



outbackmetals

ASX RELEASE

**For Immediate Release
6th August, 2009**

Revised Quarterly Activity and Cashflow report, June 2009

Outback Metals Limited, at the request of the Australian Securities Exchange would like to announce a revised Quarterly Activity and Cashflow report for the period ended 30 June 2009. This revised copy replaces that released to the market on the 31st July, 2009.

The only change in this revised report is that the words 'Ore Resource' in the competent persons sign-off has been replaced with 'Ore Reserves'. All other parts of this report remain the same as that announced on the 31st July, 2009

Regards,

James Cooper-Jones
Company Secretary



QUARTERLY ACTIVITIES REPORT

For the quarter ended 30 June 2009

HIGHLIGHTS

- Recent mapping and sampling at Mt Wells have indicated extensions at surface to the East and Far West Tin Lodes.
- Outback has commenced a mapping and sampling programme at the Wingates Project
- Outback closed the bid for Queensland Ores Limited (QOL”) with over 20% acceptances
- Outback has A\$1,138,000 in the treasury
- Queensland Ores Limited has repaid the \$600,000 in short term funding made by Outback

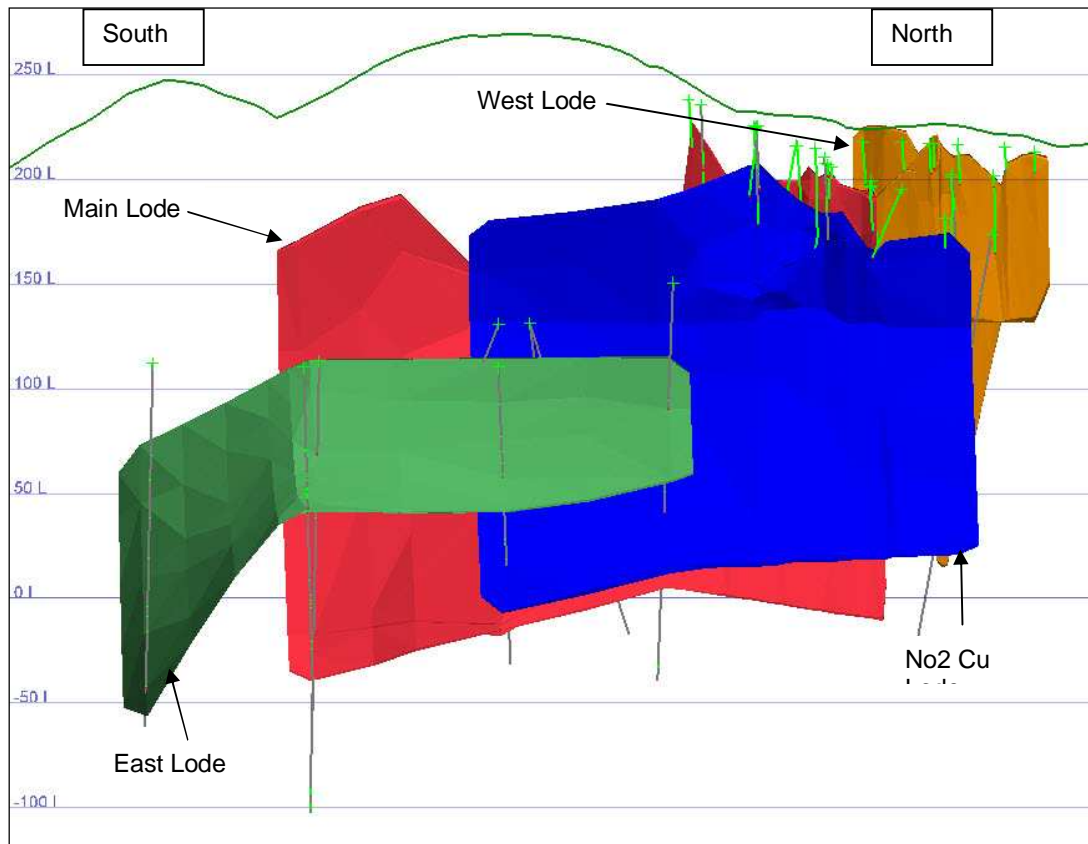


Mt Wells tin and copper project

Outback Metals Limited (ASX: OUM) is pleased to announce that the resource estimation for the Mt Wells project is nearing completion.

OUM has been re-assaying many of the 2008 drilling program samples after earlier assay results from the original laboratory revealed a bias in the results. A review by the laboratory determined that the standard they had been using was unsuitable and as a consequence, affected samples need to be re-assayed. Therefore, as part of OUM's regular QA/QC procedures and to ensure JORC compliance, OUM are sending a number of the samples to another Australian laboratory for re-assaying.

