

30 July 2009

Company Announcements Office  
ASX Limited  
PO Box H224, Australia Square  
Sydney NSW 2000

Dear Sir/Madam

**ACTIVITIES REPORT FOR THE QUARTER  
ENDED 30 June 2009**

**The Hampton Hill Mining Joint Venture (HHMJV)**

**Weld Range, Murchison, Western Australia**

The HHMJV is a component of the Sinosteel Midwest Corporation (SinoMidwest) managed Weld Range Direct Shipping Ore Project (WRDSOP). This project forms an integral part of the Murchison Iron Ore Development Plan and the hopes of establishing an export industry based on a new port at Oakajee, north of Geraldton. SinoMidwest is a subsidiary of the major Chinese steel manufacturer, Sinosteel Corporation.

**Introduction**

WRDSOP exploration to date has largely focussed on the wholly owned SinoMidwest tenements while work related to the HHMJV tenements has generally been of a preliminary nature and constrained by heritage and environmental issues.

This situation is now to change with the joint venture to move forward rapidly with enhancing target zone definition and determining which targets warrant drilling to define any economically significant resources to the standard acceptable for a Preliminary Feasibility Study (PFS).

SinoMidwest have now presented a major Scope of Work for the HHMJV tenements with the aim of better defining the prospective horizons and advancing target testing to a sufficient level by June 2010 so that a PFS can be completed by the end of September 2010.

The completion of the PFS (to be completed no later than February 2011 as a requirement of the HHMJV Agreement) will allow Hampton and SinoMidwest to seek an agreed market value for Hampton's 40% share of the HHMJV which Hampton is obligated to offer to SinoMidwest unless Hampton elects to convert its interest to a 2% FOB royalty.

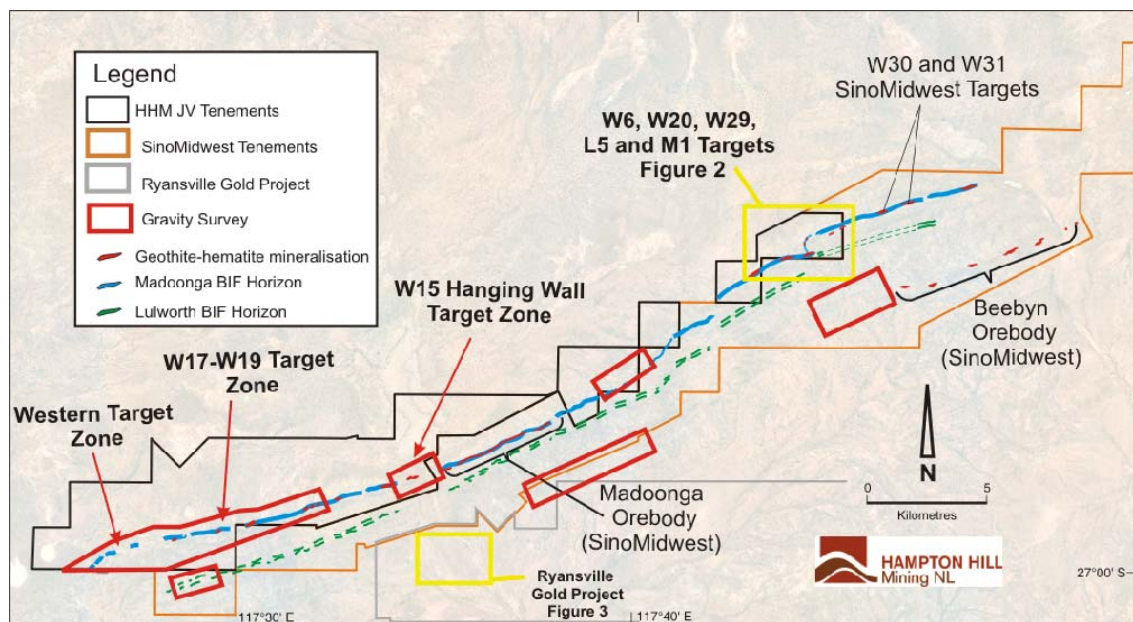
## Exploration Programme

During the quarter, the main joint venture activity involved the review of all past drilling results and targeting activities, the advancing of the geological understanding of the entire HHMJV area with the application of new targeting concepts, and the planning of drill programmes together with the application for the necessary Program of Works.

Exploration going forward will involve a greatly increased rate of RC and diamond drilling with some one hundred and twenty holes testing at least six target zones in the initial plan. Dependant on results, additional drilling may be required at the present target zones and at any further target zones that may be derived from the ongoing geological and geophysical studies.

Extensive mapping is to be continued by SinoMidwest staff in conjunction with a complete project reappraisal for which the University of Western Australian based Centre for Exploration Targeting (CET) has been commissioned. Several target areas have been selected for detailed gravity geophysical surveying and this will aid in the increased effort on new target definition (refer Figure 1).

