



MILLENNIUM

MINERALS LIMITED

ABN 85 003 257 556

March 2011 Quarterly Activities Report

HIGHLIGHTS

- On 8 March 2011, Millennium executed the documentation for a \$35 million project finance facility with BNP Paribas and National Australia Bank Limited.
- On 21 March 2011, the Company closed a fully underwritten, renounceable rights issue. Proceeds of \$23.2 M were raised before costs.
- The Company entered into a Farm-in and Joint Venture Agreement with Galliard Resources whereby Galliard will earn a 70% interest in the gold rights on tenements M46/9, M46/10 and M46/11 (Beatons Creek).
- The Company entered into a Joint Venture Agreement with the Creasy Group of Companies whereby the Company will acquire a 70% interest in the gold rights on tenements located immediately to the southwest of the Company's Golden Eagle mining lease.
- Results from RC drilling on strike extensions at Shearers and Otways indicated strong potential to extend ore grade mineralisation. Best results include:
 - ❖ **Shearers**
 - 21 metres at 1.31 g/t Au from 36 metres;
 - 20 metres at 2.09 g/t Au from 62 metres;
 - 13 metres at 1.89 g/t Au from 12 metres.
 - ❖ **Otways**
 - 6 metres at 3.46 g/t Au from 28 metres;
 - 4 metres at 3.37 g/t Au from 16 metres;
 - 4 metres at 2.11 g/t Au from 18 metres.
- Permitting is in place to start construction activity for plant and infrastructure.

CORPORATE

The cash position as at 31 March 2011 was approximately \$21 million.

Project Financing

On 18 August 2010, the Company formally mandated BNP Paribas (“BNP”) as exclusive arranger and underwriter for the provision of a \$35 million Construction, Cost Overrun, Performance Bond and Risk Management Facility for the purpose of funding the construction and development of the Nullagine Gold Project (“the Project”) in Western Australia. Prior to final documentation and the completion of the legal due diligence, BNP elected to syndicate the loan facility with National Australia Bank Limited (“NAB”) on a 50:50 basis. On 8 March 2011, the syndicated facility agreement was signed with both banks. BNP will be acting as Security Agent and Trustee.

Rights Issue

On 21 March 2011, the Company closed a fully underwritten, renounceable rights issue. The rights issue offered 1 new share for every 1 share held at an issue price of 3.1 cents per share and raised approximately \$23.2 million before costs. There was strong support from existing shareholders despite global equity markets experiencing volatile conditions. Existing shareholders applied for 39.6% of the shares on offer. The remaining 60.4% was taken up by the underwriter and lead manager, Patersons Securities Limited. The purpose of the rights issue was to ensure adequate funds are available for the ordering of long lead items for the construction of the Project’s gold processing facility and to advance gold exploration in the Nullagine region.

Corporate Transactions

Transaction 1 – Galliard Joint Venture

On 5 April 2011, the Company entered into a binding letter agreement with Galliard Resources Corp. (“Galliard”) to establish a farm-in joint venture on its 100% owned tenements covering the Beatons Creek conglomerates (Figure 1) that provides for Galliard to earn up to a 70% interest in the Tenements by complying with the terms of the agreement. The tenements comprise Mining Leases 46/9, 46/10 and 46/11 (the “Tenements”). The Tenements are not integral to the Company’s Project and this agreement essentially brings forward the assessment of the geological potential of the Beatons Creek conglomerates by many years.

Terms of Farm-in

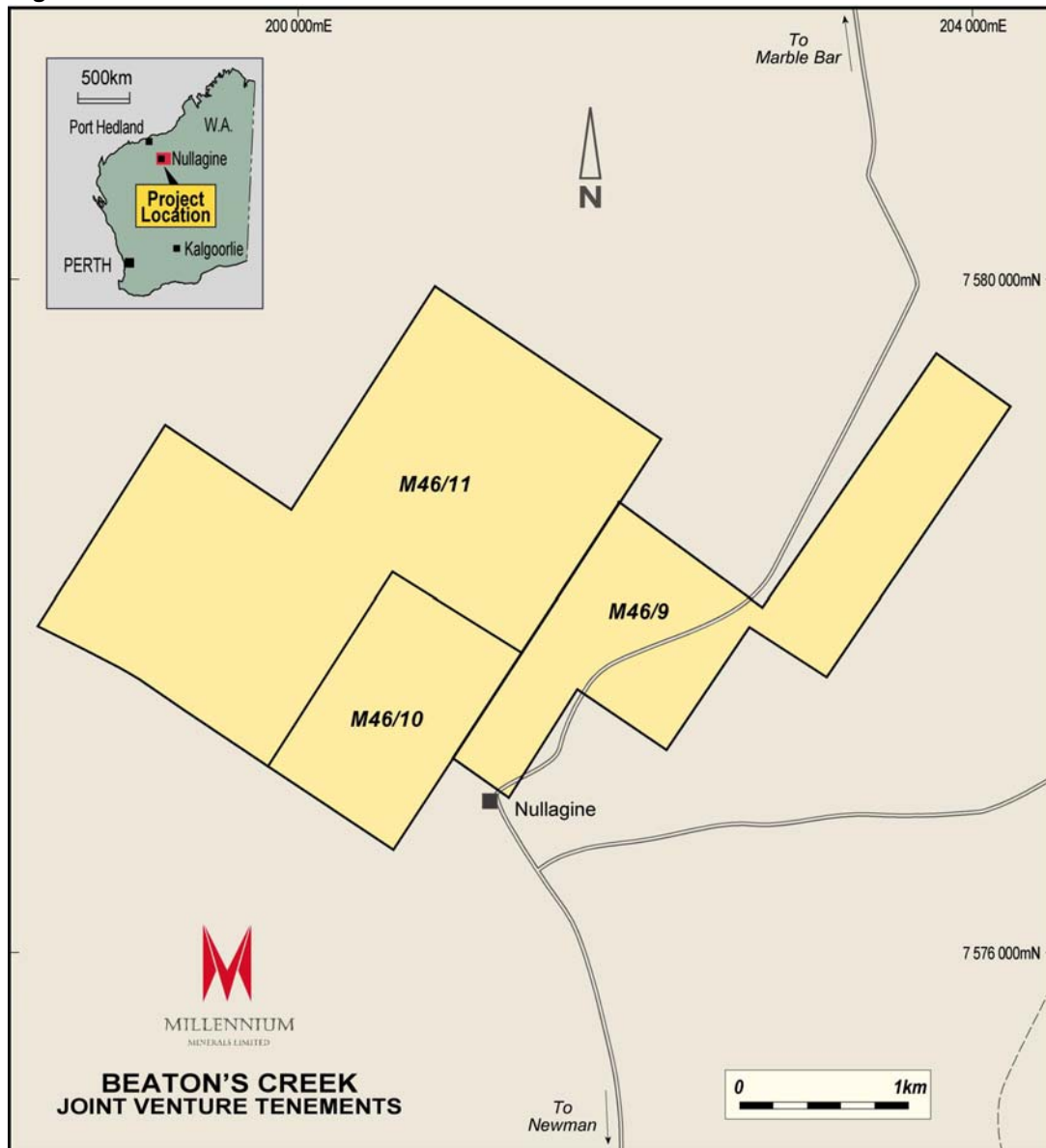
In consideration for granting Galliard access to the tenements Galliard will:

