation of available- for-sale financial assets	-	-	(415)	(415)
Issue of share capital	1,270,100	-	-	1,270,100
Equity transaction costs	(84,742)	-	-	(84,742)
Share-based payments charge	-	-	43,775	43,775
At 30 June 2008	54,670,187	(54,417,892)	702,462	954,757
Loss for the year	-	(1,038,135)	-	(1,038,135)
Net gain on revaluation of available- for-sale financial assets	-	-	212	212
Issue of share capital	2,036,755	-	-	2,036,755
Equity transaction costs	(102,824)	-	-	(102,824)
Share-based payments charge	-	-	11,575	11,575
At 30 June 2009	56,604,118	(55,456,027)	714,249	1,862,340

The statement of changes in equity is to be read in conjunction with the accompanying notes to the financial statements.

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Reporting Entity

Quantum Resources Limited (the "Company") is a company incorporated and domiciled in Australia. The financial report of the Company for the year ended 30 June 2009 comprises the Company only and has not been consolidated with any other entity.

The financial report was authorised for issue by the Directors on 29 September 2009.

(b) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The financial report of the Company complies with Australian Accounting Standards issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board.

(c) Basis of preparation

The financial report is presented in Australian dollars.

The financial report has been prepared on a historical cost basis, except for the revaluation of available-for-sale financial assets that have been measured at fair value.

Significant Estimates and Judgements

The preparation of a financial report in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS that have a significant effect on the financial report and estimates with a significant risk of material adjustment in the next year are discussed in note 1(d)(xxi).

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

(d) Summary of significant accounting policies

(i) Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences in the financial report are taken to the income statement.

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Cont'd)

(d) Summary of significant accounting policies (Cont'd)

(ii) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Finance Interest

Interest revenue is recognised as the interest accrues.

(iii) Finance costs

Financing costs comprise interest payable on borrowings. Interest is recognised as an expense when incurred.

(iv) Leases

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

(v) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

(vi) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Receivables from other entities are recognised and carried at nominal amounts due. Interest is taken up as income on an accrual basis.

(vii) Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset of a cash-generating unit exceeds its recoverable amount, the asset or cash generating unit is impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Cont'd)

(d) Summary of significant accounting policies (Cont'd)

(vii) Impairment of assets (Cont'd)

An assessment is also made at each reporting date as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(viii) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax is the expected tax payable on the taxable income for the period. The Company has not derived taxable income in either the current or previous periods.

Deferred income tax is determined using the balance sheet method which calculates temporary differences on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred asset to be recovered.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

(ix) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the taxation authority.

(x) Financial Assets

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Cont'd)

(d) Summary of significant accounting policies (Cont'd)

(x) Financial Assets (Cont'd)

After initial recognition, investments, which are classified as held for trading and available-for-sale, are measured at fair value. Gains or losses on investments held for trading are recognised in the income statement.

Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

For investments that are actively traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the balance sheet date.

For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment.

Purchases and sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place are recognised on the trade date i.e. the date that the Company commits to purchase the asset.

(xi) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses (see accounting policy (vii)).

Depreciation is charged to the income statement on a straight line basis over the estimated useful life of the assets. The estimated useful life of plant and equipment is between 3 and 5 years.

The asset's residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, at each financial year end.

When an asset's carrying value is increased as a result of a revaluation, the increase is, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the income statement, credited directly to revaluation reserve.

When an asset's carrying amount is decreased as a result of a revaluation, the decrease is, except to the extent of any credit balance existing in the revaluation reserve in respect of that asset, recognised in the income statement.

The revaluation surplus is transferred directly to retained earnings when the asset is derecognised.

(xii) Exploration

Exploration expenditure is capitalised for each separate area of interest where rights to tenure are current and:

- (a) such costs are expected to be recovered through successful development and exploitation or by sale; or
- (b) where activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing.

Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas.

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Cont'd)

(d) Summary of significant accounting policies (Cont'd)

(xii) Exploration (Cont'd)

The carrying values of expenditures carried forward are reviewed for impairment at each reporting date when the facts, events or changes in circumstances indicate that the carrying value may be impaired. Accumulated expenditures are written off to the income statement to the extent to which they are considered to be impaired.

The key points that are considered in this review include:

- planned drilling programs and data evaluation.
- environmental issues that may impact the underlying tenements.
- the estimated market value of assets at the review date.

Information used in the review process is rigorously tested to externally available information as appropriate.

(xiii) Joint Venture operations

The interest of the Company in unincorporated joint ventures are brought to account by recognising in its financial statements the assets it controls, the liabilities it incurs and the expenses it incurs in relation to the joint venture.

(xiv) Trade and other payables

Trade and other payables are stated at cost.

(xv) Interest-bearing borrowings

Interest-bearing borrowings are recognised at cost. After initial recognition interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value, if any, being recognised in the income statement over the period of the borrowings on an effective interest basis.

(xvi) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the risks specific to the liability.

(xvii) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares and options are shown in equity as a deduction, net of tax, from the proceeds.

(xviii) Share based payment transactions

Share-based compensation benefits are provided to employees, Directors, officers or consultants of the Company or an associated body corporate and such other persons nominated by the Directors under the Quantum Resources Limited 2005 Share Option Plan which allows participants to acquire shares of the Company.

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Cont'd)

(d) Summary of significant accounting policies (Cont'd)

(xviii) Share based payment transactions (Cont'd)

The fair value of options granted is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the participants become unconditionally entitled to the options. The fair value of the options granted is measured using the binomial option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that are expected to vest at each balance sheet date.

(xix) Financial risk management

The Company's principal financial instruments comprise receivables, payables and cash. These activities expose the Company to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

Although the Company does not have documented policies and procedures, Management manages the different types of risks to which it is exposed by considering risk and monitoring levels of exposure to interest rate and foreign exchange risk and by being aware of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk, liquidity risk is monitored through general business budgets and forecasts.

(xx) Capital Management

The Company's policy in relation to capital management is for management to regularly and consistently monitor future cash flows against expected expenditures for a rolling period of up to 12 months in advance. The Board determines the Company's need for additional funding by way of either share placements or loan funds depending on market conditions at the time. Management defines working capital in such circumstances as its excess liquid funds over liabilities, and defines capital as being the ordinary share capital of the Company.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

(xxi) Accounting estimates and judgements

Management discussed with the Audit Committee the development, selection and disclosure of the Company's critical accounting policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty

Note 1(xii) contains information about the assumptions and their risk factors relating to exploration expenditure impairment.

(xxii) New and Revised Accounting Standards and Interpretations

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2009, but have not been applied in preparing this financial report.

- Revised AASB 3 *Business Combinations* (2008) incorporates the following changes that are likely to be relevant to the Company's operations:

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Cont'd)

(d) Summary of significant accounting policies (Cont'd)

(xxiii) New and Revised Accounting Standards and Interpretations (Cont'd)

- The definition of a business has been broadened, which is likely to result in more acquisitions being treated as business combinations
- Contingent consideration will be measured at fair value, with subsequent changes therein recognised in profit or loss
- Transaction costs, other than share and debt issue costs, will be expensed as incurred
- Any pre-existing interest in the acquiree will be measured at fair value with the gain or loss recognised in profit or loss
- Any non-controlling (minority) interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of the acquiree, on a transaction-by-transaction basis.

