



AUSMON RESOURCES LIMITED

ABN 88 134 358 964

Level 15, Suite 1502
370 Pitt Street
Sydney NSW 2000

T 61 2 9264 3100
F 61 2 9264 0099
E office@ausmonresources.com.au

29 January 2010

Company Announcements Office
ASX Limited

ACTIVITIES REPORT DECEMBER 2009 QUARTER

HIGHLIGHTS

CORPORATE

- Private placement of shares in the quarter raised a total of \$1.2 million.
- Strategic investment of A\$1.2 million in Premium Exploration Inc. (PEM), a North American precious metals explorer with advanced exploration projects and listed on TSX Venture Exchange of Canada (TSX-V).
- Acquisition of 100% of Great Western Minerals Limited an Australian company with a focus on exploration for copper in the Koonenberry Belt north east of Broken Hill. Projects include Grasmere-Peveril Copper resources and the historic Wertago (copper) and Nutherungie (silver) fields.

EXPLORATION

North America

- In November/December PEM drilled 6 holes into Friday-Petsite Gold Project in Idaho, USA. In 3 deep HQ core holes, very significant, broad gold intersections were encountered. Recalculation of previously reported NI 43-101 inferred resource is under way. Results are awaited on the remaining 3 holes that will also impact on the resource recalculation.

Australia

- Three highly prospective exploration licences (ELs 6400, 6424 and 6464) were acquired in the Koonenberry Belt near Broken Hill, including one with very significant JORC compliant copper resource.





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- Ausmon-Robust JV - ELs 6413, 6415, 6416 and 6417 :
 - Year 2 JV commitment largely met - \$200,000 of \$250,000 spent up to the end December 2009.
 - Year 2 DPI work/expenditure commitments largely met. Interim (6 month) NSW DPI Reports submitted on time in December 2009.
- Cumnock EL 6417 near Orange-recent soil sampling revealed several significant anomalies requiring testing by RC percussion drilling.
- New EL application (ELA 3818) made at Pooraka to protect and retain prospective ground near, and on strike from, Mt Boppy.
- Pooraka EL 6413, Tindarey EL 6415 and Mt Barrow EL 6416 near Cobar: RC Percussion drilling (10 x 100 metre holes into bedrock gold targets) completed in October/November 2009. Tindarey EL 6415 returned disappointing results. Other ELs results require follow-up.
- EL 26007, near Pine Creek, NT was mapped, sampled, renewed with area reduction, and DPI Annual Report submitted and accepted.

CAPITAL RAISING

During the quarter, The Company privately placed a total of 6 million fully paid ordinary shares and 6 million Options (exercise price of \$0.80 and expiring on 30 June 2014) raising \$1.2 million. The funds raised funded the investment in PEM.

INVESTMENT IN ADVANCED GOLD EXPLORATION PROJECT - IDAHO, USA *5,175,000 Shares and 5,175,000 Warrants of Premium Exploration Inc.*

In October 2009, following several months of appraisal of various world-wide opportunities, the Company made a very significant step forward in its stated strategy of growth by investing in advanced exploration and mining ventures.

The Company invested approximately A\$1.2 million in a strategic stake (5,175,000 shares at C\$0.20 per share - closing price on 28 January 2010 was C\$0.49) in Premium Exploration Inc. (PEM) which is listed on the TSX Venture Exchange of Canada (TSX-V:PEM). From that investment the Company was also granted warrants to acquire an additional 5,175,000 shares at C\$0.30 per share within an 18 month period. The Company assessed PEM to possess exciting advanced precious metal projects. Ausmon's Executive Technical Director Dr Xu has been appointed a director of PEM at the end of January 2010.



PEM is an explorer and developer of precious metals projects with good potential for near-term production and growth. Projects are located in the USA and Mexico, politically stable regions where PEM has a history of success. The management team is committed to unlocking mineral wealth for shareholders by discovering, developing, and permitting precious metals assets to production. PEM's portfolio includes one of the largest land packages in Idaho, USA, including an NI 43-101 gold inferred resource of 531,890 ounces (certified by Mr. Wilf Struck, P.Eng a Qualified Person as defined by NI43-101), a platinum group metals exploration project in Montana, and a historically producing silver project in Mexico. Additional information is available on the Premium Exploration Inc website at www.premiumexploration.com.



On 12 November 2009, soon after the investment made by Ausmon, PEM announced:

" the Phase-Two drill program of 1,830 meters (6,000 ft) is underway. Phase-Two is part of the ongoing 15,000 meter (44,000 ft) drill program designed to provide additional data for the delineation of a multi-million ounce gold target associated with the Orogrande Shear Zone ("OSZ").

The Phase-Two program will consist of 6 to 10 HQ core holes designed to intercept gold mineralization associated with the Shear Zone for up to an additional 560 meters (1,837 ft) along strike. The Shear Zone is highlighted by the gold geochemical anomaly that is contiguous to and extends south along strike from the 531,890 oz Au inferred gold resource (NI 43-101) resource for a Mr. Wilf Struck, P.Eng., CEO and Chairman, commented: "With financing in place, we are excited to



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be drilling on our bulk-tonnage, multi-million ounce Friday-Petsite gold resource project target. The first hole of the Phase-Two 1,830 meter (6,000 ft) program has been completed and was drilled to a total depth of 488 meters (1,602 ft). This is the deepest hole drilled to date on the Friday-Petsite project, which is associated with the Orogrande Shear Zone in central Idaho.”

Step-out drilling will test strike length to the north and south including the gold geochemical anomaly that extends directly south of the resource and will test down dip to a maximum depth of 488 meters (1,602 ft). The current resource is hosted in 350 meters (1,148 ft) of strike and from surface to 150 meters (492 ft) of depth.”