1. Issue to Millennium such number of common shares of Galliard (the “Galliard Shares”) as have a value of \$500,000 calculated by taking the volume weighted average price of the Galliard Shares on a Recognised Exchange over the 10 business days immediately preceding the Effective Date.
2. Until the end of the Earning Period, Galliard has the sole and exclusive right to access and explore for gold on the Tenements and to earn a 70% interest in the Tenements (provided that such interest in the Tenements does not include any Other Mineral Rights) by:
 - (a) incurring Expenditure of not less than \$500,000 by the first anniversary of the Effective Date;

- (b) incurring Expenditure of not less than \$1 million by the second anniversary of the Effective Date (which includes any Expenditure incurred under paragraph (a) above); and
- (c) procuring (at its cost) a Bankable Feasibility Study in respect of the Gold Rights before the fifth anniversary of the Effective Date.

Galliard will solely fund all required expenditure on the Tenements under the Mining Act or in relation to Gold Rights and Millennium will not be required to fund any such expenditure on the Tenements during the Earning Period.

Figure 1: Beatons Creek Joint Venture Tenements



Transaction 2: Creasy Joint Venture

On 5 April 2011, the Company entered into a binding letter agreement with the Creasy Group of Companies ("Creasy") to establish a joint venture on tenements covering the Mosquito Creek Formation (Figure 2). The agreement provides for Millennium to immediately acquire a 70% interest in the tenements comprising Mining Lease applications 46/241, 46/242, 46/256 and 46/257 and Exploration Licence 46/797 (the "Tenements") by complying with the terms of the agreement. The Tenements are located immediately to the south west of the Company's Golden Eagle mining lease M46/186 that hosts the Golden Eagle gold deposit.

Terms of Farm-in

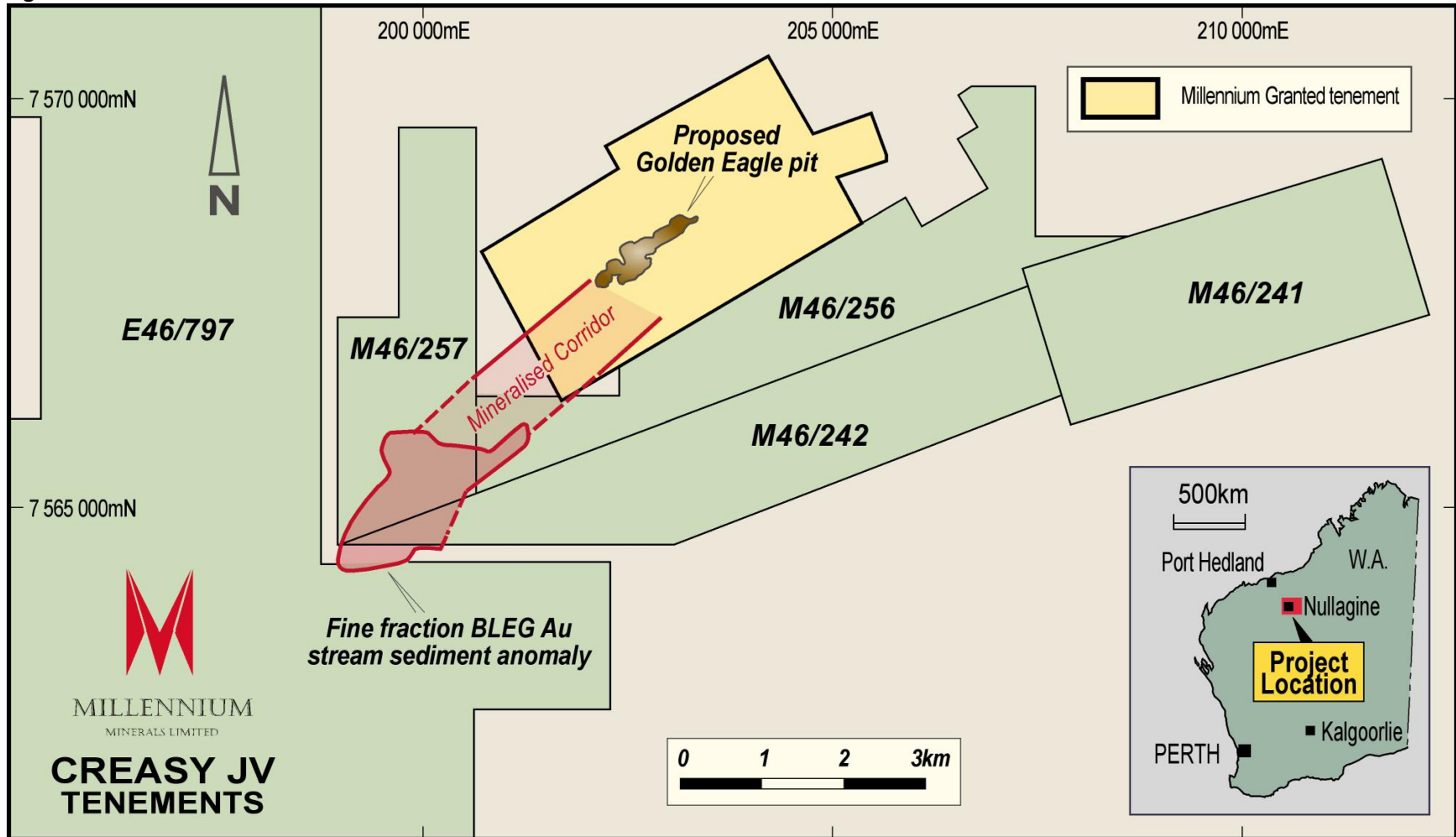
In consideration for granting Millennium a 70% interest in the tenements, Millennium will issue to Creasy, 8,064,516 fully paid ordinary shares in Millennium. The Millennium Shares shall be subject to resale restrictions under applicable securities laws and the rules of the stock exchange on which the Millennium shares trade. Millennium will have the sole and exclusive right to access and explore for Gold on the Tenements (provided that such interest in the Tenements does not include any Other Mineral Rights).