Revised AASB 3, which becomes mandatory for the Company's 30 June 2010 financial statements, will be applied prospectively and therefore there will be no impact on prior periods in the Company's 2010 financial statement.

- AASB 8 Operating Segments introduces the "management approach" to segment reporting. AASB 8, which becomes mandatory for the Company's 30 June 2010 financial statements, will require a change in the presentation on and disclosure of segment information based on the internal reports regularly reviewed by the Company's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to them. Currently the Company presents segment information in respect of its business and geographical segments (see note 3). Under the management approach, the Company will present segment information in respect of exploration expenditure by commodity and region.
- Revised AASB 101 Presentation of Financial Statements (2007) introduces the term total comprehensive income, which represents changes in equity during a period other than those changes resulting from transactions with owners in their capacity as owners. Total comprehensive income may be presented in either a single statement of comprehensive income (effectively combining both the income statement and all non-owner changes in equity in a single statement) or, in an income statement and a separate statement of comprehensive income. Revised AASB 101, which becomes mandatory for the Company's 30 June 2010 financial statements, is expected to have a significant impact on the presentation of the financial statements. The Company plans to provide total comprehensive income in a single statement of comprehensive income for its 2010 financial statements.
- Revised AASB 123 Borrowing Costs removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The revised AASB 123 will become mandatory for the Company's 30 June 2010 financial statements and will constitute a change in accounting policy for the Company. In accordance with the transitional provisions the Company will apply the revised AASB 123 to qualifying assets for which capitalisation of borrowing costs commences on or after the effective date. Therefore there will be no impact on prior periods in the Company's 30 June 2010 financial statements.

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Cont'd)

(d) Summary of significant accounting policies (Cont'd)

(xxiii) New and Revised Accounting Standards and Interpretations (Cont'd)

- AASB 2008-1 Amendments to Australian Accounting Standard – Share-based Payment: Vesting Conditions and Cancellations clarifies the definition of vesting conditions, introduces the concept of non-vesting conditions, requires non-vesting conditions to be reflected in grant-date fair value and provides the accounting treatment for non-vesting conditions and cancellations. The amendments to AASB 2 will be mandatory for the Company's 30 June 2010 financial statements, with retrospective application. The Company has not yet determined the potential effect of the amendment.
- AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Process and 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process affect various AASBs resulting in minor changes for presentation, disclosure, recognition and measurement purposes. The amendments, which become mandatory for the Company's 30 June 2010 financial statements, are not expected to have any impact on the financial statements.

2009 2008
\$ \$

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company holds the following financial instruments:

Financial Assets

Cash and cash equivalents	2,045,001	116,220
Receivables	30,552	26,041
Available-for-sale financial assets	333	175
Total Financial Assets	2,075,886	142,436

Financial Liabilities

Trade and other payables	613,571	496,183
Total Financial Liabilities	613,571	496,183
Net exposure	1,462,315	(353,747)

Risk Exposures and Responses

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any allowance for doubtful debts, as disclosed in the balance sheet and notes to the financial report.

Receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debt is not significant. There are no significant concentrations of credit risk.

Liquidity risk

The Company manages liquidity risk by monitoring cash flow and maturity profiles of financial assets and liabilities.

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

Risk Exposures and Responses (Cont'd)

Market risk

The Company's exposure to market interest rates relates to holding floating rate interest bearing liabilities, cash and loans to other entities. The effect of volatility of interest rates within expected reasonable possible movements would not be material.

Cash flow and fair value interest rate risk

The Company's interest rate risk arises from cash and cash equivalents held. Current accounts held with variable rates expose the Company to cash flow interest rate risk.

The following table summarises the sensitivity of the Company's financial assets to interest rate risk.

	Carrying Amounts	Interest Rate Risk			
		Profit	-30bps Equity	Profit	+30bps Equity
30 June 2009					
Financial assets					
Cash and cash equivalents	2,045,001	(6,135)	(6,135)	6,135	6,135
30 June 2008					
Financial assets					
Cash and cash equivalents	116,220	(349)	(349)	349	349

The effect of volatility of foreign exchange rates within expected reasonable possible movements would not be material.

The Company's exposure to commodity and equity securities price risk is minimal.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities, net, into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

2009	Note	Weighted average interest rate %	Floating interest rate \$	Fixed interest maturing in:			Non-interest bearing \$	Total \$
				1 year or less \$	Over 1 to 5 years \$	More than 5 years \$		
<i>Financial assets</i>								
Cash and cash equivalents	7	2.45	2,045,001	-	-	-	-	2,045,001
Receivables and other current assets	8 & 9		-	-	-	-	30,552	30,552
Available-for-sale investments	10		-	-	-	-	333	333
Total			2,045,001	-	-	-	30,885	2,075,886
<i>Financial liabilities</i>								
Trade and other payables	13		-	-	-	-	613,571	613,571
Total			-	-	-	-	613,571	613,571
Net			2,045,001	-	-	-	(582,686)	1,462,315

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

Risk Exposures and Responses (Cont'd)

2008	Note	Weighted average interest rate %	Floating interest rate \$	Fixed interest maturing in:			Non- interest bearing \$	Total \$
				1 year or less \$	Over 1 to 5 years \$	More than 5 years \$		
<i>Financial assets</i>								
Cash and cash equivalents	7	3.65%	116,220	-	-	-	-	116,220
Receivables and other current assets	8 & 9	-	-	-	-	-	26,041	26,041
Available-for-sale investments	10	-	-	-	-	-	175	175
Total			116,220	-	-	-	26,216	142,436
<i>Financial liabilities</i>								
Trade and other payables	13	11.75%	423,950	-	-	-	72,233	496,183
Total			423,950	-	-	-	72,233	496,183
Net			(307,730)	-	-	-	(46,017)	(353,747)

Fair Values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

	2009		2008	
	Carrying Value \$	Fair Value \$	Carrying Value \$	Fair Value \$
Cash and cash equivalents	2,045,001	2,045,001	116,220	116,220
Receivables and other current assets	30,552	30,552	26,041	26,041
Available-for-sale investments	333	333	175	175
Trade payables and accruals	(613,571)	(613,571)	(496,183)	(496,183)
Total	1,462,315	1,462,315	(353,747)	(353,747)

Valuation Approach

Net fair values of financial assets and liabilities are determined by the Company on the following basis:

Cash, cash equivalents and short-term investments: The carrying amount approximates fair value because of their short-term to maturity.

Receivables and payables: The carrying amount approximates fair value.

Available-for-sale investments: For available-for-sale investments traded in organised financial markets, fair value is the current quoted market bid price adjusted for transaction costs necessary to realise the asset. For investments where there is no quoted market price, a reasonable estimate of the fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows or the underlying net asset base of the investment.

3. SEGMENT INFORMATION

The principal business and geographical segment of the Company is mineral exploration within Australia.

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

3. SEGMENT INFORMATION (Cont'd)

The Company has elected not to early adopt AASB 8, "Operating Segments". The new standard requires a 'management approach' under which segment information is prepared on the same basis as that used for internal reporting purposes.