On 29 December 2009 PEM announced:

“the completion of the second phase of the ongoing, 15,000 meter (44,000 ft) drill program at the Friday-Petsite gold project in Idaho, USA. As previously announced, this phase was designed to delineate additional gold resources along the Orogrande Shear Zone: all drill holes intercepted mineralization at depth and along strike, and all holes intercepted targeted mineralization with several holes terminating in mineralization at depth.

“We are extremely pleased with the results of this program and are eager to receive assays, due to the significant impact it could have on the Friday-Petsite gold resource. This phase of drilling included three of the deepest holes drilled on the property and intercepted the mineralized zone 300 meters down-dip from the bottom of historic drill hole PC010. The current inferred resource of 531,890 ounces gold (NI 43-101) is hosted in 350 meters (1,148 ft) of strike length and down to a depth of 150 meters (492 ft) from surface.

PC010 is an important drill hole in the existing resource; it returned grades of 3.81 g/t over 85.4 meters (including 10.8 g/t over 22.90 meters and 17.66 g/t over 10.7 meters) and terminated in mineralization. PFR2009-11, the first hole completed in this segment of the program, was successful in intercepting the down-dip extension of mineralization encountered in PC010, and was mineralized to a depth of 490 meters (1,608 ft) which is triple the depth of PC010.

The results of this program have led to a better understanding of the geologic and structural controls of mineralization and will be used in the upcoming revision of the inferred 43-101 resource.” stated Wilf Struck, P.Eng, CEO of Premium.

Drilling was completed on schedule and totalled 1,969.9 meters (6,463 ft) in six HQ core holes. Four of the holes were located within the resource zone and two were drilled as a fan from the same collar, at a 400 meter (1312 ft) step-out south from the resource. The holes encountered the same geology, structures and mineralization as seen in the Phase-One program, and have extended



the zone of alteration along strike to the south and down dip. Actual footage drilled was increased over the proposed footage due to the strength of mineralization at depth and the need for deeper holes.

The drilling to date has been very successful in defining geologic and structural controls to the mineralization and has confirmed that the resource remains open to the north, to the south and at depth. The mineralization encountered in the drill holes consists of a broad zone of lower grade gold mineralization associated with the shear zone, surrounding a higher grade gold core which has been intruded by a post mineral Dacite dike. The ongoing drilling was designed to provide additional data for the delineation of a large gold target associated with the Orogrande shear zone: the current 531,890 ounces gold (NI 43-101 compliant) resource is contained in 15.17 million tonnes at an average grade of 1.1 g/t Au, utilizing a cutoff of 0.5 g/t.

The entire core has been logged by the geologist, split and sent to the assay lab and results will be coming in through early February. Once all of the assay results have been received, compiled and interpreted the next phase of drilling will be designed, with drilling to proceed in a logical fashion taking into consideration weather, drill availability and corporate development plans."

On 13 January 2010, PEM announced:

"assay results have been received from the first three holes of the Phase-Two drill program. These holes confirmed the continuity of the high-grade gold zone below the current bulk-tonnage 531,890 oz inferred gold resource currently hosted in 350 meters of strike length down to a depth of 150 meters.

Highlights Include:

PFR2009-10: 2.66 g/t gold over 198.4 meters (650.9 feet) including

3.81 g/t gold over 121.1 meters (397.2 feet) including

9.16 g/t gold over 25.3 meters (83.0 feet) including

30.60 g/t gold over 1.8 meters (6.0 feet)

PFR2009-11: 2.94 g/t gold over 73.5 meters (241.1 feet) including

10.57 g/t gold over 17.2 meters (56.4 feet) including

160.63 g/t gold over 0.9 meters (3.0 feet)

PFR2009-12: 1.00 g/t gold over 83.4 meters (273.6 feet) including

3.47 g/t gold over 2.2 meters (7.2 feet)

The drill program consisted of six HQ core holes totaling 1,969.9 meters (6,463 feet) and assay results have now been received for the first three drill holes from Phase-Two of the 2009 exploration program. Please see news release dated [August 6th, 2009](#) for the results from the first phase of "The successful Phase-Two drilling was completed on schedule, on budget and confirmed continuity of mineralization as predicted by the geologic model. These holes are the deepest holes drilled to date on the property and intercepted the mineralized zone up to 300 meters down-dip from the bottom of historic drill hole PC010. These results compare well to historic hole PC010 which returned grades of 3.81 g/t over 85.4 meters (including 10.8 g/t over 22.90 meters and 17.66 g/t over 10.7 meters).

The initial results from this program support the current understanding of the geologic and structural controls to mineralization and will be used in the upcoming revision to the inferred 43-101 resource; which will result in an upgrade of a portion of the existing resources and likely increase the resource in total. The high-grade gold intercepts from Phase-Two will also likely have a positive impact on the average grade of the resources." stated Wilf Struck, P.Eng, CEO of Premium.

The Phase-Two drill holes were collared east of the Phase-One holes; drilled to the west; and were designed to intersect the zone of mineralization down-dip from the earlier drilling.

Interestingly, the post mineral dike encountered in previous shallower drilling was not intersected and, therefore, the mineralization in these deeper holes has not been split into two separate zones. A continuous zone of mineralization will have a positive impact on the revised resource calculation.

PFR2009-10 returned 2.66 g/t gold over 198.4 meters (650.9 feet), including 3.81 g/t gold over 121.1 meters (397.2 ft), including 9.16 g/t gold over 25.3 meters (83.0 feet), including 30.60 g/t gold over 1.8 meters (6.0 ft). The hole also contained a spectacular 0.4 meter (1.3 feet) intercept of 285.93 g/t gold at a down hole distance of 352.9 meters (1,158 feet).

