

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

AUSTINDO RESOURCES CORPORATION N.L.
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ABN

48 002 678 640
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Quarter ended ("current quarter")

31 December 2005
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### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000	
		Including Alexander Resources Ltd March quarter (Note 1)	Excluding Alexander Resources Ltd March quarter (Note 1)
1.1 Receipts from product sales and related debtors	-	-	-
1.2 Payments for (a) exploration and evaluation	(226)	(2,509)	(2,468)
(b) development (Note 2)	(2,377)	(6,998)	(6,998)
(c) production	-	-	-
(d) administration	(276)	(1,440)	(1,337)
1.3 Dividends received	-	-	-
1.4 Interest and other items of a similar nature received	153	349	346
1.5 Interest and other costs of finance paid	-	(109)	(109)
1.6 Income taxes paid	-	-	-
1.7 Other (provide details if material)	-	-	-
<b>Net Operating Cash Flows</b>	<b>(2,726)</b>	<b>(10,707)</b>	<b>(10,566)</b>
<b>Cash flows related to investing activities</b>			
1.8 Payment for purchases of: (a)prospects	-	-	-
(b)equity investments	-	-	-
(c) other fixed assets	(259)	(484)	(457)
1.9 Net Proceeds from sale of: (a)Alexander Resources Ltd rights	406	406	406
(b)equity investments	-	-	-
(c)other fixed assets	-	-	-
1.10 Loans to other entities	-	-	-
1.11 Loans repaid by other entities	-	55	172
1.12 Other: Decrease in cash with deconsolidation of Alexander Resources Ltd	-	(2,659)	-
<b>Net investing cash flows</b>	<b>147</b>	<b>(2,682)</b>	<b>121</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(2,579)</b>	<b>(13,389)</b>	<b>(10,445)</b>

**Notes:** 1. During the year with Alexander Resources Limited (AXD) raising additional capital, Austindo's interests in AXD fell below 50%. Subsequent to this percentage reduction in shareholding Austindo's Directors believed that Austindo no longer had control over AXD. Consequently, Austindo has ceased to account for AXD as a subsidiary and therefore does not include subsequent AXD cashflows in Austindo's consolidated cashflow statement. The consolidated twelve month cashflow's including AXD column incorporates the AXD cashflows prior to AXD ceasing to be deemed a subsidiary.

2. Development and project implementation expenditure in relation to the Cibaliung Joint Venture in Banten Province.

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	Current quarter \$A'000	Year to date (12 months) \$A'000	
		Including Alexander Resources Ltd March quarter	Excluding Alexander Resources Ltd March quarter
1.13 Total operating and investing cash flows (brought forward)	(2,579)	(13,389)	(10,445)
<b>Cash flows related to financing activities</b>			
1.14 Proceeds from issues of shares, options, etc. (net of costs)	-	19,677	18,271
1.15 Proceeds from sale of forfeited shares	-	-	-
1.16 Proceeds from borrowings – Convertible Notes	4,000	4,000	4,000
1.17 Repayment of borrowings	-	(900)	(900)
1.18 Dividends paid	-	-	-
1.19 Other – (Dec Qtr - Convertible Notes fee \$160k)	(160)	(233)	(233)
<b>Net financing cash flows</b>	<b>3,840</b>	<b>22,544</b>	<b>21,138</b>
<b>Net increase (decrease) in cash held</b>	<b>1,261</b>	<b>9,155</b>	<b>10,693</b>
1.20 Cash at beginning of quarter/year to date	12,146	4,259	2,721
1.21 Exchange rate adjustments to item 1.20	24	17	17
1.22 <b>Cash at end of quarter</b>	<b>13,431</b>	<b>13,431</b>	<b>13,431</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	101
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Represents Managing Director & CEO Salary, Non-Executive Directors' Fees, and superannuation payments on directors' fees.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities (This facility is subject to completion of security documentation and satisfaction of conditions precedent under the ANZ Project Facility Agreement)	35,116	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	467
4.2 Development (Note 3)	12,664
<b>Total</b>	<b>13,131</b>

**Note 3:** Assumes draw down of the ANZ Project Loan in the first quarter of 2006.

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	7,999	3,326
5.2 Deposits at call	5,432	8,820
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>13,431</b>	<b>12,146</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interests in mining tenements acquired or increased	Aisasjur Project KP (held by PT Alam Papua Nusantara)	Strategic Alliance with the Anglo American Group	0.0%	20.0%

+ See chapter 19 for defined terms.

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**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	1,082,738,890	1,082,738,890		
7.4 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 <b>+Convertible debt securities - Convertible Notes</b>	66,666,667*	Nil	6	6
7.6 Changes during quarter				
(a) Increases through issues	66,666,667*	Nil	6	6
(b) Decreases through securities matured, converted	-	-	-	-
7.7 <b>Options</b> <i>(description and conversion factor)</i>	6,000,000 3,000,000 4,000,000 2,000,000 14,000,000  each to subscribe for one ordinary share in the capital of the Company	- - - - - -	<i>Exercise price</i> 7 7 7 7 7	<i>Expiry date</i> 22/05/06 22/10/07 26/05/08 10/12/09 31/07/10
7.8 Issued during quarter	14,000,000	-	7	31/07/10
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 <b>Debentures</b> <i>(totals only)</i>	-	-		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	-	-		

\*On 23 November 2005 the Company issued Convertible Notes for \$4.0M which are convertible into ordinary fully paid shares at any time at a price of 6 cents per share.

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 31 January 2006

(Company Secretary)

Print name: Andrew Cooke

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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