Millennium will solely fund all required expenditure on the Tenements under the Mining Act or in relation to Gold Rights and Creasy will not be required to fund any such expenditure on the Tenements until the completion of a Bankable Feasibility Study and a decision to mine.

The Tenements have not been intensively explored, with the exception of rock chip and stream sediment sampling conducted in recent years. This work has defined a 1.7 km linear, northeast striking gold anomaly with a greater than 200 ppb Au core (up to 1,400 ppb Au) within the fine fraction BLEG stream sediment samples. This anomaly sits on strike with gold anomalism located on strike from the Golden Eagle deposit.

The Company believes that the acquisition of a 70% interest in the Creasy tenements will allow it to pursue a more intensive exploration programme over a highly significant gold anomaly now defined over a strike length of 4.5 km trending southwest from Golden Eagle.

Figure 2: Joint Venture Tenements



DEVELOPMENT ACTIVITIES

Overview

Key activities related to the Nullagine Gold Project development undertaken during the reporting period included:

- The Project EPCM engineers, Mintrex, continued with the final plant design drawings and capital cost updates for the expanded 1.5Mtpa CIL process facility.
- Detailed mine scheduling, fleet optimisation and review of process flow sheet capacity options were undertaken following the update of the Ore Reserve. The revised mining and ore treatment schedules were incorporated into the Project financial model.
- The decision to mine the higher Ore Reserve in the planned 7 year mine life increased average annual gold production by 26%, from 57,000 ounces Au to 72,000 ounces Au. Peak gold output during the early years of the current mine plan will be in the order of 80,000 ounces Au.
- The engineering specification for the larger SAG mill is being finalised ahead of ordering. The mill currently has a 35 week lead time before it can be established on site.
- Project recruitment commenced with the majority of senior appointments completed.
- The telecommunications backbone for the project was negotiated with Telstra. Optical fibre is currently being rolled out from Newman through to Nullagine with a spur node to be located at the site of the project accommodation village at Golden Eagle. This will provide the Project with high speed internet, voice and data capacity. By mid 2011, Telstra advise that a 3G mobile tower will be erected in Nullagine providing 3G mobile coverage to the project area with the added social benefit of providing mobile coverage to the residents of Nullagine.

It is the Company's intention to now finalise long term supply agreements with the preferred suppliers based on their recent tender submissions, with ordering of the camp and other buildings, and the SAG mill, being a priority as these items are critical path elements of the construction schedule.

EXPLORATION ACTIVITIES

Reverse Circulation Drilling

During the quarter the Company completed a reverse circulation drilling programme at Shearers, Otways and Golden Eagle, following up on drilling conducted in 2010. A total of 29 holes was completed for 1,942 metres at Shearers and Otways and a further 26 holes for 2,016 metres were completed at Golden Eagle. The programme was designed to further test anomalous mineralisation outlined by drilling in 2010 along strike and depth extents. All results were received for Shearers and Otways and were reported to the market on 14 March 2011.

Significant gold intercepts include:

❖ Shearers

- 21 metres at 1.31 g/t Au from 36 metres;
- 20 metres at 2.09 g/t Au from 62 metres;
- 13 metres at 1.89 g/t Au from 12 metres.

❖ Otways

- 6 metres at 3.46 g/t Au from 28 metres;
- 4 metres at 3.37 g/t Au from 16 metres;
- 4 metres at 2.11 g/t Au from 18 metres.

At Shearers, these results show excellent potential to extend the mineralisation to the northwest and south of the current Ore Reserve. Results from holes SHX031 & 032 are open to the north (Figure 3), and results from holes SHX037 - 040 show consistent shallow ore grade intercepts over 200 metres of strike to the south. This strike extension, not previously recognised, is considered highly significant and with further follow up drilling, is expected to increase the Mineral Resource at Shearers that is ultimately expected to report to an increase in the Ore Reserve after further optimisation studies.

Similarly, at Otways the results show potential to extend the mineralisation to the west - southwest. Results from holes OWX023-025 demonstrate ore grade intercepts to the southwest of the western most proposed pit, and those from hole OWX031 also show the same for the northern-most proposed pit.

Follow up resource definition RC drilling is currently being planned, targeting these new discovery zones at both Shearers and Otways. A 10,000 metre RC programme is proposed.

Due to heavy seasonal rain during February 2011, the Company was unable to dispatch samples collected from drilling at Golden Eagle. As a result, these assay results have been delayed and will be reported on when they come to hand.