Long Section profile of the Lode Systems at Mt. Wells



The work completed to date has provided OUM with further encouragement in the form of extensions to existing lodes and possible new lodes having been identified that now require further exploration to assess their potential. These new lodes have been evidenced in both the drilling program completed in 2008 and in the recently completed geological mapping and sampling programme. The exposures range from about 150mm to more than 2m in width but they do pinch and swell and strikes are not always consistent with the known lode systems. Possible new veins could be found west of the West Lode while others may be new lodes between the West and Main Lodes. During the recent field programme, twenty-seven rock chip samples of quartz tourmaline vein systems were collected and have now been assayed. The results are further encouragement as they indicate an extension of the East Lode to the north with reported grades of:

Sample number	Weight	Assay result
MW2009 – 13	0.55kg	1.33% Sn
MW2009 – 14	0.81kg	0.44% Sn
MW2009 – 15	0.43kg	1.72% Sn

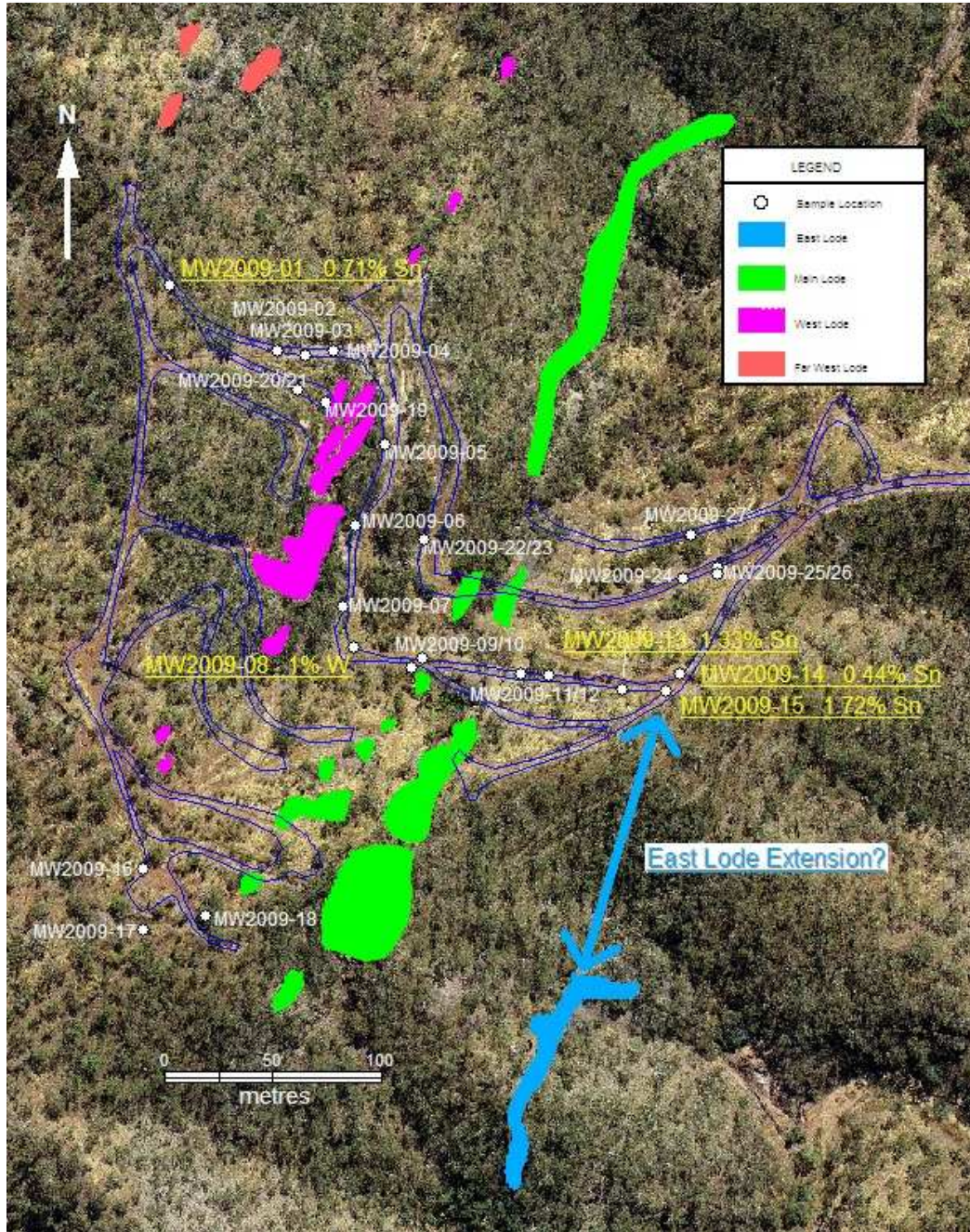
Sample MW2009-01 weighing 0.69kg returned an assay of 0.72% Sn suggesting a continuation of the largely unexplored Far West Lode.