Figure 1: Weld Range Direct Shipping Ore Project

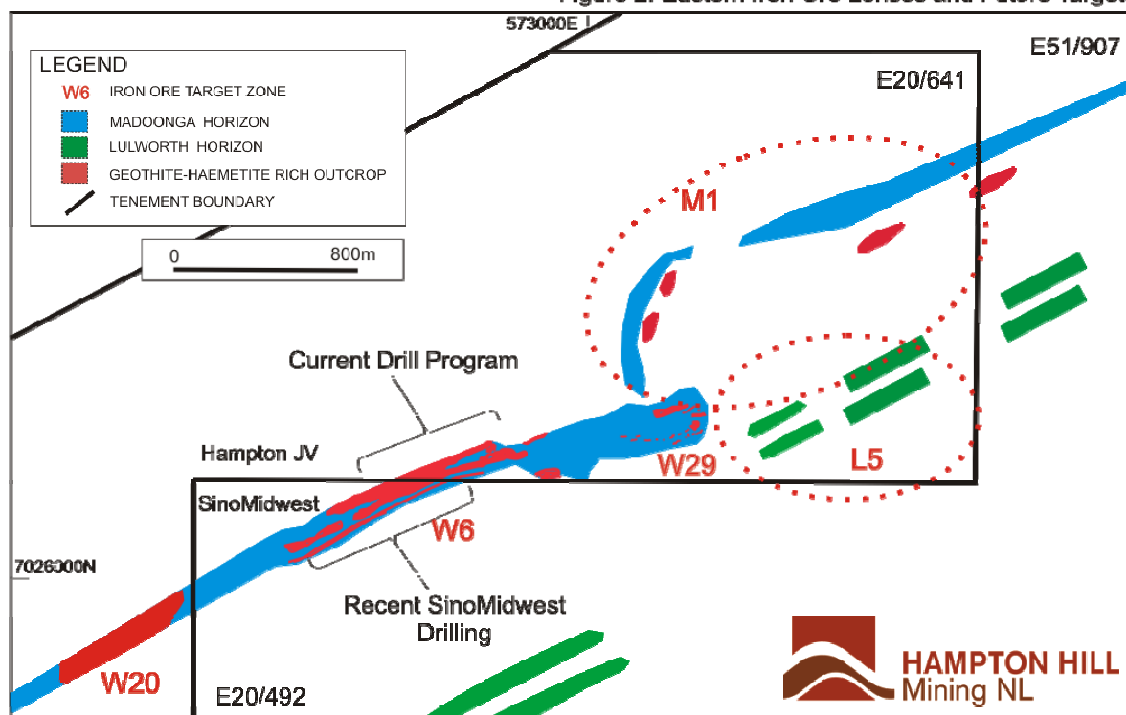


Drilling has now commenced at the W6 East target zone with an initial plan of ten diamond and five RC holes. Previous mapping and surface sampling has indicated that this zone may contain high grade haematite mineralization. These indications have been reinforced by recent drilling just south-west of the HHMJV boundary which included several intersections of over 20 metres of over 60% iron (refer Figure 2).

The next phase of drilling at the W15 target zone will involve drilling of four diamond holes to provide more clarity as to the significance of the W15 Hanging Wall horizon where recent drilling recorded several intersections of over 15 metres of over 58% iron in a locality where there is no outcrop (refer Figure 1).

Field mapping has enhanced the perceived potential of the horizons in the region of the W17 and W19 target zones. A forty hole RC drilling programme is planned and awaits heritage and environmental approvals (refer Figure 1).

Figure 2: Eastern Iron Ore Lenses and Future Targets



Drilling results to date at the W29 target zone have included two intersections of over 40 metres of greater than 55% iron but continuity has yet to be established. Results will be reviewed and a further hole may be drilled to test for northern extensions.

One of the most promising targets within the HJMJV tenements is the W20 target zone where surface sampling over some 700 metres of strike has indicated the presence of substantial widths of haematite returning good grade. Drilling continues to be postponed due to heritage issues (refer Figure 2).

Recent mapping and gravity geophysical surveying has defined new targets, namely the L5 target zone located within the prospective Lulworth horizon and the M1 target zone which lies within the Madoonga horizon between the Madoonga ore deposit, to the west, and the SinoMidwest target zones W30 and 31, to the east. An application for a Permit of Works has been made for a twenty hole programme as an initial test of the L5 target zone and a forty two hole programme at the M1 target zone (refer Figure 2).

One exciting new exploration concept involves a potential fault repetition of the Madoonga horizon at the extreme south western end of the project area. A strike extent of about nine kilometres will be the subject of a detailed gravity geophysical programme designed to delineate buried haematite resources (refer Figure 1).