	Note	2009 \$	2008 \$
--	------	------------	------------

4. REVENUE AND EXPENSES

Loss before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the entity:

(i) Other revenue			
Gain from the sale of investments		226	-
Debt forgiveness - Other Entity		423,950	-
Total other revenue		424,176	-
(ii) Finance revenue			
Interest			
Other Entity	19	-	1,328
Other		581	6,933
Total finance revenue		581	8,261
(iii) Other expenses			
Employee share option amortisation		11,575	43,775
Impairment of other investments		55	192
Total other expense		11,630	43,967
(iv) Finance Costs			
Borrowing costs			
Other Entity	19	5,700	13,478
Other		-	36
Total finance costs		5,700	13,514
(v) Auditors' remuneration			
Audit services		39,000	24,000
Other services		-	-
Total auditors' remuneration		39,000	24,000

5. TAXATION

(a) Income tax expense

Prima facie income tax benefit calculated at 30% (2008: 30%) on the loss		(311,441)	(313,640)
(Decrease)/increase in income tax benefit due to:			
Exploration expenditure written off		359,201	97,345
Employee share options		3,473	13,133
Sundry items		17	58
Other		(51,250)	203,104
Income tax expense on loss		-	-

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

5. TAXATION

(b) Deferred tax asset not recognised

The deferred tax asset in respect of tax losses has not been recognised for as an asset in the financial statements as the realisation of the benefit is not probable.

Deferred tax assets have been calculated at 30%.

	2009	2008
	\$	\$
Temporary differences attributable to amounts recognised		
Exploration expenditure	(120,008)	(392,531)
Accrued expenditure	5,681	17,375
Financial assets	-	(175)
Tax losses recognised	114,327	375,331
	-	-

The potential future income tax benefit not recognised is as follows:

Revenue losses	5,985,681	5,927,305
Capital losses	8,185,787	8,185,787

6. EARNINGS PER SHARE

Basic loss per share

Loss attributable to ordinary shareholders

For the year ended 30 June

Loss for the year	(1,038,135)	(1,045,468)
-------------------	-------------	-------------

	2009	2008
	Number of shares	Number of shares

Weighted average number of ordinary shares

For the year ended 30 June

Issued ordinary shares at the beginning of the year	407,351,028	351,113,528
Effect of shares issued August 2007	-	18,241,438
Effect of shares issued March 2008	-	10,444,932
Effect of shares issued June 2009	1,116,030	-
	408,467,058	379,799,898

Weighted average number of ordinary shares at the end of the year

	408,467,058	379,799,898
--	-------------	-------------

Diluted earnings per share

153,652,421 options at reporting date were not dilutive as the conversion would result in a reduced loss per share.

	2009	2008
	\$	\$

7. CASH AND CASH EQUIVALENTS

Cash at bank	2,045,001	116,220
--------------	-----------	---------

(a) Reconciliation to cash at the end of the year

Balances as above	2,045,001	116,220
Balances per Statement of Cash Flows	2,045,001	116,220

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

	2009	2008
	\$	\$

7. CASH AND CASH EQUIVALENTS (Cont'd)

(b) Interest rate risk exposure

The Company's exposure to interest rate risk is discussed in Note 2.

8. RECEIVABLES

CURRENT

Non-trade receivables

Other	11,552	4,555
-------	--------	-------

(a) Allowance for impairment loss

Non-trade receivables – Other are non-interest bearing and are generally on 30-60 day terms.

At 30 June, the ageing analysis of current non-trade receivables – other is as follows:

Company	As at 30 June 2009		As at 30 June 2008	
	Gross	Allowance	Gross	Allowance
	\$	\$	\$	\$
Current	11,552	-	4,555	-
31-60 days	-	-	-	-
61-90 days	-	-	-	-
91 days and over	-	-	-	-
Closing Balance	11,552	-	4,555	-

(b) Advance to Other Entity

For terms and conditions relating to other entity receivables, refer to Note 19.

(c) Risk Exposure and Fair Values

Details of the Company's exposure to risks arising from current and non-current receivables are set out in Note 2.

	2009	2008
	\$	\$
NON-CURRENT		
Other receivables	19,000	20,000

(a) Impaired receivables and receivables past due

None of the non-current receivables are impaired or past due.

9. OTHER CURRENT ASSETS

Prepayments	-	1,486
-------------	---	-------

The carrying amount of prepayments approximates fair value.

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

	2009	2008
	\$	\$
10. FINANCIAL ASSETS		
AVAILABLE-FOR-SALE		
NON-CURRENT		
Listed Shares at fair value	333	175
Unlisted Shares at cost		
Other Entity	1	1
less Impairment writedown	(1)	(1)
	-	-
	333	175
11. EXPLORATION EXPENDITURE		
At cost, 1 July	1,308,437	571,600
Expenditure for the year	288,926	1,061,323
Written off during the year	(1,197,338)	(324,486)
At cost, 30 June	400,025	1,308,437
Exploration expenditure has been written off on relinquished and non prospective tenements.		
12. PLANT AND EQUIPMENT		
Plant and Equipment		
At cost		
Balance 1 July	1,187	1,187
Other acquisitions	-	-
Balance at 30 June	1,187	1,187
Depreciation		
Balance 1 July	1,120	527
Depreciation charge for the year	67	593
Balance at 30 June	1,187	1,120
Carrying amounts		
Balance at 1 July	67	660
Balance at 30 June	-	67
13. TRADE AND OTHER PAYABLES		
CURRENT		
Trade creditors and accruals	148,776	72,233
Other entity trade payables	464,795	423,950
	613,571	496,183

(a) Defaults and breaches

During the current and prior years, there were no defaults or breaches on any payables.

(b) Risk exposure

Details of the Company's exposure to risk arising from current liabilities are set out in Note 2.

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

			2009	2008
			\$	\$
14. SHARE CAPITAL				
Ordinary shares				
Issued and fully paid			56,604,118	54,670,187

	2009	2009	2008	2008
	No. of shares	\$	No. of shares	\$
Movements in ordinary shares on issue				
At 1 July	407,351,028	54,670,187	351,113,528	53,484,829
Rights issue of shares (0.05 cents per share)	407,351,028	2,036,755	-	-
Placement of shares (2.26 cents per share)	-	-	56,237,500	1,270,100
Transaction costs on share issue	-	(102,824)	-	(84,742)
At 30 June	814,702,056	56,604,118	407,351,028	54,670,187

Effective 1 July 1998, the corporations legislation in place abolished the concepts of authorised capital and par value shares. Accordingly, the Company does not have authorised capital nor par value in respect of its issued shares.

Terms and Conditions of Contributed Equity

Ordinary Shares:

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders meetings. In the event of winding up of the Company ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

Options:

43,748,673 options are on issue at an exercise price of \$0.09275 per option which, if exercised, will entitle the option holder to one ordinary fully paid share in the Company for each option. Options not exercised by 31 October 2010 will lapse.

32,875,597 options are on issue at an exercise price of \$0.09275 per option which, if exercised, will entitle the option holder to one ordinary fully paid share in the Company for each option. Options not exercised by 30 April 2012 will lapse.

68,378,151 options are on issue at an exercise price of \$0.04275 per option which, if exercised, will entitle the option holder to one ordinary fully paid share in the Company for each option. Options not exercised by 30 November 2012 will lapse.

1,400,000 employee options are on issue at an exercise price of \$0.05825 per option and 7,250,000 employee options are on issue at an exercise price of \$0.06275 per option. Refer note 16 for details.

