

30 April 2009

The Manager  
Company Announcements Office  
Australian Stock Exchange

*Via Online Electronic Lodgement*

Dear Sirs,

**Re: Quarterly Report for Period Ended 31 March 2009**

Enclosed please find the Quarterly Report for the period ended 31 March 2009.

Yours sincerely,  
**KINGS MINERALS NL**



Dudley R Leitch  
Managing Director

## **QUARTERLY REPORT For The Period Ended 31 March 2009**

### ***Highlights***

Mt Isa:

- ❖ Project studies continued to evaluate the opportunities for development of the Kalman molybdenum-rhenium-copper-gold deposit.

San Anton:

- ❖ Relatively higher grade at surface resource highlighted, suitable for fast-track generation of cash flow.

Corporate:

- ❖ Commencement of Share Purchase Plan and Placements, which increased cash reserves by \$2,163,550.

### **1. MT ISA PROJECT, QUEENSLAND**

#### **Kalman Deposit**

The Company continued to focus on evaluating the opportunities for development of the Kalman molybdenum-rhenium-copper-gold deposit. The mining options utilising either conventional open-cut and/or underground methods are still being evaluated, whilst processing will be by conventional flotation producing both molybdenum-rhenium and copper-gold concentrates. This processing option is based upon previous preliminary metallurgical test work. A review of the geological model for input into more detailed geotechnical and mining studies is currently being undertaken. A budget is also being compiled in preparation for undertaking a bankable feasibility study.

Baseline environmental monitoring continued during the Quarter.

### **2. SAN ANTON, MEXICO**

#### **Cerro del Gallo Deposit**

The Company continued to advance its study work on the Cerro del Gallo gold-silver-copper deposit, having now completed the geological re-logging and remodelling program that has included a better understanding and quantifying of the at surface resource. The best economic method to exploit this relatively higher grade gold-silver mineralisation is being studied. Mining will be by conventional open-cut methods, whilst metallurgical testwork is currently being reviewed to evaluate the potential processing options to best exploit the fast cyanide leaching characteristics of this material.

Baseline environmental monitoring continued during the Quarter, including the completion of the land ownership map that will allow for more detailed planning of the proposed project infrastructure.

### 3. CORPORATE

During the Quarter the Company initiated a Share Purchase Plan, which raised \$886,500 from the issuing of 12,312,570 shares at 7.2 cents per share, as well as completing two placements for a total of 17,736,803 shares at 7.2 cents per share to raise an additional \$1,277,050. Funds raised will be used to advance the technical studies on the Company's two flagship projects.



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**Norman Seckold**  
Chairman



**Dudley Leitch**  
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Dudley Leitch who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Leitch is a Director of Kings Minerals NL and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Leitch consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/01.

Name of entity

KINGS MINERALS N.L.

ABN

72 006 381 684

Quarter ended ("current quarter")

31 MARCH 2009

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	<252>	<3,334>
(b) development	-	-
(c) production	-	-
(d) administration	<320>	<1,031>
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	55
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>&lt;569&gt;</b>	<b>&lt;4,310&gt;</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material) movement in security deposits	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>&lt;569&gt;</b>	<b>&lt;4,310&gt;</b>

1.13	Total operating and investing cash flows (brought forward)	<569>	<4,310>
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)* * Commission on placement	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	<569>	<4,310>
1.20	Cash at beginning of quarter/year to date	934	4,675
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	365	365

**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	58
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 payment to MIS Corporate Pty Ltd, a company associated with NA Seckold for provision of investor relation services.

**Non-cash financing and investing activities**

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

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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

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### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development	-
<b>Total</b>	250

### 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	123	266
5.2 Deposits at call	224	650
5.3 Bank overdraft	-	-
5.4 Other (provide details) Security Deposits	18	18
<b>Total: cash at end of quarter (item 1.22)</b>	365	934

### 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			
6.3	Interests in mining tenements acquire or increased			

### 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>	394,286,498	394,286,498		
7.4 Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs				
7.5 <b>*Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>				
7.8 Issued during quarter				
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>				

## 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: .....  
(Company Secretary)

Date: 30 April 2009

Print name: Craig McPherson

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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