### Weld Range Non Ferrous Ownership Agreement

Hampton has a separate arrangement with SinoMidwest relating to non-ferrous metals throughout the entire WRDSOP tenement area. Hampton has the right to 100% ownership of any non-ferrous ores mined and will pay a 1.5% net smelter royalty on ores from the SinoMidwest tenements but no royalty in relation to ores on the HJMJV tenements.

Hampton is reviewing new holes drilled by SinoMidwest during the quarter for gold and basemetal potential.

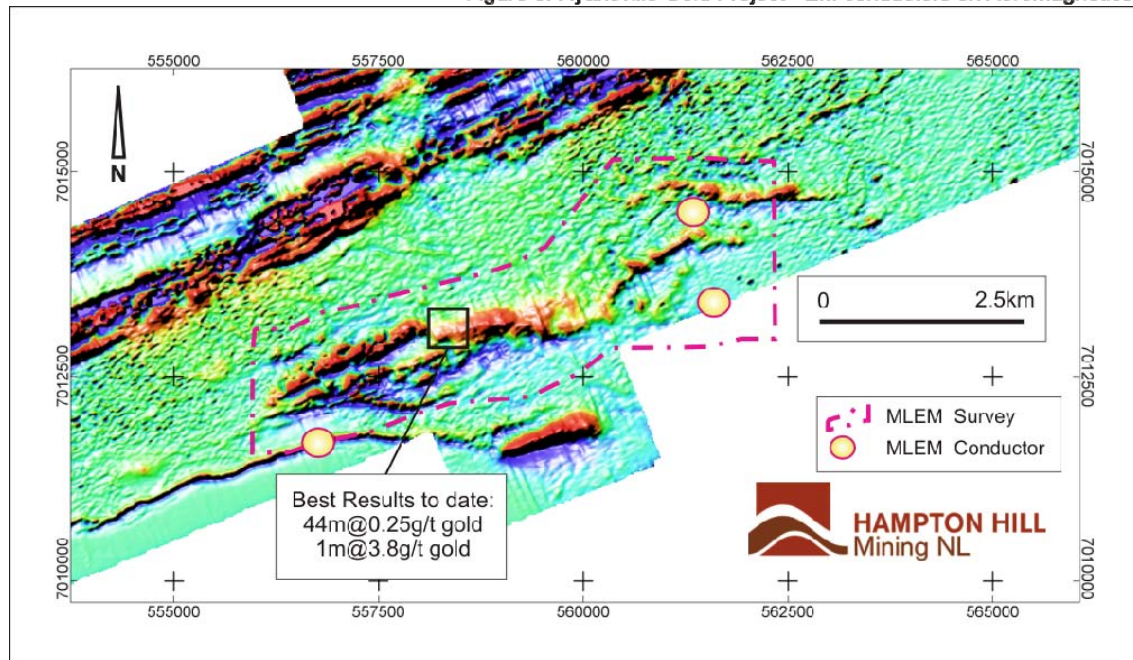
## Ryansville Gold Project

Previous drilling on the Ryansville gold project returned wide zones of strong alteration with anomalous gold mineralisation such as 44 metres averaging 0.25 grams per tonne gold and narrow high grade intercept of 1 metre at 3.8 grams per tonne gold. The central portion of the prospective sequence is hidden beneath approximately 100 metres of recent lake sediments. Hampton is using the banded iron hosted Hill 50 and Bounty gold ore bodies, which are associated with massive sulphides, as models for Ryansville.

During the quarter Hampton conducted a 34.7 kilometre ground based moving loop electromagnetic (MLEM) geophysical survey on 25 lines to detect conductive sulphides which could be associated with gold mineralisation. Anomalies located in this MLEM survey were then more accurately located with a 1.2 kilometre fixed loop electromagnetic survey. Three high category anomalies were located.

Heritage surveying will now be required prior to instigating the drill testing of these priority targets.

Figure 3: Ryansville Gold Project - EM conductors on Aeromagnetics



## Wheatley Base Metal Project

The Wheatley project is located in the south west of Western Australia near Manjimup. Hampton, in joint venture with a subsidiary of Teck Cominco of Canada Inc. (Teck), discovered semi massive base metal sulphides at the Kingsley prospect in earlier exploration. These sulphides are considered to have affinities with volcanic hosted massive sulphide (VMS) deposits.

Hampton is now the manager of the project and can gain total ownership by being the sole contributor of \$1,500,000 of project expenditure prior to 30 June 2011, subject to Teck's right, at any time prior to Hampton giving notice of completing this expenditure, to revert ownership to a 50:50 basis by electing to replace Hampton as sole contributor and contributing three times Hampton's contributions to that date. Teck can then elect to increase its interest to 70% by completing a feasibility study with Hampton then retaining a

30% free carry to a decision to mine. BHP Billiton retains a small royalty in the event of commercial production taking place for a selected number of the tenements.