Mt Wells is located on a substantially elevated hill containing en-echelon lodes of tin and copper ore. The elevated nature of the ore bodies should assist in economical disposal of overburden and waste in adjacent valleys for any future open pit operations.

These lodes are essentially tension-fill veins, striking 015-025, dipping 75-85° east and have a strike length up to 1km. The host rocks are siltstone and greywacke of the Burrell Creek Formation, which form a north trending anticline. The width of the individual lodes average 2 metres, (0.5m - 5m), arranged in an en-echelon pattern. Contacts with the host rock are sharp and there is no evidence of displacement or movement. Lode occurring near the contact is brecciated and the branching of lodes into 3 or 4 narrow veins is common.

Cassiterite occurs as single coarse crystals or as aggregates along the hanging wall of most lodes. The coarseness of the tin mineralisation within the quartz lode combined with its erratic distribution contributes to an inherent spotty nature of the mineralisation. This produces a high-nugget effect induced contrast between adjacent lode sample assay results of near zero to several percent tin respectively.

Sample and Sn Lode Locations





Maranboy tin project

The Company continues the negotiation process with the Northern Land Council having received agreement from the Jawoyn people to negotiate an agreement on the application for ELA 10423.

The Company has commenced entering all of the historical data into a database and then loading the data into the Vulcan 3D geological software. This has enabled the company to start the modelling of historical data and better understanding previous exploration work carried out and the geological setting of the known tin results. To date, a total of 84 drill holes have been entered into the digital database and the interpretation of the tin lodes is underway with wire-framing and block modelling to follow.

Wingate uranium and gold project

A field work programme was carried out by Outback's geological team, which commenced on the 26th June 2009. The programme of work involved the use of a Jet Ranger 206B helicopter to provide fast access and low flying abilities in the rugged terrain.

The field programme included the following up of 139 points of interest, comprising:

- Nine gold prospects arising from previous company explorations
- One rare earth elements (REE) prospect arising from previous company explorations
- One uranium prospect arising from previous company explorations
- Forty-seven total count anomalies arising from the 2008 airborne geophysical survey
- Fifty-four uranium anomalies arising from the 2008 airborne geophysical survey
- Twenty-three potassium arising from the 2008 airborne geophysical survey
- Four geological points of interest arising from map studies

Gold Prospects

Six of the nine gold prospects previously investigated by Carpentaria Exploration were inspected on the ground. Three prospects were not investigated by us due to their location in rugged hill country or the lack of access tracks and trenches and quartz exposures.



At most of the prospects quite extensive irregular quartz +/- tourmaline and anhydrite vein systems were observed intruding grey adamellite granite or altered acid volcanics. These vein systems had been previously investigated by shallow excavator trenches and rotary percussion drill holes.

Geological mapping was carried out with representative rock chip sampling being taken for further analysis. Our preliminary investigations at the Terry's A and B Prospects suggested that the siting of previous drilling appeared not to have been located at optimum to intersect the surface exposures. The Terry's A Prospect was the most interesting and promising and this occurs at the far eastern extension of tenement. There is evidence of previous investigations carried out over an east – west zone of about 3-5 kilometres in length.

Rare Earths Elements Prospect

A REE prospect from the NTGS MODAT database is located in the north western part of the tenement and was investigated by Carpentaria Exploration with significant lanthanum and cerium values reported. On ground inspection an excavator trench with dimensions of about 9m x 1.5m was found to expose a moderately extensive and irregular quartz-tourmaline-anhydrite vein system.

Uranium Prospect

An un-named uranium prospect from the NTGS MODAT database is located in the south eastern part of the EL, reportedly found about 1970 with the occurrence uranium minerals in pegmatite. Low level over-flights and circuits were made but no significant radioactivity or evidence of old workings or investigations were found.

Radioactive (TC, U and K) Anomalies

Most of these occur in north east trending linear swathes and with an apparent relationship to the Chilling Sandstone/Noltenius Formation unconformity. They were investigated by helicopter over-flights and circuits at 30-50m above ground and at about 50kts using two onboard total count scintillometers.

A large group of anomalies in the eastern appendage of the EL was initially thought to be significant because of their apparent close relationship with the Chilling Sandstone unconformity. The anomalism was found to be mostly weak and located in very rugged hill country with good exposures. The Chilling sandstone unconformity was observed to be moderately to steeply dipping which is often thought to be unfavourable for unconformity related uranium mineralisation. This situation also prevailed in the central part of the EL.