The collar for this hole is located 130 meters east of PFR2009-01 which returned 5.02 g/t gold over 17.92 meters, including 13.78 g/t gold over 5.73 meters and 35.55 g/t gold over 1.58 meters. PFR2009-1 is located 25 meters to the north of the previously reported high-grade hole PC-08 which returned 7.33 g/t over 16.7 meters, including 52.05 g/t over 1.6 meters. Drill hole PFR2009-10 went to a depth of 372.0 meters (1,220 feet) and terminated in mineralization as it did not fully cross-cut the zone of gold mineralization.

PFR2009-11 returned 2.94 g/t gold over 73.5 meters (241.1 ft), including 10.57 g/t gold over 17.2 meters (56.4 ft), including 160.63 g/t gold over 0.9 meters (3.0 ft) and went to a total depth of



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490.2 meters (1,608 feet). The collar for this hole is located 250 meters east of PC010 which returned grades of 3.81 g/t over 85.4 meters (including 10.8 g/t over 22.90 meters and 17.66 g/t over 10.7 meters).

PFR2009-12 returned 1.00 g/t gold over 83.4 meters (273.6 ft), including 3.47 g/t gold over 2.2 meters (7.2 ft). The collar for this hole is located 150 meters east of PFR2009-05 which contained 1.20 g/t gold over 76.05 meters, including 3.76 g/t gold over 10.52 meters as well as 1.13 g/t gold over 42.67 meters, including 7.73 g/t gold over 4.57 meters. Drill hole PFR2009-12 went to a depth of 365.9 meters (1,200 feet) and terminated in mineralization as it did not fully cross-cut the zone of gold. The Company is looking forward to reporting the other 3 holes in the program once the remaining assays have been received and compiled into the geologic database. Two drill holes are large step out holes to the South and are located 475 meters (1,558 feet) to the south of PFR2009-11. The holes are located on the geochem anomaly which trends to the South for 1,100 meters (3,608 feet) from the main zone of drilling. These shallow drill holes are located at a higher elevation, and as a result, are at a higher level in the mineralizing system and were designed to intersect the structure associated with the Orogrande Shear Zone. The drill holes successfully intersected altered quartz monzonite and muscovite schist associated with the Orogrande Shear Zone similar to the mineralized material encountered in the first three holes.

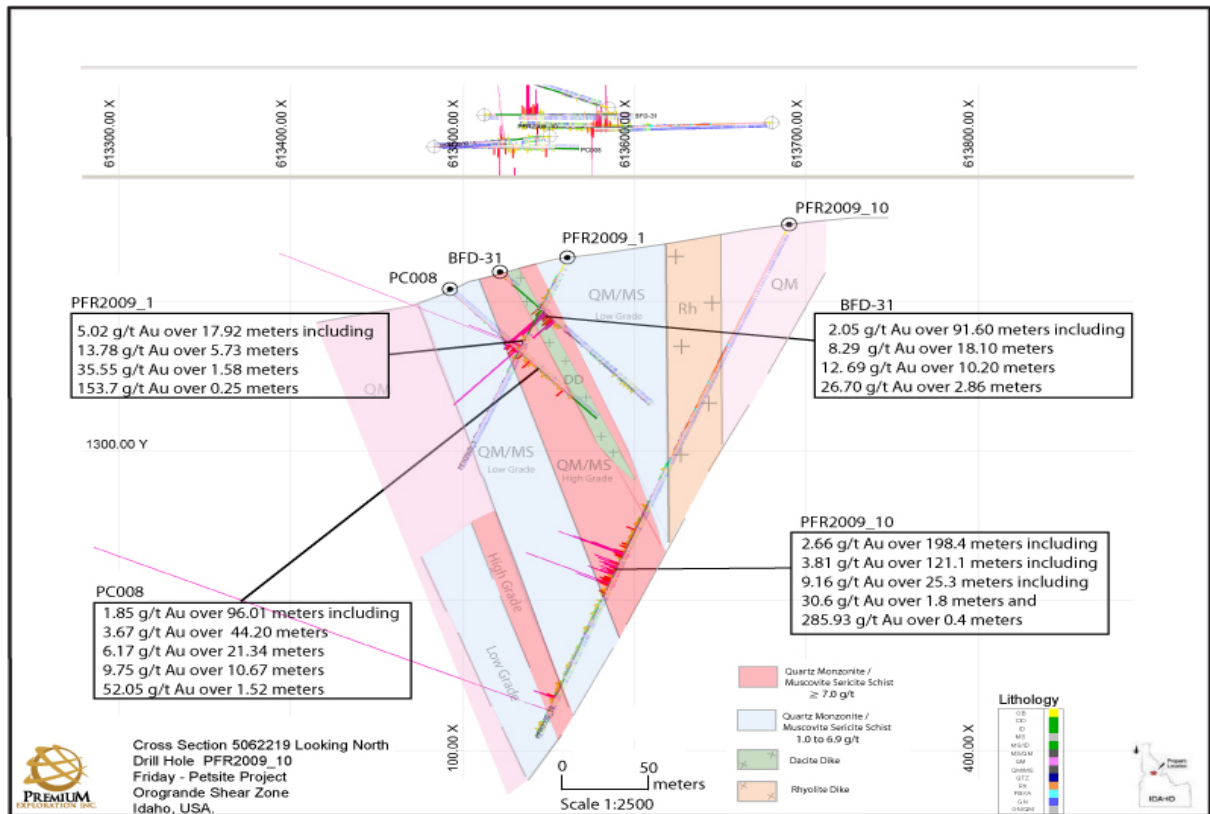
Hole ID	From m	To m	Length m	Length ft	Au g/t
PFR2009-10	173.4	371.8	198.4	650.9	2.7
	232.2	353.3	121.1	397.3	3.8
	238.7	264.0	25.3	83.0	9.2
	239.3	241.1	1.8	6.0	30.6
	352.9	353.3	0.4	1.3	285.9
PFR2009-11	266.1	339.6	73.5	241.1	2.9
	277.4	294.6	17.2	56.4	10.6
	290.5	291.4	0.9	3.0	160.6
PFR2009-12	281.6	365.0	83.4	273.6	1.0
	362.8	365.0	2.2	7.2	3.5