Figure 1: Shearers Drill Hole Location Plan

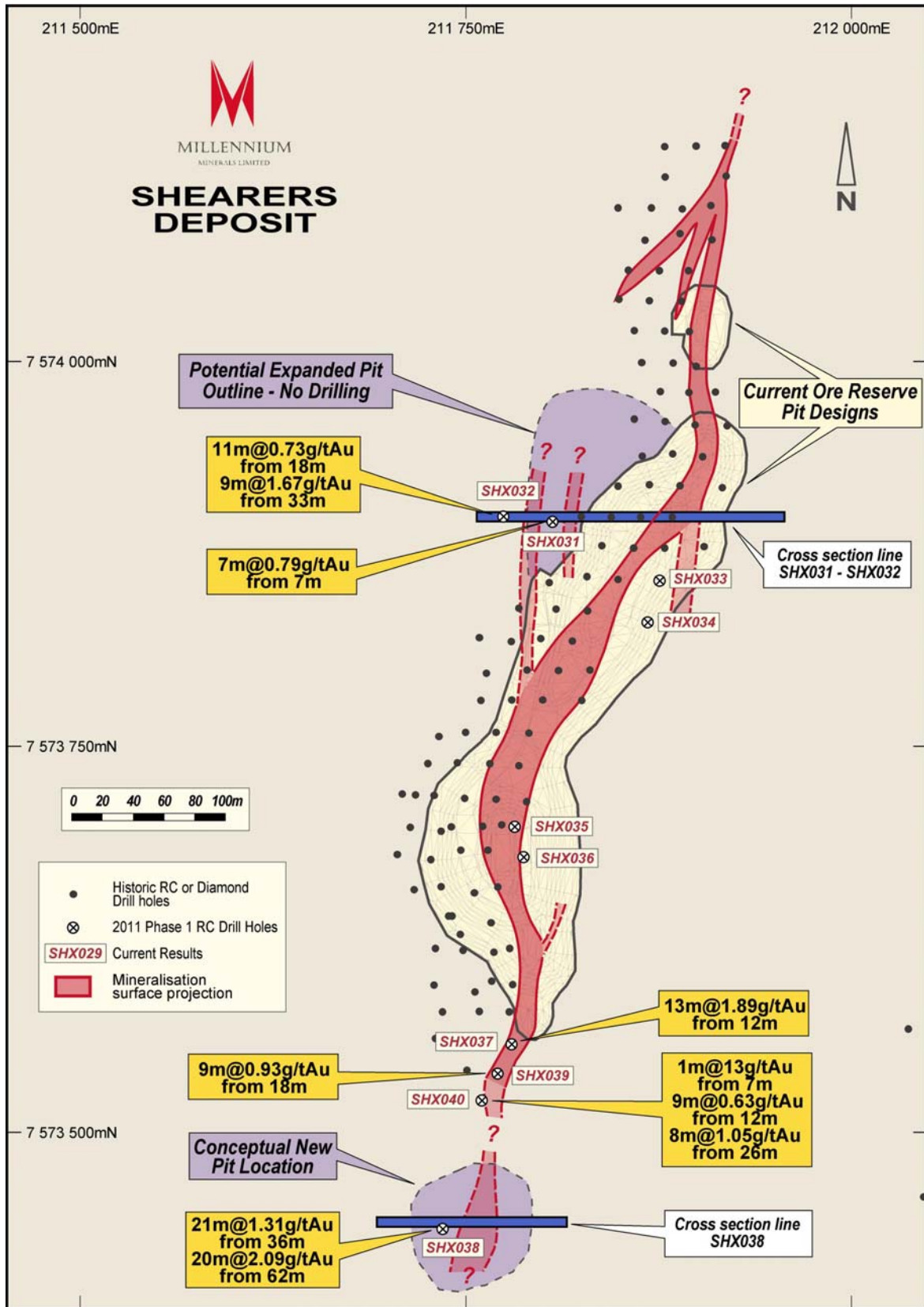


Figure 2: Shearers Cross Section SHX031

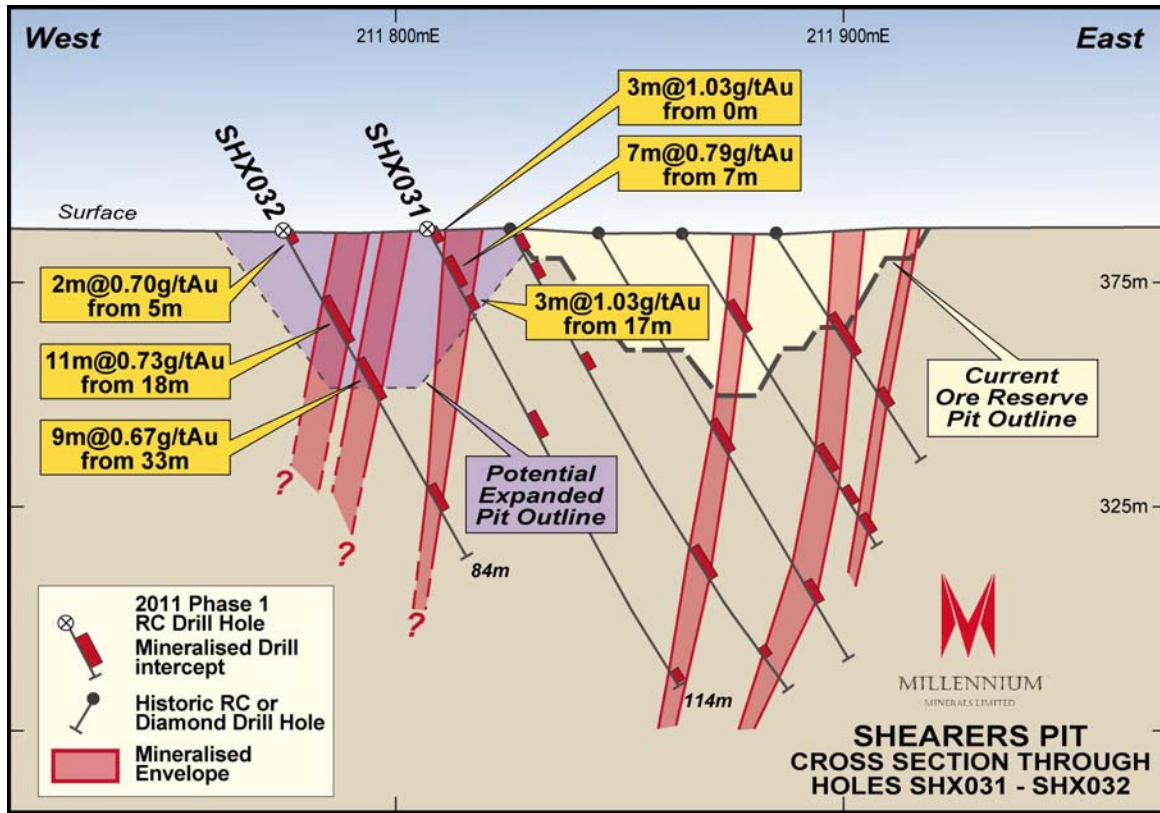
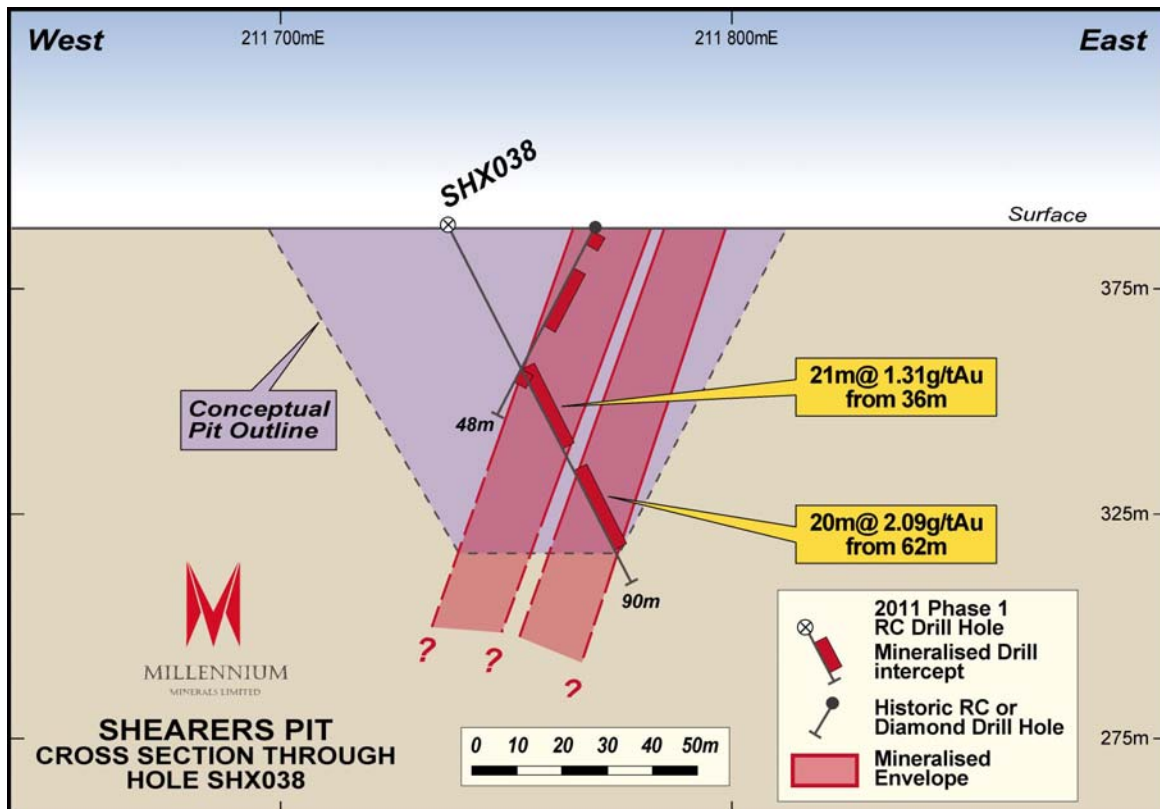


Figure 3: Shearers Cross Section SHX038



GOING FORWARD

It is the Company's intention to:

- commence project construction at Golden Eagle as soon as possible;
- complete the preparation and submission of all statutory applications required to fully permit all designated mining areas across all ore bodies covered in the life of mine plan not yet fully permitted;