			2009	2008
			\$	\$
15. RESERVES				
Option premium reserve			619,690	619,690
Share based payment reserve			94,250	82,675
Fair value reserve			309	97
			714,249	702,462

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

	2009	2008
	\$	\$
15. RESERVES (Cont'd)		
Movement in reserves		
Share based payment reserve		
At 1 July	82,675	38,900
Amortisation of fair value of employee share options	11,575	43,775
At 30 June	94,250	82,675
Fair value reserve		
At 1 July	97	512
Net change in fair value of available-for sale investments	212	(415)
At 30 June	309	97

Option premium reserve

The option premium reserve represents the amounts contributed for the future right to acquire shares at a pre-determined price. The options have an exercise price of 9.275 cents and a latest expiry date of 30 April 2012.

Share based payment reserve

The share based payment reserve represents the accumulated amortisation of the fair value of services provided with respect to employee options issued. Details of the share option plan are outlined in Note 16.

Fair value reserve

The fair value reserve represents the cumulative net increase or decrease in the fair value of available-for-sale investments until the investment is derecognised.

16. EMPLOYEE BENEFITS

Share based payments

At the 2005 annual general meeting, the Company established the Quantum Resources Limited 2005 Share Option Plan which allows employees, Directors, officers or consultants of the Company or an associated body corporate and such other persons nominated by the Directors to participate in the plan.

Grants of events of options made under this plan are as follows:

On 19 October 2006, 10,100,000 options were issued at an exercise price of \$0.06275. Optionholders must remain eligible (which would usually mean remaining an eligible person although the Board has some discretion to allow continued participation in the event of an eligible person's death, mental incapacity, ill health, accident or redundancy) to participate in the plan throughout the two (2) year vesting period and can be exercised at any time following vesting up to 19 October 2011. All options, if exercised, will be settled by physical delivery of the shares.

The number and weighted average exercise price of share options is as follows:

	2009		2008	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	-	7,500,000	-	8,600,000
Granted during the year	-	-	-	-
Forfeited during the year	\$0.06275	250,000	\$0.06275	1,100,000
Outstanding at the end of the year	\$0.06275	7,250,000	\$0.06275	7,500,000
Exercisable during the year		7,250,000		-

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

16. EMPLOYEE BENEFITS (Cont'd)

The options outstanding at 30 June 2009 have an exercise price of \$0.06275 and a remaining contractual life of 2.25 years.

	2009	2008
Employee expenses	\$	\$
Share options granted in 2006		
Total expense recognised as employee cost	11,575	43,775

On 24 March 2000 the Company granted unlisted options over 5,325,000 unissued ordinary shares to employees at an issue price of 3.7 cents under the employee share option plan.

- (i) The options are exercisable from 25 March 2003 until the earlier of their expiry date on 24 March 2010 or the termination of the person's employment.
- (ii) The options may only be exercised if the price on the ASX of the ordinary shares in the Company has increased by a factor of 20%, after adjustments for rights issues, bonus issues and dividends, from the date that the options were acquired.
- (iii) The exercise price for the option will be equal to the weighted average market price of the ordinary shares on the five business days prior to and including the date of acquisition, less the issue price.

	2009	2008
Off Balance Sheet Items		
Unissued ordinary shares of the Company under option	1,400,000	1,400,000
The market value of the shares under these options at 30 June was:	\$0.006	\$0.01
Exercise price	\$0.05825	\$0.08
Number of options repurchased by the Company	-	-
Value of options repurchased by the Company	-	-
Interest free option loans provided	\$51,800	\$51,800

Interest free loans were made available to participants who subscribed for options. The option loans are repayable if the participant disposes of any ordinary shares acquired as a result of the exercise of the options or on the termination of employment, however in these circumstances the Company will buy back the options and use the proceeds to repay the loan.

The Company may at the discretion of the Board, make loans to participants to fund the exercise price of the options. These loans are likely to be interest free and repayable with "after tax" dividends or on the earlier of the disposal of the ordinary shares or the termination of the executive's employment.

17. CASH FLOW STATEMENTS

(a) *Reconciliation of operating loss after income tax to net cash used in operating activities*

	2009	2008
Operating (loss) after income tax	(1,038,135)	(1,045,468)
Add non-cash items:		
Other revenue	(424,176)	-
Impairment of available-for-sale investments	55	192
Exploration expenditure previously capitalised written off as unsuccessful	1,197,338	321,777
Employee share option plan amortisation	11,575	43,775
Net cash used in operating activities before change in assets and liabilities	(253,343)	(679,724)

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

	2009 \$	2008 \$
17. CASH FLOW STATEMENTS (Cont'd)		
(a) <i>Reconciliation of operating loss after income tax to net cash used in operating activities (Cont'd)</i>		
Changes in assets and liabilities		
(Increase)/Decrease in receivables	(3,084)	2,903
(Increase)/Decrease in other current assets	1,486	-
(Decrease)/Increase in trade creditors and accruals	189,366	14,551
	(65,575)	(662,270)
Net cash used in operating activities	(65,575)	(662,270)
(b) <i>Reconciliation of cash</i>		
For the purposes of the Cash Flow Statements, cash includes cash on hand and in banks.		

18. COMMITMENTS

(a) Exploration

The Company has to perform minimum exploration work and expend minimum amounts of money on its tenements. The overall expenditure requirement tends to be limited in the normal course of the Company's tenement portfolio management through expenditure exemption approvals and expenditure reductions through relinquishment of parts or the whole of tenements deemed non-prospective. Should the Company wish to preserve interest in its current tenements the amount which may be required to be expended is as follows:

	2009 \$	2008 \$
Not later than one year	307,358	1,079,140
Later than one year but not later than five years	647,207	2,529,700
	954,565	3,608,840

19. RELATED PARTIES

(a) Key Management Personnel Disclosures

The names of the key management personnel in office during the year are as follows:-

Directors

J I Gutnick – Chairman and Managing Director
D S Tyrwhitt – Non Executive Director
M Z Gutnick – Non Executive Director

Executives

P J Lee – Chief Financial Officer & Company Secretary
C A Michael – Executive General Manager

The key management personnel compensation is as follows:

	2009 \$	2008 \$
Short-term employee benefits	68,639	155,354
Other long-term benefits	-	-
Post-employment benefits	6,907	16,014
Termination benefits	-	-
Share-based payments	8,895	29,250
	84,441	200,617

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

19. RELATED PARTIES (Cont'd)

(b) Equity Holdings and Transactions

2009	Ordinary Shares Number	Options 31/10/2010 Number	Options 30/4/2012 Number	Options 30/11/2012 Number	Options 24/3/2010 Number	Options 19/10/2011 Number
J I Gutnick						
At start of reporting period	87,304,493	42,864,483	11,049,078	345,316	1,000,000	2,000,000
Granted as remuneration	-	-	-	-	-	-
Received on exercise of options or rights	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Resulting from other changes	200,659,412	-	-	-	-	-
At close of reporting period	287,963,905	42,864,483	11,049,078	345,316	1,000,000	2,000,000
Vested and exercisable at reporting date	-	42,864,483	11,049,078	345,316	-	2,000,000
Vested and unexercisable at reporting date	-	-	-	-	-	-
D S Tyrwhitt						
At start of reporting period	-	-	-	-	-	-
Granted as remuneration	-	-	-	-	-	-
Received on exercise of options or rights	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Resulting from other changes	-	-	-	-	-	-
At close of reporting period	-	-	-	-	-	-
Vested and exercisable at reporting date	-	-	-	-	-	-
Vested and unexercisable at reporting date	-	-	-	-	-	-
M Z Gutnick						
At start of reporting period	9,672,022	532	-	-	-	2,000,000
Granted as remuneration	-	-	-	-	-	-
Received on exercise of options or rights	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Resulting from other changes	-	-	-	-	-	-
At close of reporting period	9,672,022	532	-	-	-	2,000,000
Vested and exercisable at reporting date	-	532	-	-	-	2,000,000
Vested and unexercisable at reporting date	-	-	-	-	-	-
P J Lee						
At start of reporting period	280	-	-	-	350,000	2,500,000
Granted as remuneration	-	-	-	-	-	-
Received on exercise of options or rights	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Resulting from other changes	231	-	-	-	-	-
At close of reporting period	511	-	-	-	350,000	2,500,000
Vested and exercisable at reporting date	-	-	-	-	-	2,500,000
Vested and unexercisable at reporting date	-	-	-	-	-	-