Note:

- The gold grade calculation is a weighted mean with no top cut, and no bottom cut. The grade calculation includes internal waste and low grade sections.
- True Widths are estimated to be between 65% and 75% of the drilled interval.



Cross Section View PFR2009-10



Resource recalculation is currently underway incorporating the recent drill results. A total of 22 holes consisting of the seven Phase-One core holes, six Phase-Two holes, four BFD core holes from 2004, and the five core holes drilled by Camden Resources (for a total of 22 holes) will be included in a new resource estimate. These holes were drilled subsequent to the NI 43-101 resource calculation and consequently were not available for that calculation.

The large and extensive zone of lower-grade mineralization hosts an NI 43-101 inferred gold resource estimate of 16,544 kilograms of gold (531,890 troy ounces) contained in 15.17 million tonnes averaging 1.1 g/t gold (0.032 oz/ton) at a cutoff of 0.514 gram per metric tonne (0.015 oz/ton) which is a potentially open-pittable heap-leachable disseminated gold resource. This resource was calculated to a depth of approximately 150 meters (492 feet), while the current drilling confirms continuity of mineralization to a depth of 490.2 meters (1,608 feet)."



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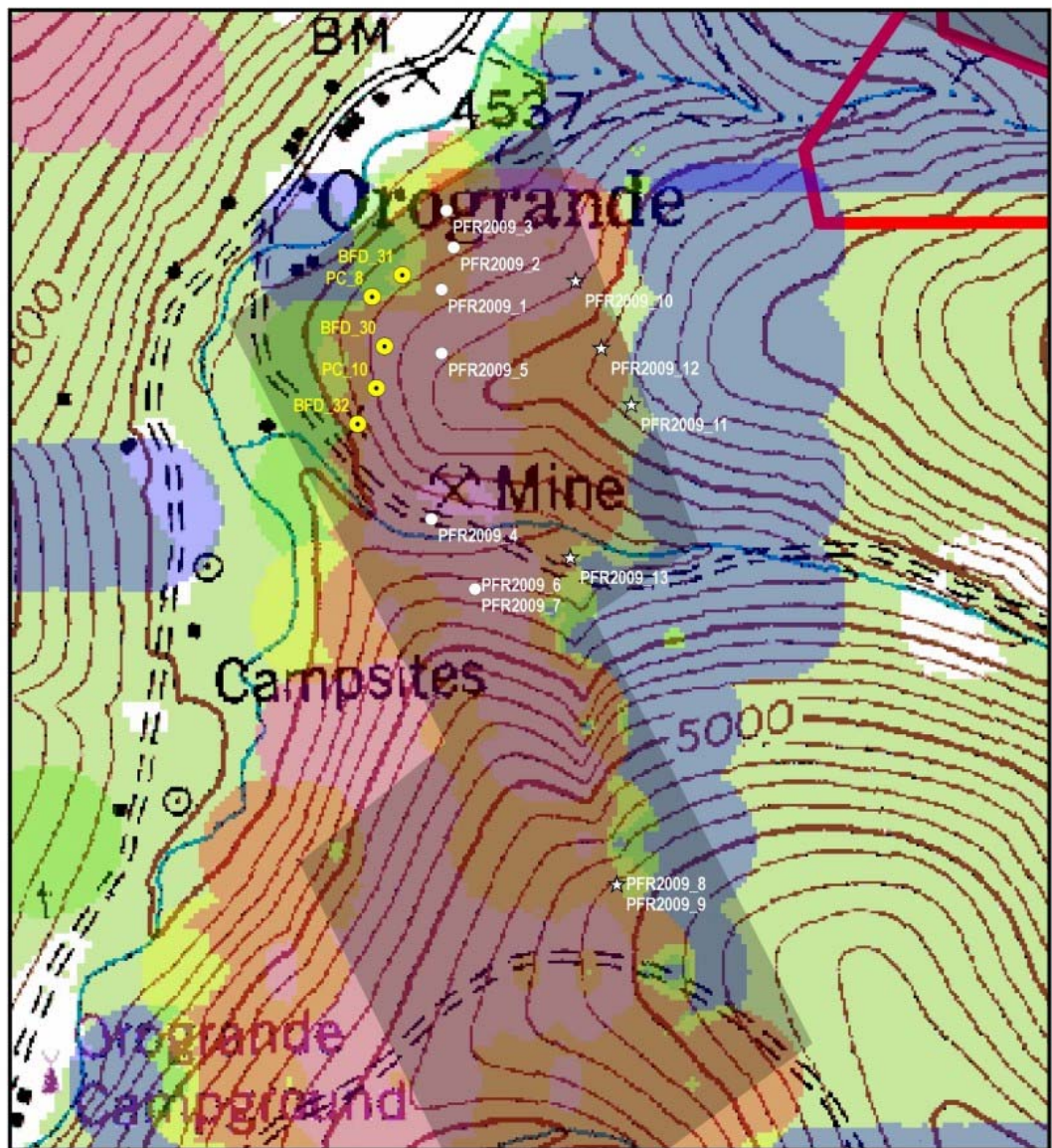
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Quality Assurance