However three anomalies of moderate radioactive intensity were located in the south east, central and western parts of the EL in highly weathered schist, and acid volcanic rocks. Ground reconnaissance showed moderately intense “hot spots” which were sampled by shallow hand dug pits.

DALY RIVER

The objective was to investigate a line of radiometric anomalies with mixed uranium and thorium source properties found by a previous NT Government survey located in sediments of the Paleoproterozoic Noltenius Formation following close to the unconformity with the overlying Neoproterozoic Tolmer Group. Accordingly a flight was made at 30-40m altitude and at about 50kts from Mount Nancar in the south to the Mount Thomas area in the north. Several weak total count radiometric anomalies were detected but these were not considered to be worthy of ground follow-up.

Corporate

At the end of the quarter Outback had A\$1,138,000 in the treasury and the monthly cash burn rate has been significantly reduced through cost cutting measures implemented.

During the period Queensland Ores Limited repaid the \$600,000 short term funding plus interest previously provided by Outback. Interest on this funding was calculated at 6% p/a and equated to \$11,194.

In the past quarter Outback closed its off-market scrip offer for Queensland Ores Limited (“ASX – QOL”) having received acceptances of 49,627,078 QOL shares or 22.47% of QOL and then issuing 12,084,381 fully paid ordinary Outback shares. Metallica Minerals (“ASX – MLM”) launched a competing bid for QOL and given Outback had no interest in holding a minority holding in QOL, Outback accepted the MLM offer and received 2,253,985 MLM shares for its QOL shares. The value of this holding at the given share price of MLM on Thursday, 30 July 2009 at 29.5 cents equates to an implied value of \$664,925.



outbackmetals

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About Outback Metals Limited

Outback Metals holds 7 granted exploration tenements totalling over 1,600km² and 10 applications for exploration licences for over 2,000km². The company also has 40 mining leases and mining claims, where previous miners have mined and produced saleable metal in the form of concentrate. Its primary target is tin with secondary targets including gold, uranium and copper.

Outback Metals' objective is to reach production by 2010 from two advanced projects, Mt Wells and Maranboy, both with a history of small scale mining over many years. These projects have excellent access to infrastructure including bitumen and all weather roads, rail, power, water and gas.

The immediate priorities are to commence drilling with a view to estimating resources at both projects and to commence a scoping and final feasibility study.

For more information please visit the website at: www.outbackmetals.com

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. William Fraser, who is a Fellow of The Australasian Institute of Mining and Metallurgy and is certified as a Chartered Professional (Geology). Mr. William Fraser is employed by W J Fraser and Associates Pty Ltd. Mr. Fraser has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr. Fraser consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

OUTBACK METALS LIMITED

ABN

74 126 797 573

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 and evaluation (b) development (c) production (d) administration	(63) - - (150)	(1,392) - - (1,188)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	23	112
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Release of Bank Guarantee)	-	150
Net Operating Cash Flows	(190)	(2,318)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c)other fixed assets	- - -	- (6) (61)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	- - -	- - -
1.10 Loans to other entities	-	(600)
1.11 Loans repaid by other entities	600	600
1.12 Other (Costs related to Take Over Bid)	(170)	(170)
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	430	(237)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	240	(2,555)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	2,243
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	200
1.17	Repayment of borrowings	-	(440)
1.18	Dividends paid	-	-
1.19	Other Costs to issue share	-	(572)
	Net financing cash flows	-	1,431
	Net increase (decrease) in cash held	240	(1,124)
1.20	Cash at beginning of quarter/year to date	898	2,262
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,138	1,138

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

1.25 Explanation necessary for an understanding of the transactions

Nil

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

Nil

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

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	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	125
4.2 Development	Nil
Total	125

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	1,138	98
5.2 Deposits at call		800
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,138	898

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 Interests in mining tenements acquired or increased	EL 26961	Exploration Licence	0	100%
	EL 26962	Exploration Licence	0	100%
	EL 26963	Exploration Licence	0	100%
	EL 27002	Exploration Licence	0	100%
	EL 27040	Exploration Licence	0	100%
	EL 27041	Exploration Licence	0	100%
	EL 27042	Exploration Licence	0	100%
	EL 27043	Exploration Licence	0	100%
	EL 26989	Exploration Licence	0	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	166,377,883	48,565,608		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	12,084,381	12,084,381		
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>	11,146,750 7,000,000	11,146,750 -	<i>Exercise price</i> \$0.30 \$0.30	<i>Expiry date</i> 17/12/2010 27/08/2011
7.8 Issued during quarter				
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 give a true and fair view of the matters disclosed.



Sign here:

Date: 31 July, 2009

Company secretary

Print name: James Cooper-Jones

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.