- continue RC drilling to delineate resource potential on strike and at depth across all ore bodies; and
- continue exploration and testing of the heap leach potential of mineralised waste material scheduled for removal from existing pits and other lower grade material not currently included in the Ore Reserve and pit volumes.

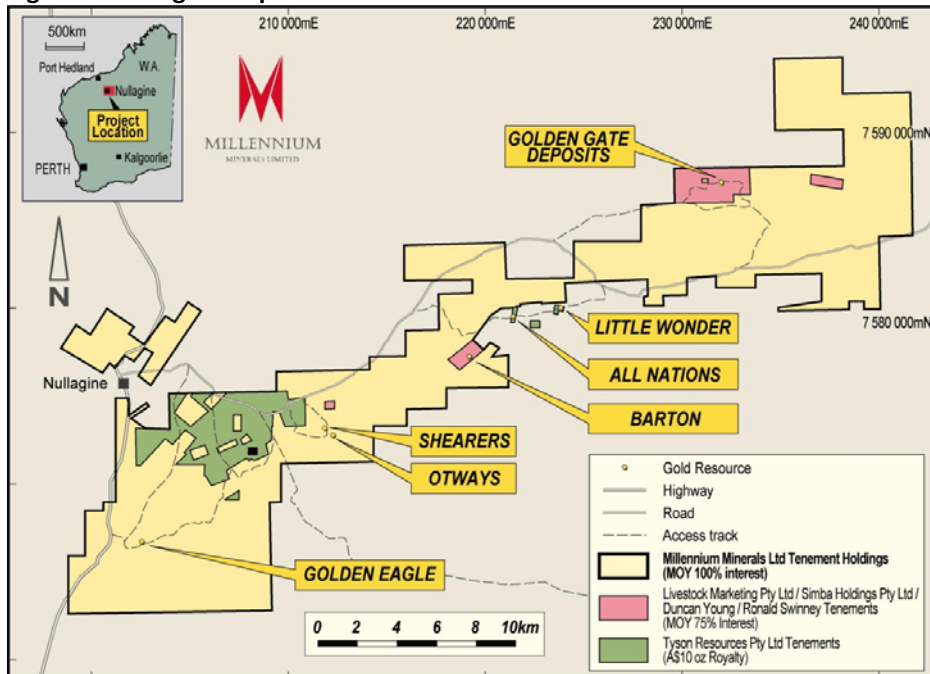
TENEMENTS

Millennium's tenement schedule is presented in Table 2.