The Company has implemented a rigorous QA/QC program using best industry practices at the December 29th, 2009 the program includes chain of custody of samples, drill core sawn in half and shipped in sealed bags, blind duplicates, blank samples and certified standards are inserted in the sample stream. The samples are then boxed and couriered to Acme Analytical Laboratories of Vancouver, B.C. a lab certified for the provision of assays and geochemical analyses (ISO 9001:2008). In Phase-Two as with Phase-One, samples with gold values greater than 10 g/t were re-analyzed via the metallic screen procedure. Samples with visible gold were also analyzed initially using the metallic screen analysis, as were the samples immediately preceding and following the sample with visible gold. The 2009 exploration program was directed by Wilf Struck, P.Eng., CEO of Premium Exploration, Inc. and a Qualified Person as defined by NI 43-101. Mr. Struck prepared, and approves of the content of this release."



2009 Drill Plan



2009 Friday-Petsite Drilling

1 centimeter equals 50 meters
UTM NAD83 Zone 11

Legend

- Friday-Petsite Historic DH
- Premium 2009 Phase 1 DH
- Premium 2009 Phase 2 DH





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**NEWLY ACQUIRED INTERESTS IN KOONENBERRY BELT
EL 6400, EL 6424 and EL 6464 - NSW (earning 51%)**

Operator: Ausmon Resources Limited

On 18 December 2009, the Company acquired 100% of the issued capital of Great Western Minerals Ltd (GWM). The assets of GWM consisted of Joint Ventures (JVs) in respect of Exploration Licences (ELs) 6400, 6424 and 6464 covering approximately 753 sq kms in the heart of the highly prospective and under-explored Koonenberry Belt, NE of Broken Hill.

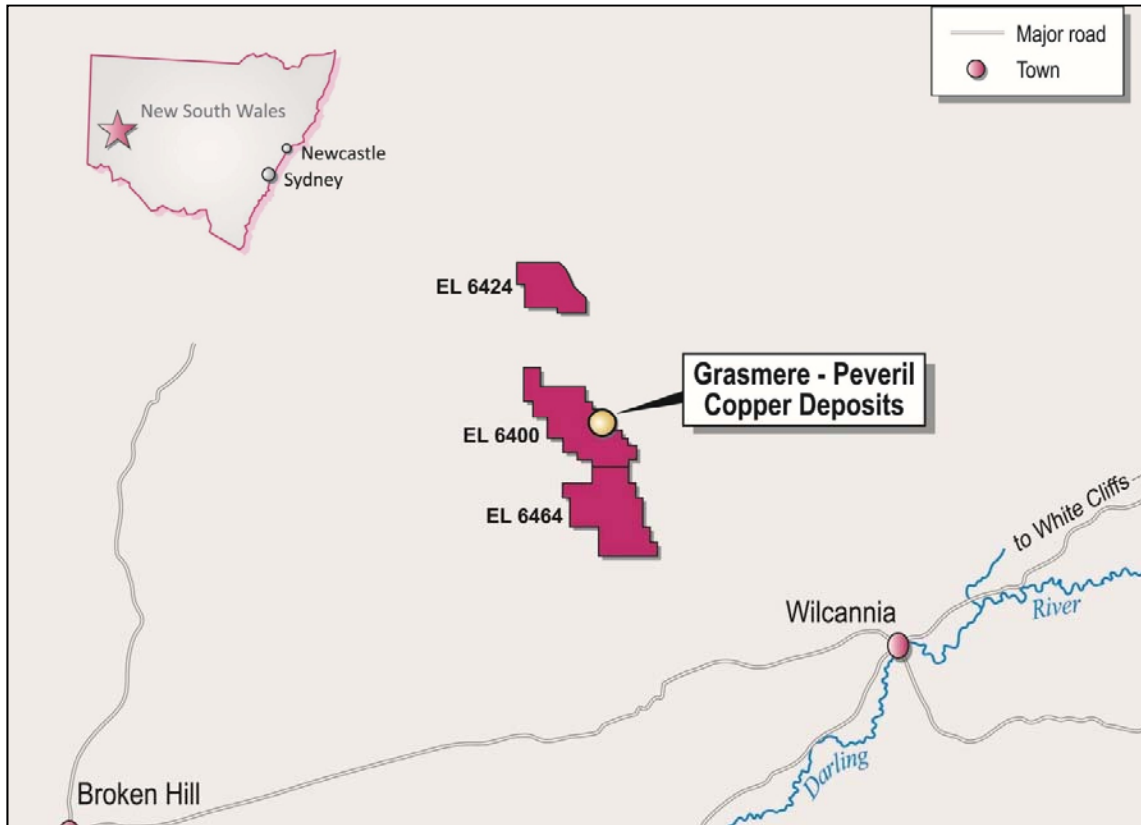
In the case of ELs 6400 and 6464 GWM has the right to earn a minimum 51% interest in both through expenditure of \$1 million over the period to October 2011, with provision to earn up to a 75% interest, under certain conditions, after that. The recently discovered "Peveril" and "Grasmere" Copper Deposits on EL 6400 contain an indicated and inferred JORC compliant resource of 5.75 million tonnes @ 1.03% Cu, 0.35% Zn, 2.3 g/t Ag and 0.05 g/t Au (Inferred: 2.73 Mt (million tonnes) grading 0.9% copper, 0.4% zinc. 0.04 g/t (gram/tonne) gold and 2.05 g/t silver. Indicated: 3.02 Mt grading 1.15% copper, 0.3% zinc, 0.06 g/t gold, and 2.53 g/t silver. Measured: Nil)

The resource is open in both directions and down dip, and has strong affinities with Besshi type VMS deposits. Besshi type deposits occur in Canada, Japan and elsewhere. They are known to be concordant, continuing for large distances along strike and down dip, often in stacked lenses. Tonnages are large, ranging from 15 to 300 million tonnes, with geochemical and mineralogical signatures very similar to those seen at Peveril and Grasmere.

