



MILLENNIUM
MINERALS LIMITED

ABN 85 003 257 556

March 2009 Quarterly Report

April 2009

HIGHLIGHTS

- **Cash position as at 31 March circa A\$1.8 million**
- **Company is debt free following full repayment of Convertible Notes**
- **Further funds due to be received shortly following conclusion of Shortfall Offer and placement of shortfall shares arising from the Rights Issue**

CORPORATE ACTIVITIES

In order to protect the Company's cash holdings with the onset of the global credit crisis, the Company made the difficult decision to suspend exploration activities in late 2008. The focus during the March quarter then turned to raising more capital.

In February, the Company placed 33,668,167 shares and announced a 1 for 2 Rights Issue at 1.2 cents per share to issue 135,061,311 shares and raise a combined total of \$2,024,754. Of this \$1.6m has been received to date, with the balance due shortly following conclusion of the placement of the remaining shortfall shares.

On 31 March, as set out in the Rights Issue announcement and Short Form Prospectus, all outstanding convertible note debt totalling \$615,250 was retired, making the Company debt free. The remaining funds will be applied as set out below:

1. Re-evaluation of company's completed Nullagine gold project Bankable Feasibility Study, (commenced in April 2009) with a view to developing the project into a mine.
2. To meet costs of private placement announced 12th February 2009 and Rights Issue.
3. For working capital purposes.

EXPLORATION ACTIVITIES

There were no exploration activities undertaken during the quarter.

ENDS

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Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

Millennium Minerals Limited

ABN

85 003 257 556

Quarter ended ("current quarter")

31 March 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 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	(120)	(120)
(b) development	-	-
(c) production	-	-
(d) administration	(120)	(120)
1.3 Commission received	-	-
1.4 Interest and other items of a similar nature received	14	14
1.5 Rent income received	4	4
1.6 Interest and other costs of finance paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(222)	(222)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
(d)security deposits	-	-
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	138	138
(d)security deposits	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (<i>Commission paid on the sale of surplus assets</i>)	-	-
Net investing cash flows	138	138
1.13 Total operating and investing cash flows (carried forward)	(84)	(84)

1.13	Total operating and investing cash flows (brought forward)	(84)	(84)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	1,570	1,570
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(631)	(631)
1.18	Dividends paid	-	-
1.19	Other (<i>Due Diligence fees re financing Gold mining Feasibility Study</i>)	-	-
Net financing cash flows		939	939
Net increase (decrease) in cash held			
1.20	Cash at beginning of quarter/year to date	967	967
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,822	1,822

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	6
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non Executive Directors and Consulting fees paid at commercial rates & Managing Director's remuneration

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

None

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

None

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	Nil	Nil
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	0
Total	100

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	15	65
5.2 Deposits at call	1,807	902
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,822	967

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	M46/374	Whole interest – application withdrawn	100%	0%
6.2 Interests in mining tenements acquired or increased	Nil	-	-	-

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 (descr)	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemption's	-	-	-	-
7.3 +Ordinary securities	357,055,732	357,055,732	-	-
7.4 Changes during quarter				
(a) Increases through issues	120,601,276	120,601,276	1.2 cents	1.2 cents (fully paid)
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 +Convertible debt securities (description)	Nil	-	-	-
7.6 Changes during quarter				<u>Expiry Date & Date Repaid in full</u>
(a) Increases through issues	(a) -	-	-	-
(b) Decreases through debt repaid and debt securities extinguished	(b-i) 857,143	-	35 cents	31 Mar 09
	(b-ii) 545,455	-	55 cents	31 Mar 09
7.7 Options (description and conversion factor)	27,700,000	-	<u>Exercise price</u> 29 cents (8.2m) 30 cents (3.5m) 23 cents (5.0m) 20 cents (8.5m) 20 cents (2.5m)	<u>Expiry date</u> 19 Dec 11 31 Oct 11 19 Dec 11 31 Oct 11 21 Feb 12
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	2,200,000	-	29 cents (2.2m)	-
7.11 Debentures (totals only)	-			
7.12 Unsecured notes (totals only)	-			

Compliance statement

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



Signed:

Date: 30 April 2009

Print name: Mark Killmier, Company Secretary

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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