During the last quarter Hampton undertook additional drilling of four VTEM anomalies considered to have been inadequately tested by earlier drilling. This drilling generally downgraded the targets. However, one zone anomalous in copper and one gold target were confirmed.

Hampton plans follow-up drill testing of these targets subject to drill availability and dry weather required to minimise the risk of spreading dieback disease in the forest.

### **Apollo Hill Gold Project**

The large Apollo Hill gold project straddles 27 kilometres of the Keith Kilkenny structural corridor which is thought to be a major focus for gold mineralisation in the eastern goldfields. The project is situated 40 kilometres southeast of the township of Leonora.

Access to the tenements for exploration has been delayed because of policy changes in the Department of Indigenous Affairs (DIA). During the quarter Hampton engaged a consultant who has been in dialogue with officers from the DIA in order to establish the procedure to gain approval for Hampton's revised drill program. This resulted in DIA approving a much reduced drilling program during the quarter. Hampton intends to approach the aboriginal groups concerned to see if surveys can be undertaken to clear the proposed drill sites.

After access to the tenements has been re-established, Hampton plans to drill five of the regional exploration targets identified by a structural review. In addition Hampton may undertake some deeper testing of the main Apollo Hill prospect.

### **Capricorn Nickel and Zinc Sulphide Project**

Hampton owns 75% of this project situated southeast of the township of Newman in the Pilbara region of Western Australia. The Company has reviewed past exploration data on the nickel sulphide mineralisation and zinc mineralisation and is planning three RC drill holes totalling 900 metres to test for possible along-strike and down-dip extensions of the mineralisation on both these prospects.

Drilling of these holes is scheduled to start early next month.

### **Capricorn Iron Project**

A portion of the Marra Mamba Formation hosted iron deposits of BHP Billiton's Jimblebar Mine are located near to the northern boundary of the Capricorn project. These deposits, which were only discovered in the last few years, are mainly buried under shallow cover. In the north western portion of Hampton's Capricorn project over 17 aeromagnetic anomalies were noted to be in a structurally complex area with only sparse outcrop. Seventeen aircore holes totalling 221 metres were drilled to determine whether these anomalies represent iron rich horizons. The drilling downgraded the potential for iron mineralisation with the anomalies found to be caused by dolerite and granite.

## **Other Projects**

No fieldwork was carried out on the Yillaree nickel sulphide, Weebacarry and Mt Mulcahy gold and base metal and Sylvania uranium projects during the quarter.

Yours faithfully,

Wilson Forte  
Managing Director

### **COMPLIANCE STATEMENT**

*The information in the above report that relates to exploration results has been, reviewed and confirmed as accurate by Mr Wilson Forte who is a member of the AusIMM. Mr Forte is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposits 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". Mr Forte consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.*

# 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

**HAMPTON HILL MINING NL**

ABN

**60 060 628 524**

Quarter ended ("current quarter")

**30 June 2009**

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) Exploration & evaluation	(41)	(505)
(b) Development	-	-
(c) Production	-	-
(d) Administration	(117)	(404)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	36	217
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material): Receipts	13	49
<b>Net Operating Cash Flows</b>	<b>(109)</b>	<b>(643)</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) Payment	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(109)</b>	<b>(643)</b>

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(109)	(643)
<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)	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	<b>(109)</b>	<b>(643)</b>
1.20	Cash at beginning of quarter/year to date	<b>2,496</b>	<b>3,030</b>
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>2,387</b>	<b>2,387</b>

**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	69
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-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

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

**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	<b>Nil</b>	-
3.2 Credit standby arrangements	<b>Nil</b>	-

**Estimated cash outflows for next quarter**

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

**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	<b>41</b>	<b>50</b>
5.2 Deposits at call	<b>146</b>	<b>246</b>
5.3 Bank overdraft	-	-
5.4 Term Deposit	<b>2,200</b>	<b>2,200</b>
5.5 Other (Bank accepted bills)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>2,387</b>	<b>2,496</b>

**Appendix 5B**  
**Mining exploration entity quarterly report**

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**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	<b>None</b>		
6.2	Interests in mining tenements acquired or increased	<b>None</b>		

**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>	<b>130,155,897</b> <b>200,000</b> <b>1,750,000</b> <b>700,000</b>	<b>130,155,897</b>	<b>10 cents</b> <b>20 cents</b> <b>25 cents</b>	Fully Paid Part Paid to 0.1 cent Part Paid to 0.1 cent Part Paid to 0.1 cent
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>			<i>Exercise price</i>	<i>Expiry date</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.

**Peter Rutledge**

Sign here: (Company secretary)

Date: **30 July 2009**

Print name: **Peter Rutledge**

## 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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