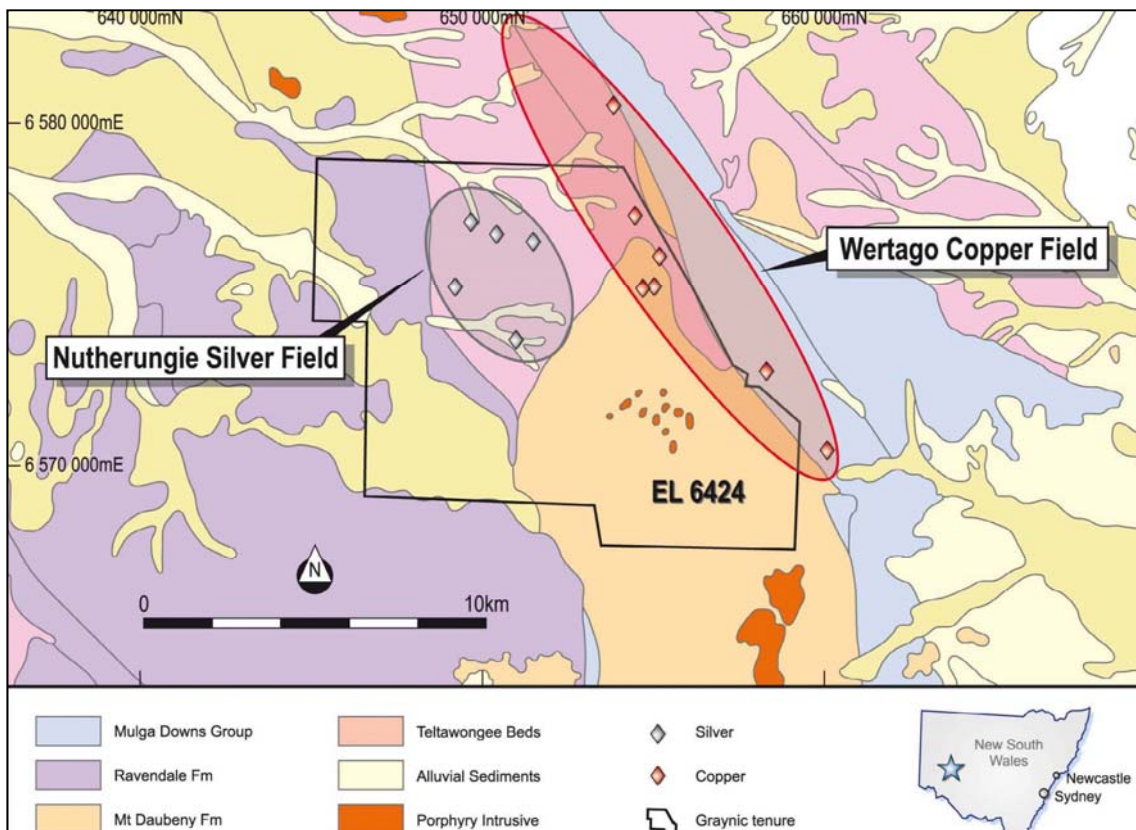
In the case of EL 6424 a second farm-in allows GWM to earn a 51% interest by expending \$500,000 over the period to September 2011, with an option for a second \$500,000 expenditure over the next 2 years to earn an additional 24% (total 75%). EL 6424 contains the historic Wertago Copper Field and the Nutherungie Silver Field, both of which are considered highly prospective and underexplored.

The Company, through GWM, will undertake extensive exploration on the 3 Koonenberry Belt ELs commencing early 2010. During the December Quarter GWM undertook a review of current and historical geological, geophysical and geochemical data on the 3 ELs, and this work is continuing. Arrangements were also made to undertake close spaced (40m) airborne magnetic and radiometric surveys in February 2010, and to begin plotting all historical data onto EL plans as a precursor to selecting exploration hot spots and drilling targets.





Koonenberry Belt – Licenses Location



AUSMON - ROBUST JV

EL 6413, EL 6415, EL 6416 and EL 6417 - NSW (earning 85%)

Operator: Robust Resources Limited

Preamble

The 10 hole (bedrock gold targets) drilling and sampling program foreshadowed in the September Quarter Report was undertaken between 24 October 2009 and 5 November 2009, utilising a smaller, less expensive, truck mounted RC percussion rig rated to about 120 m. All holes were inclined at 50 degrees and were 100 m long. The sampling interval was 1 m, yielding 1,000 of approximately 1Kg samples for chemical analysis. The coarse fractions were dry and wet sieved from duplicate samples and resultant percussion chips were logged geologically and retained in chip boxes. Samples for analysis were delivered to ALS Laboratories, in Orange and analysed for gold (method Au-AA21), Ag, Cu, Pb, Zn, As (arsenic), Sb (antimony) and S (method ICP41). Detection thresholds, in parts per million, were 0.002 for Au, 0.2 for Ag, 1 for Cu, and 2 for other elements, excluding sulphur (0.01%).



Summary of Results

Results were released to the ASX in December 2009. All targets consisted of bedrock gold/base metal anomalies; 6 on EL 6415 (Tindarey--Merrere Goldfield), two on EL 6416 (Mt Barrow-Glengarry Gossan Field) and 2 on EL 6413 (Pooraka-Langbein West).