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

19. RELATED PARTIES (Cont'd)

(b) Equity Holdings and Transactions (Cont'd)

2009 (Cont'd)	Ordinary Shares Number	Options 31/10/2010 Number	Options 30/4/2012 Number	Options 30/11/2012 Number	Options 24/3/2010 Number	Options 19/10/2011 Number
C A Michael						
At start of reporting period	-	-	-	-	-	-
Granted as remuneration	-	-	-	-	-	-
Received on exercise of options or rights	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Resulting from other changes	-	-	-	-	-	-
At close of reporting period	-	-	-	-	-	-
Vested and exercisable at reporting date	-	-	-	-	-	-
Vested and unexercisable at reporting date	-	-	-	-	-	-
2008						
J I Gutnick						
At start of reporting period	89,331,353	42,808,679	31,175,262	65,281,441	1,000,000	2,000,000
Granted as remuneration	-	-	-	-	-	-
Received on exercise of options or rights	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Resulting from other changes	(2,026,860)	55,804	(20,126,184)	(64,936,125)	-	-
At close of reporting period	87,304,493	42,864,483	11,049,078	345,316	1,000,000	2,000,000
Vested and exercisable at reporting date	-	42,864,483	11,049,078	345,316	-	-
Vested and unexercisable at reporting date	-	-	-	-	1,000,000	-
D S Tyrwhitt						
At start of reporting period	-	-	-	-	-	-
Granted as remuneration	-	-	-	-	-	-
Received on exercise of options or rights	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Resulting from other changes	-	-	-	-	-	-
At close of reporting period	-	-	-	-	-	-
Vested and exercisable at reporting date	-	-	-	-	-	-
Vested and unexercisable at reporting date	-	-	-	-	-	-
M Z Gutnick						
At start of reporting period	9,672,022	532	-	-	-	2,000,000
Granted as remuneration	-	-	-	-	-	-
Received on exercise of options or rights	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Resulting from other changes	-	-	-	-	-	-
At close of reporting period	9,672,022	532	-	-	-	2,000,000
Vested and exercisable at reporting date	-	532	-	-	-	-
Vested and unexercisable at reporting date	-	-	-	-	-	-

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

19. RELATED PARTIES (Cont'd)

(b) Equity Holdings and Transactions (Cont'd)

P J Lee

At start of reporting period	280	-	-	-	350,000	2,500,000
Granted as remuneration	-	-	-	-	-	-
Received on exercise of options or rights	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Resulting from other changes	-	-	-	-	-	-
At close of reporting period	280	-	-	-	350,000	2,500,000
Vested and exercisable at reporting date	-	-	-	-	-	833,333
Vested and unexercisable at reporting date	-	-	-	-	350,000	-

During the year, Wilzed Pty Ltd, a Director Related Entity of Mr J I Gutnick agreed to underwrite a one-for-one pro-rata rights issue of ordinary shares, on arms length terms. Wilzed Pty Ltd, pursuant to the underwriting agreement, subscribed for 200,659,412 shares as part of the shortfall from the rights issue.

	Note	2009 \$	2008 \$
(c) Other Key Management Personnel Transactions			

Transactions with Director Related Entities of Mr. J.I. Gutnick are as follows:

Edensor Gold Pty Ltd ("Edensor")
Edensor provided short term non-interest bearing funds to the Company

Transactions during the period			
Amounts advanced during the year		-	20,000
Amounts repaid during the year		-	(20,000)

(d) Other Transactions

Some of the Directors of the Company are/were also Directors of the following companies ("Other Entities"):

AXIS Consultants Pty Ltd ("AXIS")
Golden River Resources Corporation

(i) Details of transactions with AXIS are as follows:

At year end			
Payable – current	13	(464,795)	(423,950)
During the year			
Fees for management services		(193,493)	(572,668)
Fees for geological services		(133,602)	(185,354)
Interest paid/payable	4	(5,700)	(13,478)
Interest received/receivable	4	-	1,328
Debt forgiveness		423,950	-
Receipt from AXIS		(146,000)	(381,000)
Repayment to AXIS		14,000	608,865

The actual rate charged for 2009 was 9.25% to 11.75% (2008: 11.10% to 11.75%)

Quantum Resources Limited
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2009

	2009 %	2008 %
19. RELATED PARTIES (Cont'd)		
(d) Other Transactions (Cont'd)		
(ii) The Company has the following ownership interests and is one of a number of public companies that together hold all the issued shares in AXIS.		
Ordinary shares		
AXIS	9.09	9.09
20. CONTINGENT LIABILITIES		
Deposits	\$	\$
Cash deposits have been provided to the Department of Business, Industry and Resource Development of Northern Territory for the purposes of guaranteeing the Company's performance in accordance with Northern Territory mining law.		
The performance relates to the requirement that the Company adheres to the terms and conditions of its Exploration Licences, which inter alia requires site requisition. However, the Directors do not anticipate the Department of Business, Industry and Resource Development of the Northern Territory will exercise these guarantees as the Company adheres to all conditions of its Licences.		
	19,000	20,000
21. ULTIMATE PARENT ENTITY		
After consideration of AASB 127 and the Corporations Act 2001, the Directors do not believe there is a Parent Entity.		

Quantum Resources Limited
Directors' Declaration

The Directors of Quantum Resources Limited declare that:

- (a) in the Directors' opinion the financial statements and notes on pages 14 to 39, and the remuneration disclosures that are contained in the Remuneration Report in the Directors' Report, set out on pages 8 to 12, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2009 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in note 1(b); and
- (c) the remuneration disclosures that are contained in the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 *Related Party Disclosures*, the Corporations Act 2001 and the Corporations Regulations 2001; and
- (d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations by the chief executive officer and chief financial officer for the financial year ended 30 June 2009, required by Section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of the Directors.

Dated at Melbourne this 29th day of September 2009



.....
J I Gutnick
Director

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF QUANTUM RESOURCES LIMITED**

Chartered Accountants
& Business Advisers

Report on the Financial Report

We have audited the accompanying financial report of Quantum Resources Limited, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Quantum Resources Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1(b), the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's Opinion

In our opinion:

- (a) the financial report of Quantum Resources Limited is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(b).

Tel: 61 3 9603 1700 | Fax: 61 3 9602 3870 | www.pkf.com.au
PKF | ABN 83 236 985 726
Level 14, 140 William Street | Melbourne | Victoria 3000 | Australia
GPO Box 5099 | Melbourne | Victoria 3001

The PKF East Coast Practice is a member of the PKF International Limited network of legally independent member firms. The PKF East Coast Practice is also a member of the PKF Australia Limited national network of legally independent firms each trading as PKF. PKF East Coast Practice has offices in NSW, Victoria and Brisbane. PKF East Coast Practice does not accept responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Liability limited by a scheme approved under Professional Standards Legislation.



