

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.

ABN

48 002 678 640

Quarter ended ("current quarter")

30 September 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a)exploration and evaluation	(195)	(604)
(b)development (Refer Note 1)	(2,963)	(22,235)
(c)production	-	-
(d)administration	(770)	(2,217)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	138
1.5 Interest and other costs of finance paid	(299)	(806)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(4,227)	(25,724)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	(42)	(54)
1.9 Proceeds from sale of:		
(a)prospects	-	-
(b)equity investments	-	3,203
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	200
Net investing cash flows	(42)	3,349
1.13 Total operating and investing cash flows (carried forward)	(4,269)	(22,375)

Notes: 1. Development expenditure in relation to the Cibaliung Gold Project in Banten Province, Indonesia.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(4,269)	(22,375)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,243	7,404
1.15	Proceeds from sale of forfeited shares	-	-
1.16a	Proceeds from borrowings (Bridging loan facility)	-	6,441
1.16b	Proceeds from borrowings (Cost Overrun Facility)	2,266	2,266
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Cost of Capital Raising	(50)	(385)
	Net financing cash flows	4,459	15,726
	Net increase (decrease) in cash held	190	(6,649)
1.20	Cash at beginning of quarter/year to date	2,492	9,514
1.21	Exchange rate adjustments to item 1.20	(208)	(391)
1.22	Cash at end of quarter	2,474	2,474

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	120
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Nil

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
3.1a Loan facility –ANZ Project Facility Loan (This facility comprises a Project Loan Facility of US\$26m.)	29,455	29,455
3.1b Loan facility –ANZ Project Cost Overrun Facility (This facility comprises a Cost Overrun Facility of US\$2m.)	2,266	2,266
3.1c Bridging Loan facility (This facility comprises a short-term Bridging Facility of US\$5m.)	5,664	5,664
3.2 Credit standby arrangements	-	-

(i) The Group also has access to a further US\$2m for the Cibaliung Project as a Working Capital Facility with the ANZ. Drawdown on this facility is available with the commencement of production.

(ii) Additional to the above facilities, the Group has been offered an additional Cost Overrun Facility of US\$5m by the ANZ. The Group has accepted the terms of this offer, and the availability to drawdown on this facility is subject to satisfaction of conditions precedent, which includes amongst other conditions, the raising of further equity funds by the Austindo Resources Corporation of at least US\$30m.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	9,370
Total	9,670

Estimated expenditures for the next quarter to be funded by existing cash balance and the proceeds of a share rights issue which is partially underwritten to the amount of A\$12.4m. If the share rights issue is fully subscribed the total gross proceeds raised will be A\$18.7m.

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	2,474	2,492
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,474	2,492

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	No material change in joint venture interests during the quarter	-	-

Issued and quoted securities at end of current quarter


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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities <i>(description)</i>	-	-	-
7.2	Changes during quarter			
	(a) Increases through issues	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-
7.3	+Ordinary securities	1,869,257,044		
7.4	Changes during quarter			
	(a) Increases through issues	224,300,000	1.0	1.0
	(b) Decreases through returns of capital, buy-backs	-	-	-
7.5	+Convertible debt securities- Convertible Notes	66,666,667	6.0	6.0
7.6	Changes during quarter			
	(a) Increases through issues	-	-	-
	(b) Decreases through securities matured, converted	-	-	-
7.7	Options <i>(description and conversion factor)</i>	11,000,000	<i>Exercise price</i> 7.0	<i>Expiry date</i> 31/07/10
		22,430,000	1.5	30/06/12
	each to subscribe for one ordinary share in the capital of the Company			
7.8	Issued during quarter	-	-	-
7.9	Exercised during quarter	-	-	-
7.10	Lapsed during quarter	-	-	-
7.11	Debentures <i>(totals only)</i>	-		
7.12	Unsecured notes <i>(totals only)</i>	-		

+ 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: 26 October 2007
(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.

== == == == ==