Host rocks on all 3 ELs were noted to be strongly weathered and relatively soft, with fine powdery material making up 80 to 90% of most RC percussion returns. Iron oxides, most likely after weathered sulphides, expressed as sooty black powders, particularly in holes MB1 and MB2 in the Glengarry Gossan Field. Hard materials, such as vein quartz and sandstone, tended to concentrate preferentially in coarser fractions, meaning that proportions noted in percussion logs were not fully reflective of uncrushed host rocks. For example the highest Au value-1,650 ppb (at Tindarey) was noted in chips logged as "shale".

Background Au values on all 3 ELs were noted to be around 5 ppb (parts per billion) with anomalous gold intersections ranging from 40 to 1,650 ppb. Principal findings and conclusions are précised below.

Tindarey EL 6415

Results (Holes T1 to T6) exhibited the highest proportion of Au anomalous material - about 8% of the total. Gold anomalous intervals were mostly 1 m, and sometimes 2 or 3 m in length. Anomalous gold was mainly accompanied by anomalous silver ranging from 0.2 to 1.7 ppm. Coincident high base metal (Cu, Pb, Zn) and arsenic values were not common, but noted in holes T1 (68-69m) and T6 (41-42m). The hydrothermal mineralising event that formed the Merrere Goldfield was clearly quite extensive, and related to low angle cross shearing. This led to the introduction of swarms of broad to narrow quartz veins associated with minor sulphides and chlorite (now sheared). In historical records high to bonanza gold grades were noted in narrow veins and pods, but the drilling programme did not detect a hoped for minable low grade envelope (of say 2 to 4 ppm Au) around the diggings. Findings strongly downgrade the potential of Tindarey EL 6415, including the nearby (undrilled) Golconda Goldfield, which closely resembles the Merrere Goldfield.

Mt Barrow EL 6416

Drilling of two bedrock gold anomalies in the Glengarry Gossan Field (Holes MB 1 and MB2) confirmed that high bedrock Au values did not improve substantially with depth, but reaffirmed the fertile nature of a large mineralising system, which still requires further investigation by geophysics and prospecting before it can be discounted. The gossan field is extensive, proximal to a volcanic centre, and weekend prospectors have allegedly found small gold nuggets in ironstone float about 1 km from the two drill holes.

Pooraka EL 6413

Drilling of the first bedrock gold anomaly (Hole P1, west of Langbein) indicated that it did not persist at depth. The second drill hole (P2, near Langbein) detected three 13 to 15m long zones containing significant lead and gold values (up to 1,615 ppm Pb, and 166 ppb Au) which are worthy of further investigation. This EL remains the



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most prospective, as it lies directly on strike from the nearby Mt Boppy Gold Mine, and close to the Gilmore Suture. The EL also contains 5 or 6 untested gold-silver-base metal anomalies, including one co-incident with a magnetic anomaly.

New EL Application at Pooraka- ELA 3818

On October 2009 the Ausmon-Robust JV Partners made application for 30 graticular units covering the open area between the northern and southern segments of Pooraka EL 6413. ELA 3818 was issued by the DPI on 9 November 2009, with the usual instructions to advertise in "The Land" and local (Cobar) newspapers to allow any objections to be dealt with. Due process prior to granting normally takes about 4 to 6 months. Pooraka EL 6413 and ELA 3818 remain very prospective for Au, and Pb-Zn-Ag deposits, with untested targets close to, and on strike from, Mt Boppy.

Cumnock EL 6417

Recent work, has considerably increased the prospectivity of Cumnock EL 6417, near Orange, and has produced good targets for RC percussion drilling, proposed to be undertaken late in the current tenement year, or early in the next tenement year. As foreshadowed in the September Quarter Report recent soil sampling on the Gumble segment (highly prospective for skarn and skarn-related deposits) enhanced 4 significant Cu and/or Au anomalies (designated A, E, K and G). These required follow-up work (prospecting/rock-chip sampling), which was undertaken by PG Moeskops on 15 December 2009 resulting in delineation of 2 drill targets some distance from the Delaneys Dyke area, drilled by Robust in 2007.

On the northern (Mt Catombal) segment of the EL, a programme of follow up soil sampling highlighted 2 strong Cu-Au anomalies designated "Turmer's Anomaly" and "Lawrence's Anomaly". The host Cuga Burga Volcanics are very prospective for Cadia type epithermal copper-gold deposits associated with hydrothermal (epidote-silica-calcite-chlorite) alteration. These anomalies will be examined with the intention of selecting drill targets in 2010.

NSW DPI Half Yearly Reports

Half Yearly DPI Reports, covering the period 16 May 2009 to 16 November 2009, were completed and dispatched to DPI Maitland by the due date. Reports cover work done, results, proposed work, and money spent on the 4 above mentioned ELs of the Ausmon - Robust JV.

Next Stage of Ausmon - Robust JV Program

Following the drilling at the Cobar ELs 6413, 6415 and 6416 and soil sampling at Cumnock EL 6417 in the December quarter, efforts in the March quarter will be directed at data assessment and target honing.