Chartered Accountants
& Business Advisers

Report on Remuneration Report

We have audited the Remuneration Report included in pages 8 to 12 of the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Quantum Resources Limited for the year ended 30 June 2009, complies with section 300A of the Corporations Act 2001.

A handwritten signature in black ink, appearing to be 'PKF'.

PKF

A handwritten signature in black ink, appearing to be 'J A Mooney'.

J A Mooney
Partner

29 September 2009
Melbourne

Quantum Resources Limited Corporate Governance

The main corporate governance practices that the Board of Quantum Resources Limited had in place during the year were:

1. Board of Directors

i. Board Responsibilities

The Board's role is to maximize wealth creation and shareholder value in the Company. It assumes responsibility for overseeing the affairs of the Company by ensuring that they are carried out in a professional and ethical manner and that business risks are effectively managed. The primary responsibilities of the Board include the following:

- To oversee the Company, including its control and accountability systems
- To appoint and remove the Chief Executive Officer (or equivalent)
- To ratify the appointment and, where appropriate, the removal of the Chief Financial Officer (or equivalent) and the Company Secretary
- To have input into and final approval of management's development of corporate strategy and performance objectives
- To review and ratify systems of risk management and internal compliance and control, codes of conduct, legal compliance and any other regulatory compliance
- To monitor senior management's performance and implementation of strategy, and ensuring appropriate resources are available
- To approve and monitor the progress of major capital expenditure, capital management, and acquisitions and divestitures
- To approve and monitor financial and other reporting to shareholders and the market
- To monitor the Board composition, Director selection, Board processes and performance and ensure Directors have an understanding of the Company's business
- To monitor and influence the key standards of the Company including ethical standards, reputation and culture
- To review and approve executive remuneration
- To approve annual budgets

ii. Board Composition

While the Company's Constitution fixes the maximum number of Directors at twelve, the Board currently comprises one Executive Director and two Non-Executive Directors. The Company does not have a majority of independent Directors. The Chairman of the Company is a Director and Shareholder of Edensor Nominees Pty Ltd, which is a substantial shareholder of the Company, and is not independent in accordance with the ASX Corporate Governance Council definitions and recommendations. In considering the best interests of the Company and its shareholders, the Board believes that the background and experience of the Chairman should not preclude him from the office of Chairman of the Board on the grounds of him being a Director and Shareholder of a substantial shareholder. The Chairman is also the Managing Director. The Board believes the experience in the industry that the Company operates in that Mr. JI Gutnick brings to the Company is invaluable and is in the best interests of all shareholders. The Board considers Dr D S Tyrwhitt to be independent.

To ensure that it has the right mix of management skills and technical expertise to meet the challenges of its business, the Board regularly reviews its composition. The Board believes that at the current stage of the Company's development, the composition is adequate. However, it continues to assess the need to enhance the membership of the Board and is cognisant of the ASX Corporate Governance Council definitions and recommendations.

iii. Appointment/retirement of Directors

The Company's Constitution requires that all Directors other than the Managing Director submit themselves for re-election every three years with not less than one third of the Board retiring by rotation. Directors appointed during the period since the last Annual General Meeting of the Company must submit themselves for election at the next Annual General Meeting. Mr M Z Gutnick was required to retire at the 2008 Annual General Meeting and was

Quantum Resources Limited
Corporate Governance

re-elected and Dr D S Tyrwhitt is required to retire at the 2009 Annual General Meeting and may seek re-election.

iv. Board Meetings

The full Board meets formally to conduct appropriate business. The Board uses resolutions in writing signed by all Directors to deal with matters requiring decisions between meetings.

v. Directors' Remuneration

Total remuneration for the Executive Director includes an annual salary and other entitlements. Attendance at and participation in Board and Committee meetings are considered among the duties of the Executive Director. Non-Executive Directors receive fees for attending Board and Committee meetings. Pro-rata fees are paid to Non-Executive Directors who serve for less than a full year. None of the Directors or the General Manager Corporate & Company Secretary has letters of appointment.

vi. External Advice to Directors

The Company recognises that in the exercise of their responsibilities there may be occasions when Directors may wish to seek independent professional advice. With the prior consent of the Chairman, advice can be obtained at the Company's expense and is to be made available to the whole Board.

vii. Performance Evaluation of Board and its Members

During the year, the Board did not complete a performance evaluation of the Board and its members. Such a performance evaluation is scheduled for the Board meeting in September 2008.

2. Board Committees

The Board has Committees to address the areas of remuneration and audit.

i. Remuneration Committee

The Company has a Remuneration Committee and has an independent Chairperson, who is not Chairperson of the Board. It does not have at least three members all of whom are independent for the reasons set out above. The Company currently only has one independent Director and he is a Chairman of the Remuneration Committee. The Company's does not use short-term incentives as part of an executive's remuneration package however, it does use long-term incentives as part of an executive's remuneration package. The Remuneration Committee meets to review remuneration policies and practices of the Company, to ensure that they meet current market conditions. The Committee draws on the experience of Senior Management and where appropriate, seeks the advice of external consultants. The Remuneration Committee has a formal charter.

ii. Audit Committee

The Audit Committee comprises only non-executive Directors and has an independent Chairperson, who is not Chairperson of the Board. It does not have at least three members all of whom are independent, for the reasons set out above. The Company currently only has one independent Director and he is a Chairman of the Audit Committee. The Audit Committee meets to plan and review annual and half-yearly financial statements and reports prior to their release to the Australian Securities Exchange. The Committee also monitors the performance of the Company's Auditors and for evaluation of the adequacy and effectiveness of internal controls. The external Auditor is invited to attend and speak at these meetings. The Audit Committee has a formal charter.

Quantum Resources Limited
Corporate Governance

iii. Nomination Committee

The Company does not have a Nomination Committee. The Board believes that with only three Directors on the Board, the Board itself is the appropriate forum to deal with this function.

3. Role of Management

Day to day management of the Company's activities and the implementation of Board strategy, policy and decisions is delegated to management. This includes the following:

- To develop and recommend internal control and accountability systems for the Company and if approved, ensure compliance with such systems.
- To prepare mission systems, corporate strategy and performance objectives for approval by the Board of Directors.
- To prepare systems of risk management and internal compliance and controls, codes of conduct, legal compliance and any other regulatory compliance and if approved, ensure compliance with such systems.
- To monitor employees' performance, recommend appropriate resources and review and approve remuneration.
- To prepare all required financial reports, tax returns, budgets and any other appropriate financial reports, meet all statutory deadlines, monitor performance against budgets.
- Prepare recommendations on acquisitions and divestments of assets.
- To implement decisions of the Board of Directors on key standards of the Company covering such areas as ethical standards, reputation and culture of the Company and influence and provide guidance for employees on these areas.
- To protect the assets of the Company.