BACKGROUND - NULLAGINE GOLD PROJECT

The Nullagine Gold Project (Figure 1) is a 1.25 million ounce gold resource contained within 7 deposits on granted mining leases. The largest deposit is Golden Eagle located approximately 10 km south of the township of Nullagine and containing 68% of the total Mineral Resource inventory. All permitting and sufficient engineering design work for a Carbon-In-Leach (CIL) processing facility and associated infrastructure on the Golden Eagle mining lease has been completed providing for an immediate start to construction.

Figure 1: Nullagine Deposit Location Plan



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Table 1. Nullagine Gold Project Mineral Resource Estimate September 2010 (0.5 g/t Au Cut off)

Deposit	Measured		Indicated		Inferred		Total		
	Mt	Grade Au (g/t)	Mt	Grade Au (g/t)	Mt	Grade Au (g/t)	Mt	Grade Au (g/t)	Ounces
Golden Eagle ²	14.84	1.1	5.44	0.9	4.63	0.9	24.91	1.0	805,000
Bartons ³	1.33	1.5	0.85	1.5	0.37	1.7	2.55	1.5	125,000
All Nations ³	1.11	1.3	0.19	1.0	0.14	1.1	1.45	1.3	58,000
Golden Gate (ABCD Reef) ³	-	-	0.58	3.2	0.11	2.6	0.68	3.1	69,000
Shearers ²	0.26	1.4	1.43	1.2	0.04	1.1	1.73	1.2	68,000
Otways ²	-	-	1.14	0.9	0.91	0.8	2.05	0.8	54,000
Little Wonder ²	-	-	0.45	1.2	-	-	0.45	1.2	17,000
Falcon ²	-	-	0.09	3.9	0.04	4.4	0.14	4.0	18,000
Condor ²	-	-	0.08	3.3	0.04	3.5	0.11	3.3	12,000
Harrier ²	-	-	0.10	1.8	0.04	1.8	0.14	1.8	8,000
Crow ²	-	-	0.02	4.5	0.02	4.5	0.04	4.5	5,000
G_Reef ²	-	-	0.03	2.1	-	-	0.03	2.1	2,000
Total	17.54	1.11	10.41	1.21	6.33	1.03	34.28	1.13	1,241,000

Notes:

- 1 Figures in Table may not sum due to rounding.
- 2 The Golden Eagle, Shearers, Otways, Little Wonder and Golden Gate satellite deposits namely Falcon, Harrier, Crow, G-Reef and Condor were estimated using Ordinary Kriging methodology for grade estimation by CSA Global.
- 3 The Mineral Resources at Bartons, All Nations and Golden Gate (ABCD reef) were estimated using Multiple Indicator Kriging methodology for grade estimation by Hellman and Schofield Pty Ltd.
- 4 The Golden Gate and Bartons deposits are the subject of a mining licence agreement whereby Millennium has the sole and exclusive right to explore and mine gold and other minerals. Millennium then is required to pay 25% of the net proceeds to the tenement owners (Livestock Marketing Pty Ltd, Duncan Thomas Young, Simba Holdings Pty Ltd and Ronald Lane Swinney) after mining and processing cost deductions.

Table 5: Nullagine Gold Project Ore Reserve Estimate November 2010

Millennium Minerals Limited - Nullagine Project Reserves Nov 2010 ³							
Prospect	Proved		Probable		Total		
	Ore (t)	Grade (g/t)	Ore (t)	Grade (g/t)	Ore (t)	Grade (g/t)	Ounces
Golden Eagle	6,422,000	1.6	740,000	1.4	7,162,000	1.5	356,000
Bartons	874,000	1.8	450,000	1.9	1,324,000	1.8	78,000
All Nations	484,000	1.7	15,000	1.7	499,000	1.7	27,000
Golden Gate	336,000	3.6	81,000	3.8	417,000	3.7	49,000
Shearers	161,000	1.6	169,000	1.5	330,000	1.5	16,000
Otways	-	-	308,000	1.0	308,000	1.0	10,000
Little Wonder	-	-	195,000	1.2	195,000	1.2	8,000
Falcon ²	-	-	77,000	3.9	77,000	3.9	10,000
Condor ²	-	-	73,000	3.1	73,000	3.1	7,000
Harrier ²	-	-	41,000	2.0	41,000	2.0	2,500
Crow ²	-	-	20,000	4.1	20,000	4.1	3,000
GReef ²	-	-	8,000	2.0	8,000	2.0	500
Total	8,277,000	1.7	2,177,000	1.7	10,454,000	1.7	568,000

Notes:

1. Numbers may not sum due to rounding.
2. These deposits are collectively known as the Golden Gate Satellite deposits.
3. The Ore Reserves stated in this table are included in the Mineral Resource Estimates set out in Table 1.

Qualifying Statement

This release may include forward-looking statements. These forward-looking statements are based on Millennium's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Millennium, which could cause actual results to differ materially from such statements. Millennium makes no undertaking to subsequently update or revise the forward-looking statements made in this release, to reflect the circumstances or events after the date of this release.

Competent Persons Statements – Exploration Results

Mr I Hay (MAIG), a geologist employed full-time by Millennium Minerals Limited, compiled the technical aspects of this report. Mr Hay is a member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to this style of mineralization and type of deposit under consideration and to the activity that is being reported on 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 Hay consents to the inclusion in the report of the matters in the form and context in which it appears.

Competent Persons Statements – Mineral Resources

*The information in this Report which relates to the **Golden Eagle Mineral Resource estimate** accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The Golden Eagle deposit Mineral Resource estimate has been compiled and prepared by Dr Bielin Shi, (MAusIMM) of CSA Global Pty. Ltd. who is a Competent Person as defined by the Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.*

*The information in this Report which relates to the **Shearers Mineral Resource estimate** accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The Shearers deposit Mineral Resource estimate has been compiled and prepared by Mr. David Williams (MAusIMM, MAIG) of CSA Global Pty. Ltd. who is a Competent Person as defined by the Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.*

*The information in this Report which relates to the **Otways Mineral Resource estimate** accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The Otways deposit Mineral Resource estimate has been compiled and prepared by Mr. Shane Fieldgate (MAusIMM, MAIG) of CSA Global Pty. Ltd. who is a Competent Person as defined by the Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.*