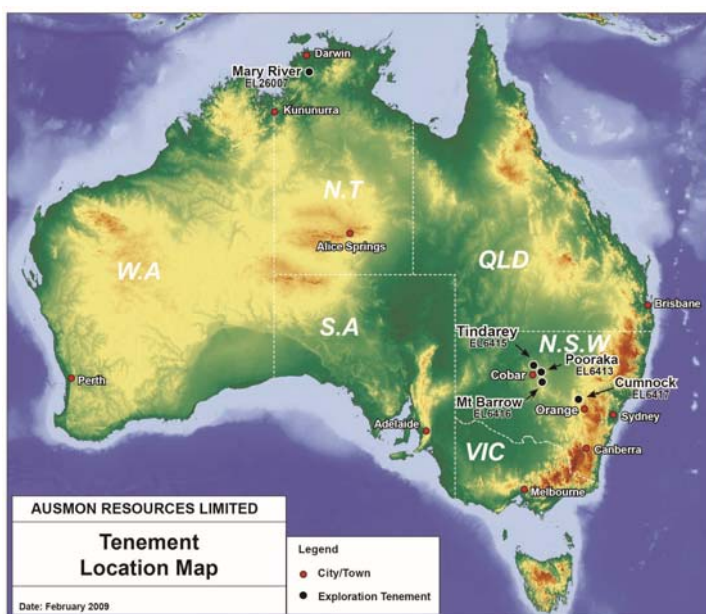


MARY RIVER EL 26007, NEAR PINE CREEK, NT

This EL of 7 graticular sub blocks (22.5 sq Kms) was granted on 28 November 2007 for a period of six years. It is located east of Pine Creek, on the SW boundary of the Mt Evelyn 1:250,000 geological sheet. In September 2009 the Company undertook exploration (mapping and sampling) over the EL, and, in October 2009, applied for renewal with area reduction to 4 graticular sub blocks (about 12.5 sq Kms).

The tenement is located centrally in the Pine Creek Orogen, on the eastern flanks of the Cullen Batholith. This is a multiphase batholith, with components dated between 1840 and 1780 million years. The batholith's post-orogenic components are associated with vein and stockwork mineralisation covering Sn, W, Au, Ag, Pb, Zn, Cd, Cu, Bi, U, and Mo. For example about 6 Km west of the EL is the Cleos U prospect, and to the south and southeast are the Evelyn Pb-Ag-Zn and Moline Au prospects. Mapping and sampling by the Company detected 5 main rock types as mapped by the DPI. Granitic rocks predominate and include Pgca1 and 2 (Minglo Granite, and Blundells Monzanite). An elongate north trending patch of Pgcz (Blundells Dolerite) is evident near the central-western edge of the EL, and areas of Pfb (hornfels) and Pso (folded tuffs and cherts) occur in the northern part, near the Mary River flood zone. Mapping by the Company also confirmed earlier mapped DPI boundaries. Some 62 grab samples were collected and analysed for 8 elements (Cu, Pb, Zn, Sn, W, Ag, Au and U). All were noted to be un-anomalous in all elements. Six samples collected in 2008 were also noted to be un-anomalous in Au.

Area retention focused on the 4 blocks making up the northern part of the EL which has potential for vein and stockwork mineralisation along granite/ country rock contact zones, and alluvial gold in river and stream sediments. During the current EL year it is proposed to undertake additional mapping, prospecting and sampling in those area. The relinquished southern part of the EL consists almost entirely of monotonous, un-mineralised granitic rocks.





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F 61 2 9264 0099
E office@ausmonresources.com.au

(The information in this report that relates to Exploration Results is based on information compiled by Dr Pieter Moeskops, the principal of Agaiva Holdings Pty Ltd and a member of The Australasian Institute of Mining and Metallurgy.

Dr Moeskops has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities 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. Dr Moeskops consents to the inclusion in this report of matters based on his information in the form and context in which it appears.)

John Wang
Executive Director/Secretary

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

AUSMON RESOURCES LIMITED

ABN

88 134 358 964

Quarter ended ("current quarter")

31 DECEMBER 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 (b) development (c) production (d) administration	(159)	(188)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	21	47
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other - GST	30	6
Net operating cash flows	(234)	(364)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c)other fixed assets	(1,211)	(1,211)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	(1)	(30)
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other		
Net investing cash flows	(1,212)	(1,241)
1.13 Total operating and investing cash flows (carried forward)	(1,446)	(1,605)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,446)	(1,605)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,200	1,200
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 (capital raising costs)	(40)	(40)
	Net financing cash flows	1,160	1,160
	Net increase (decrease) in cash held	(286)	(445)
1.20	Cash at beginning of quarter/year to date	2,689	2,848
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,403	2,403

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

1.25 Explanation necessary for an understanding of the transactions

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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

<p>- On 18 December 2009, the Company issued 2,500,000 fully paid ordinary shares at an issue price of \$0.25 per share to acquire all the issued capital of Great Western Minerals Limited.</p> <p>- On 26 October 2009, 120,000 fully paid ordinary shares were issued at \$0.25 per share under the Employee Incentive Plan and loans totalling \$30,000 were granted to eligible persons to acquire shares under the plan.</p>
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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	

+ See chapter 19 for defined terms.

3.2 Credit standby arrangements		
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Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	450
4.2	Development	-
Total		450

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	241	59
5.2	Deposits at call	2,162	2,630
5.3	Bank overdraft		
5.4	Other (provide details)		
Total: cash at end of quarter (item 1.22)		2,403	2,689

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	EL 6400	Undivided interest	-	Earning 51%
	EL 6424	Undivided interest	-	Earning 51%
	EL 6464	Undivided interest	-	Earning 51%

+ 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	54,220,004	28,700,004		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	8,620,000	8,500,000		
7.5 +Convertible debt securities (Converting notes)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	Conversion of one ordinary share per option		<i>Exercise price</i>	<i>Expiry date</i>
	33,750,000	21,475,000	\$0.80	30 June 2014
7.8 Issued during quarter	6,000,000	6,000,000	\$0.80	30 June 2014
7.9 Exercised during quarter				
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: Date: 29 January 2010
(Company secretary)

Print name: John Wang

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.