4. Risk Management

The Company continues to monitor its operations to identify the greatest areas of potential risk to minimise any adverse effects on the Company's strategic, operational and financial activities.

i. Environment

Details of the environmental policy and other related matters are provided in the Environment section of the Directors' Report.

ii. Occupational Health and Safety

The Company is committed to providing a safe and healthy working environment for all staff. It considers that safety is a collective responsibility and ensures that regular training in safe working methods is undertaken and encourages participation and involvement in the development of workplace safety programs. Individual employees and employees of contractors are required to practice safe working habits, to take all reasonable care to prevent injury to themselves and their colleagues and to report all hazards and accidents.

New staff and contractors (where appropriate) are required to undergo an induction program to familiarise themselves with policies, procedures and work practices prior to commencing work. All staff are covered against injury under the various Workers' Compensation Acts.

iii. Financial Reporting

The Managing Director and Company Secretary sign off to the Board of Directors in respect to the annual financial statements and risk management policies as required by law and the ASX Corporate Governance Council "Principles of Good Corporate Governance and Best Practice Recommendations".

5. Code of Conduct

i. Ethical Standards

The Company operates under a code of conduct that sets out the ethical standards under which the Company operates when dealing with internal and external parties. This code requires parties (including Directors and executives) to act with integrity, fairness and honesty in all dealings and to treat other parties with dignity at all times. They are required to:

- not discriminate against any staff member or potential employee;
- carry out their duties in respect to the law at all times;
- to use the Company's assets responsibly;
- to respect the confidentiality of the Company's business dealings; and
- take responsibility for their own actions and for the consequences surrounding their own actions.

ii. Share Trading

It is the Company's policy to encourage Directors, employees and related parties to own Shares in the Company. The trading in shares policy strongly reinforces the obligations of Directors and employees, both of the Company and AXIS Consultants Pty Ltd, under the Corporations Act 2001 and the Australian Securities Exchange Listing Rules in relation to trading in Company shares. The acquisition and sale of Company shares by Directors and employees is restricted to periods of fourteen (14) days immediately following announcements of the Company's quarterly, half yearly and full year reports to the Australian Securities Exchange. Directors, employees and related parties can seek permission from the Chairman to purchase or sell shares outside this 14-day period. Directors and employees are required to report share trading to the Company Secretary.

6. Continuous Disclosure Compliance

The Company's continuous disclosure compliance procedure enables it to meet its obligations and to ensure that all matters, which may require announcement to the Australian Securities Exchange, are brought to the attention of Directors immediately.

7. Communicating with Shareholders

The Board ensures that shareholders are kept informed of all major developments that affect their shareholding or the Company's state of affairs through quarterly, half-yearly, annual and ad hoc reports. All shareholders are encouraged to attend the Annual General Meeting to meet the Chairman and Directors and to receive the most updated report on Company activities. The auditors of the Company attend the annual general meeting for the purpose of answering any questions on the annual financial statements and audit thereof, properly brought before the meeting.

The Company maintains a website at <http://www.qur.com.au> to provide shareholders with up to date information on the Company's activities. Shareholders may also communicate with the Company through its e-mail address qur@axisc.com.au.

The Company does not web-cast shareholder meetings and does not believe that at this stage the cost-benefit of web casting is worthwhile to a Company of its size.

Quantum Resources Limited
Tenement List

**TENEMENTS WHOLLY
OWNED**

GARDNER RANGE

E 80/3410

E 80/3411

E 80/3412

WARE RANGE

EL 25010

**TENEMENTS SUBJECT TO
JOINT VENTURES**

WHITEHEADS

80%

E 27/175

E 27/348

P 27/1612

P 27/1769

P 27/1770

P 27/1771

P 27/1772

P 27/1773

P 27/1783

P 27/1784

P 27/1785

P 27/1786

P 27/1802

Quantum Resources Limited
Australian Securities Exchange Information

As at 21 September 2009 the following information applied:

1. Substantial Shareholders

Substantial shareholders disclosed in substantial shareholder notices to the Company:

Name	Number of Fully Paid Ordinary Shares held
Wilzed Pty Ltd ^(*)	200,659,182
AXIS Consultants Pty Ltd	84,880,000
Edensor Nominees Pty Limited ^(**)	72,592,482

^(*) Mr J I Gutnick is a Director and Shareholder of Wilzed Pty Ltd

^(**) Mr J I Gutnick is a Director and Shareholder of Edensor Nominees Pty Limited.

2. Fully Paid Ordinary Shares

The number of holders of fully paid ordinary shares in the Company is 2,332. On a show of hands every holder of fully paid ordinary shares present or by proxy, shall have one vote. Upon a poll, each share shall have one vote. The distribution of holders of fully paid ordinary shares is as follows:

Category	Number of Shareholders
Holding between 1-1,000 Shares	797
Holding between 1,001 - 5,000 Shares	481
Holding between 5,001 – 10,000 Shares	151
Holding between 10,001-100,000 Shares	512
Holding more than 100,001 Shares	391

The number of holders with less than a marketable parcel of fully paid ordinary shares is 1,584. The Company's fully paid ordinary shares are quoted on the Australian Securities Exchange using the code QUR.

The top 20 shareholders are as follows:

Name	Number of Fully Paid Ordinary Shares held	Percentage interest
Wilzed Pty Ltd	200,659,182	24.63%
AXIS Consultants Pty Ltd	84,880,000	10.42%
Newmont Mining Finance Pty Ltd	64,253,609	7.89%
National Nominees Limited	24,655,763	3.03%
Mr Ralph Erwin Tonkin	23,606,000	2.90%
PT Arafura Mining Limited	15,500,000	1.90%
Mr Dov Paneth <D & E Paneth Family A/C>	12,040,000	1.48%
H Nominees Pty Ltd	11,400,000	1.40%
Mr Trevor Steele	10,800,000	1.33%
SRD Tonkin Pty Ltd	9,000,000	1.10%
Edensor Nominees Pty Limited	8,338,873	1.02%
Central West Electrical Pty Ltd <Bech S/F A/C>	8,000,000	0.98%
Mrs Ruth Paneth & Mrs Jacqueline Bierenkrant <Ruth Paneth S/F A/C>	7,900,000	0.97%
Vapofo Pty Ltd	7,300,000	0.90%
Central West Electrical Pty Ltd <Bech Family A/C>	7,000,000	0.86%
Mr Raul Used <The Raul Used Family A/C>	6,800,000	0.83%
Mr Joseph Issa & Mr Phillippe Issa	6,600,000	0.81%
Global House Limited	6,000,000	0.74%

Quantum Resources Limited
Australian Securities Exchange Information

Name	Number of Fully Paid Ordinary Shares held	Percentage interest
Holmberg Nominees Pty Ltd <N.L. Burton Pty Ltd Superfund No. 2>	6,000,000	0.74%
101C Pty Ltd	5,528,312	0.68%

(b) LISTED OPTIONS MATURING 31 OCTOBER 2010 OVER FULLY PAID ORDINARY SHARES.

The number of holders of options maturing on 31 October 2010 over fully paid ordinary shares issued by the Company is 261. Optionholders may attend and speak at general meetings of the Company. However, they have not entitlement to vote upon the business before the meeting either by show of hands or by poll. The distribution of holders of options is as follows:

Category	Number of Optionholders
Holding between 1-1,000 Options	186
Holding between 1,001 – 5,000 Options	58
Holding between 5,001 - 10,000 Options	6
Holding between 10,001-100,000 Options	8
Holding more than 100,001 Options	3

The Company's options maturing on 31 October 2010 over fully paid ordinary shares are quoted on the Australian Securities Exchange using the code QURO.