*The information in this Report which relates to the **Little Wonder and Golden Gate Satellite Mineral Resource estimates** accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The Little Wonder and Golden Gate satellite deposits Mineral Resource estimate has been compiled and prepared by Steven Hodgson, (MAIG) of CSA Global Pty. Ltd. who is a Competent Person as defined by the Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.*

*The information in this Report which relates to the **Bartons, All Nations and Golden Gate ABCD reef Mineral Resource estimates** accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The reported Mineral Resource as it relates to Bartons, All Nations, and Golden Gate ABCD reef has been compiled by Mr Nic Johnson. Mr Johnson is a Member of the Australian Institute of Geoscientists and an employee of Hellman &*

Schofield Pty Ltd. He has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves' of December 2004 ("JORC Code") as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. The Competent Persons listed consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Competent Persons Statements – Ore Reserves

The information in this Report, which relates to the Ore Reserve estimates accurately reflect information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The information in this public statement that relates to the Ore Reserves at the Millennium Minerals Nullagine Project is based on information compiled by Mr Steve Lampron and Mr. Daniel Tuffin. Mr. Daniel Tuffin of Auralia Mining Consulting completed the Ore Reserve estimate. Mr Daniel Tuffin is a Member of the Australasian Institute of Mining and Metallurgy (#228649) and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify him as a Competent Person as defined in accordance with the Australasian Joint Ore Reserves Committee (JORC).

Table 2: Schedule of Interests in Mining Tenements

Prospect Area	Tenement	Registered Holder	Millennium Beneficial Interest
ALL NATIONS	M46/199	MILLENNIUM MINERALS LTD	100%
	M46/225	MILLENNIUM MINERALS LTD	100%
	M46/98	MILLENNIUM MINERALS LTD	100%
BARTONS	G46/02	LIVESTOCK MARKETING PTY LTD	*75%
	M46/164	LIVESTOCK MARKETING PTY LTD	*75%
	M46/3	LIVESTOCK MARKETING PTY LTD	*75%
	M46/441	TUPPERGLENDA PTY LTD	*75%
BEATONS CREEK	M46/10	MILLENNIUM MINERALS LTD	100%
	M46/11	MILLENNIUM MINERALS LTD	100%
	M46/9	MILLENNIUM MINERALS LTD	100%
BEATONS CREEK EAST	M46/263	MILLENNIUM MINERALS LTD	100%
CADJEBUT	M46/432	MILLENNIUM MINERALS LTD	100%
DAVIS RIVER	L46/41	MILLENNIUM MINERALS LTD	100%
			100%
EASTERN CREEK	M46/56	DAVID JOHN TAYLOR	100%
	M46/245	DAVID JOHN TAYLOR	100%
			100%
FEDERATION	M46/64	MILLENNIUM MINERALS LTD	100%
FIVE MILE	E46/308	**TYSON RESOURCES PTY LTD	100%
	L46/33	MILLENNIUM MINERALS LTD	100%
	M46/192	MILLENNIUM MINERALS LTD	100%
	M46/212	TYSON RESOURCES PTY LTD	100%
	M46/213	TYSON RESOURCES PTY LTD	100%
	M46/234	TYSON RESOURCES PTY LTD	100%
	M46/235	TYSON RESOURCES PTY LTD	100%
	M46/261	**MILLENNIUM MINERALS LTD	100%
	M46/262	**MILLENNIUM MINERALS LTD	100%
	M46/264	TYSON RESOURCES PTY LTD	100%
	M46/265	TYSON RESOURCES PTY LTD	100%
	M46/266	TYSON RESOURCES PTY LTD	100%
	M46/445	MILLENNIUM MINERALS LTD	100%
	M46/446	MILLENNIUM MINERALS LTD	100%
	M46/50	SIMBA HOLDINGS PTY LTD	*75%
	P46/1123	MILLENNIUM MINERALS LTD	100%
FIVE MILE	P46/1452	MILLENNIUM MINERALS LTD	100%
	P46/1604	MILLENNIUM MINERALS LTD	100%
	P46/1605	MILLENNIUM MINERALS LTD	100%
	P46/1606	MILLENNIUM MINERALS LTD	100%

GOLDEN EAGLE	E46/394	**MILLENNIUM MINERALS LTD	100%	
	L46/45	MILLENNIUM MINERALS LTD	100%	
	M46/186	**MILLENNIUM MINERALS LTD	100%	
	M46/267	MILLENNIUM MINERALS LTD	100%	
	M46/300	MILLENNIUM MINERALS LTD	100%	
	M46/436	MILLENNIUM MINERALS LTD	100%	
	M46/443	MILLENNIUM MINERALS LTD	100%	
	M46/444	MILLENNIUM MINERALS LTD	100%	
GOLDEN GATE	E46/279	SIMBA HOLDINGS PTY LTD	*75%	
	M46/129	SIMBA HOLDINGS PTY LTD	*75%	
	M46/163	**MILLENNIUM MINERALS LTD	100%	
	M46/187	SIMBA HOLDINGS PTY LTD	*75%	
	M46/189	SIMBA HOLDINGS PTY LTD	*75%	
	M46/200	SIMBA HOLDINGS PTY LTD	*75%	
	M46/448	LIVESTOCK MARKETING PTY LTD	*75%	
	M46/457	BIGHEAD ENTERPRISES PTY LTD	100%	
	M46/47	SIMBA HOLDINGS PTY LTD	*75%	
	P46/1421	BIGHEAD ENTERPRISES PTY LTD	100%	
	P46/1422	BIGHEAD ENTERPRISES PTY LTD	100%	
LITTLE WONDER	M46/146	MILLENNIUM MINERALS LTD	100%	
	M46/198	MILLENNIUM MINERALS LTD	100%	
MIDDLE CREEK	E46/391	MILLENNIUM MINERALS LTD	100%	
	M46/272	MILLENNIUM MINERALS LTD	100%	
	M46/273	MILLENNIUM MINERALS LTD	100%	
	M46/274	MILLENNIUM MINERALS LTD	100%	
	M46/275	MILLENNIUM MINERALS LTD	100%	
	M46/276	MILLENNIUM MINERALS LTD	100%	
	M46/277	MILLENNIUM MINERALS LTD	100%	
	M46/282	MILLENNIUM MINERALS LTD	100%	
	MIDDLE CREEK	M46/302	MILLENNIUM MINERALS LTD	100%
		M46/430	MILLENNIUM MINERALS LTD	100%
M46/431		MILLENNIUM MINERALS LTD	100%	
M46/447		MILLENNIUM MINERALS LTD	100%	
P46/1270		MILLENNIUM MINERALS LTD	100%	
MOSQUITO CREEK	E46/452	MILLENNIUM MINERALS LTD	100%	
	M46/278	MILLENNIUM MINERALS LTD	100%	
	M46/279	MILLENNIUM MINERALS LTD	100%	
	M46/283	MILLENNIUM MINERALS LTD	100%	
	M46/303	MILLENNIUM MINERALS LTD	100%	
	M46/426	MILLENNIUM MINERALS LTD	100%	
	M46/427	MILLENNIUM MINERALS LTD	100%	
	M46/428	MILLENNIUM MINERALS LTD	100%	
	M46/429	MILLENNIUM MINERALS LTD	100%	

