



Quarterly Report

For the Quarter Ended 30th September 2009

OPERATIONS

DMR Compliance

The South African Department of Minerals and Energy (DME) has been divided into two new departments, the Department of Mineral Resources ("DMR") and the Department of Energy. During the Quarter, Great Australian Resources Limited (GAU) attended two meetings with the DMR to discuss compliance issues.

Hacra Project

GAU has received consent in terms of Section 11(1) of the Mineral and Petroleum Resources Act to submit the application to transfer the prospecting rights to Hacra Pty Ltd. On 1st September, a further meeting was held with the DMR's Mining Titles office in Pretoria to agree on the procedure for the submission.

During the March 2009 quarter, Great Australian Resources Limited ("GAU") applied for the Renewal of the Prospecting Rights over the farms Harriet's Wish (farm number 393 LR) and Cracouw (farm number 391 LR) and submitted an updated Prospecting Works Programme (PWP). During the current quarter, a drilling contractor was appointed and the PWP work commenced. GAU's plans for this exploration work were discussed with the DMR at their Polokwane office.

Mooiplaats Project

Consulting Geologists, Geoconsult, completed the audit of the prospecting Environmental Management Plan for all the farms of the Mooiplaats Project and submitted a report covering their recommendations.

Sylvania Bid to Acquire Shares in Great Australian Resources

On 13th August 2009, Sylvania Resources Limited (Sylvania) announced that it had achieved control of 89.86% of GAU's 132,941,627 ordinary shares. However, Sylvania was made aware of a number of applications that were either rejected on a technicality or received too late to be





processed. Accordingly Sylvania lodged an urgent application with the Federal Court for orders extending the period of acceptances.

GAU subsequently announced that the Sylvania application had been successful and that Justice Barker of the Federal Court has delivered his judgment on Sylvania's application to proceed with compulsory acquisition: *In the Matter of Sylvania Resources Limited* [2009] FCA 955.

Justice Barker ordered that, under section 661A(3) of the Corporations Act, Sylvania can proceed to compulsorily acquire the remaining shares in Great Australian from Great Australian shareholders who did not accept Sylvania's takeover offer.

Grant Button, Richard Rossiter and Louis Carroll have been appointed directors of the Company.

DENNIS WILKINS

Company Secretary

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