The top 20 optionholders are as follows:

Name	Number of Options held	Percentage interest
Chabad House of Caulfield Pty Ltd	30,002,916	68.58%
Wilzed Pty Ltd	12,800,000	29.26%
Mr John G. Kellas	371,490	0.85%
Mr Teng Hee Chee & Mr Teng Wah Chee	87,500	0.20%
Mr Teng Hee Chee	87,500	0.20%
Mr Yehuda Hoch	61,035	0.14%
Mr. Gerald Magree	21,000	0.05%
Mr Kenneth John Whitnall	20,000	0.05%
Mr Stephen Koci	20,000	0.05%
Mr Barry Wilfred Tarver & Ms Joanne Abigail Tarver <Barry Tarver Super Fund A/C>	17,500	0.04%
Mr Stephen Ross Dougherty & Mrs Julie Anne Dougherty	16,000	0.04%
Mr Percival James Fleming	10,000	0.02%
Mr John Robert Montague Polack and Mrs. Shirley Minnie Polack	10,000	0.02%
Mr Anthony Warwick Whatmore	10,000	0.02%
Dr Hamidreza Rahmati	10,000	0.02%
Tradeworx Pty Ltd	7,500	0.02%
ANZ Nominees Limited <Cash Income A/C>	5,831	0.01%
Mr Victor Gek Ching Wong	5,000	0.01%
Mrs Mercia Kwan Ching Wong	5,000	0.01%
Mr Christopher Edwin Osborne	5,000	0.01%

(c) LISTED OPTIONS MATURING 30 APRIL 2012 OVER FULLY PAID ORDINARY SHARES.

The number of holders of options maturing on 31 October 2010 over fully paid ordinary shares issued by the Company is 258. Optionholders may attend and speak at general meetings of the Company. However, they have not entitlement to vote upon the business before the meeting either by show of hands or by poll. The distribution of holders of options is as follows:

Quantum Resources Limited
Australian Securities Exchange Information

Category		Number of Optionholders
Holding between	1-1,000 Options	177
Holding between	1,001 – 5,000 Options	51
Holding between	5,001 - 10,000 Options	4
Holding between	10,001-100,000 Options	21
Holding more than	100,001 Options	5

The Company's options maturing on 30 April 2012 over fully paid ordinary shares are quoted on the Australian Securities Exchange using the code QUROA.

The top 20 optionholders are as follows:

Name	Number of Options held	Percentage interest
Chabad House of Caulfield Pty Ltd	24,741,562	75.26%
Wilzed Pty Ltd	6,400,000	19.47%
Mr John G Kellas	371,490	1.13%
Bonos Pty Ltd	240,050	0.73%
Miss Sanaz Ghasimzadeh	200,000	0.61%
Jandamint Pty Ltd	100,000	0.30%
Mr Teng Hee Chee & Mr Teng Wah Chee	87,500	0.27%
Mr Teng Hee Chee	87,500	0.27%
Mr Lubomir Staffa	58,621	0.18%
Mr Kayne Mitchell	50,000	0.15%
Mr. Yehuda Hoch	35,116	0.11%
Mr John George King	35,000	0.11%
Blossom Hotels Pty Ltd	25,000	0.08%
Mrs Judith Ann Valentino	22,000	0.07%
Mr Kenneth Reginald Savins	21,400	0.07%
Jayvee Investments Pty Ltd <Jayvee SP – Pen A/C>	20,000	0.06%
Mr Peter Gasparini	20,000	0.06%
Mr Mark Raymond Luzi & Mrs Janine Marie Luzi	20,000	0.06%
Mrs Lorraine Maree Purdy & Mr Stephen Hall Purdy	20,000	0.06%
Hazlaha Investments Limited	20,000	0.06%

(d) LISTED OPTIONS MATURING 30 NOVEMBER 2012 OVER FULLY PAID ORDINARY SHARES.

The number of holders of options maturing on 30 November 2010 over fully paid ordinary shares issued by the Company is 274. Optionholders may attend and speak at general meetings of the Company. However, they have not entitlement to vote upon the business before the meeting either by show of hands or by poll. The distribution of holders of options is as follows:

Category		Number of Optionholders
Holding between	1-1,000 Options	159
Holding between	1,001 – 5,000 Options	75
Holding between	5,001 - 10,000 Options	12
Holding between	10,001-100,000 Options	20
Holding more than	100,001 Options	8

The Company's options maturing on 30 November 2010 over fully paid ordinary shares are quoted on the Australian Securities Exchange using the code QUROB.

The top 20 optionholders are as follows:

Name	Number of Options held	Percentage interest
Chabad House Of Caulfield Pty Ltd	64,936,241	94.97%
Mr John G Kellas	742,980	1.09%

Quantum Resources Limited
Australian Securities Exchange Information

Name	Number of Options held	Percentage interest
Reynolds (Nominees) Pty Limited	425,850	0.62%
Miss Sanaz Ghasimzadeh	400,000	0.58%
Bonos Pty Ltd	302,000	0.44%
Jandamint Pty Ltd	200,000	0.29%
Mr Zalman Gutnick	200,000	0.29%
Mr Yehuda Hoch	145,316	0.21%
Mr Frank Rodi <Rodi Super Fund A/C>	100,000	0.15%
Mr Roy Peter Wiseman	90,534	0.13%
M/S Judith Edna Brandt	62,500	0.09%
Mrs Susan Margaret West	53,500	0.08%
Mr Zdenek Havlicek	50,000	0.07%
Mr Peter Gasparini	40,000	0.06%
Mr Douglas James Brown	35,000	0.05%
Graham J Bench Pty Limited <Super Benefit Fund A/C>	34,912	0.05%
Dr Lakshika Swarnapalee Bogoda & Mr Kapila Raja Bogoda <Lakraj Service A/C>	34,500	0.05%
Mr Russell James Barker <Barker Family A/C>	20,000	0.03%
Mr Anthony Warwick Whatmore	20,000	0.03%
Mr Thomas Joseph Heaney & Mrs Shirley Margaret Heaney	20,000	0.03%

Quantum Resources Limited
Corporate Information

Directors

Joseph Gutnick
David Tyrwhitt
Mordechai Gutnick

Company Secretary

Peter Lee

Registered Office and Domicile

Level 8, 580 St. Kilda Road
Melbourne Victoria 3004
Australia
Telephone: +61 3 8532 2840
Facsimile: +61 3 8532 2805
E-mail: quantum@axisc.com.au
Internet: <http://www.qur.com.au>

Legal Form

A public company limited by shares

Country of Incorporation

Australia

Share Registry

Link Market Services Limited
Level 9, 333 Collins Street
Melbourne Victoria 3000
Australia
Telephone: 1300 554 474 or + 61 3 9615 9999
Facsimile: +61 3 8614 2903

Shareholder Information

Manager Investor Relations
Telephone: +61 3 8532 2840
Facsimile: +61 3 8532 2805
E-mail: quantum@axisc.com.au
Internet: <http://www.qur.com.au>

Auditors

PKF
Level 14, 140 William Street
Melbourne Victoria 3000
Australia

Australian Securities Exchange Listing Code

QR
QURO
QUROA
QUROB

Bankers

Westpac
Level 6, 360 Collins Street
Melbourne Victoria 3000
Australia

Solicitor

Cornwall Stodart
Level 10, 114 William Street
Melbourne Victoria 3000