NULLAGINE	P46/1382	JOHN FRANCIS WALSH	100%
NULLAGINE SOUTH	P46/1557	MILLENNIUM MINERALS LTD	100%
	P46/1558	MILLENNIUM MINERALS LTD	100%
	P46/1559	MILLENNIUM MINERALS LTD	100%
	P46/1560	MILLENNIUM MINERALS LTD	100%
	P46/1561	MILLENNIUM MINERALS LTD	100%
	P46/1562	MILLENNIUM MINERALS LTD	100%
	P46/1563	MILLENNIUM MINERALS LTD	100%
	P46/1564	MILLENNIUM MINERALS LTD	100%
	P46/1565	MILLENNIUM MINERALS LTD	100%
	P46/1566	MILLENNIUM MINERALS LTD	100%
	P46/1567	MILLENNIUM MINERALS LTD	100%
	P46/1568	MILLENNIUM MINERALS LTD	100%
	P46/1569	MILLENNIUM MINERALS LTD	100%
	P46/1570	MILLENNIUM MINERALS LTD	100%
	P46/1571	MILLENNIUM MINERALS LTD	100%
	P46/1572	MILLENNIUM MINERALS LTD	100%
P46/1573	MILLENNIUM MINERALS LTD	100%	
P46/1574	MILLENNIUM MINERALS LTD	100%	
P46/1575	MILLENNIUM MINERALS LTD	100%	
P46/1576	MILLENNIUM MINERALS LTD	100%	
ONE MILE	L46/88	MILLENNIUM MINERALS LTD	100%
	L46/89	MILLENNIUM MINERALS LTD	100%
	L46/90	MILLENNIUM MINERALS LTD	100%
	L46/91	MILLENNIUM MINERALS LTD	100%
	L46/92	MILLENNIUM MINERALS LTD	100%
TWENTY MILE SANDY	M46/433	MILLENNIUM MINERALS LTD	100%
	M46/434	MILLENNIUM MINERALS LTD	100%

*The percentage noted is not a beneficial ownership interest in the tenements or the ore contained within the tenements, but the percentage of the net proceeds from the sale of product Millennium Minerals Limited is entitled to retain on sale of product derived from the tenements. Millennium Minerals Limited has an interest under a Mining Licence Agreement with Livestock Marketing Pty Ltd, Duncan Thomas Young, Simba Holdings Pty Ltd and Ronald Lane Swinney (the "Tenement Owners") whereby Millennium has the sole and exclusive right to enter upon the tenements, conduct exploration and extract gold and other minerals. Millennium is then required to pay 25% of the net proceeds to the Tenement Owners after deductions relating to mining and processing costs. ** Royalties Apply

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Millennium Minerals Limited

ABN

85 003257 556

Quarter ended ("current quarter")

31 Mar 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(1,004) (550) - (1,080)	(1,004) (550) - (1,080)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	35	35
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(2,599)	(2,599)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	- - (495)	- - (495)
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)	(13)	(13)
Net investing cash flows	(508)	(508)
1.13 Total operating and investing cash flows (carried forward)	(3,107)	(3,107)

1.12 relates to funds lodged against cash-backed guarantees provided to the Department of Mines and Petroleum in respect of a mining lease.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(3,107)	(3,107)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	21,928	21,928
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)	-	-
	Net financing cash flows	21,928	21,928
Net increase (decrease) in cash held			
		18,821	18,821
1.20	Cash at beginning of quarter/year to date	3,115	3,115
1.21	Exchange rate adjustments to item 1.20		
		21,936	21,936
1.22	Cash at end of quarter		

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	71
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 executive 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

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

+ 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	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	624
4.2 Development	4,530
4.3 Production	-
4.4 Administration	951
Total	6,105

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	21,936	2,115
5.2 Deposits at call	-	1,000
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	21,936	3,115

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	M46/279	100% ownership	100%	Nil
6.2 Interests in mining tenements acquired or increased	M46/200	100% ownership	Nil	100%
	M46/448	100% ownership	Nil	100%
	L46/89	100% ownership	Nil	100%
	L46/90	100% ownership	Nil	100%
	L46/91	100% ownership	Nil	100%
	L46/92	100% ownership	Nil	100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	1,499,895,643	1,499,895,643		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	750,371,400	750,371,400		
7.5 +Convertible debt securities <i>(description)</i>	-	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-		
7.7 Options <i>(description and conversion factor)</i>	28,700,000	unlisted unlisted unlisted unlisted unlisted unlisted <u>Listed</u>	<i>Exercise price</i> 29 cents (6.2m) 23 cents (5.0m) 30 cents (3.5m) 20 cents (8.5m) 20 cents (2.5m) 7.5 cents (3.0m)	<i>Expiry date</i> 19 Dec 11 19 Dec 11 31 Oct 11 31 Oct 11 21 Feb 12 28 Feb 13
	64,558,989	64,558,989	7.5 cents	28 Feb 13
7.8 Issued during quarter	-	-		
7.9 Exercised during quarter	451,969	-	7.5 cents	28 Feb 13
7.10 Expired 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 ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Company Secretary
Print name: Pierre Malherbe

Date: 20 April 2011

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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+ See chapter 19 for defined terms.