



QUARTERLY REPORT

September 2008

Highlights

Exploration

- A miniRAB soil geochemical program has been completed at the Yundamindera Project. The existing gold-in-vacuum soil anomalies have been extended and several remain open along strike and require further definition. This sampling programme has continued to highlight the gold prospectivity of the previously poorly explored Danjo Granodiorite, which is located to the immediate north of the Yundamindera and Pennyweight Point gold mining centres in the eastern parts of the Eastern Goldfields region.

Corporate

- Cash on hand \$2.99M as at 30 September 2008;
- Issued Capital: 30M ordinary shares.

ASX Code: ACZ

Enquiries regarding this report can be directed to:

Peter McIntyre (Director) or Peter Ironside (Co Secretary)



Overview

Exploration

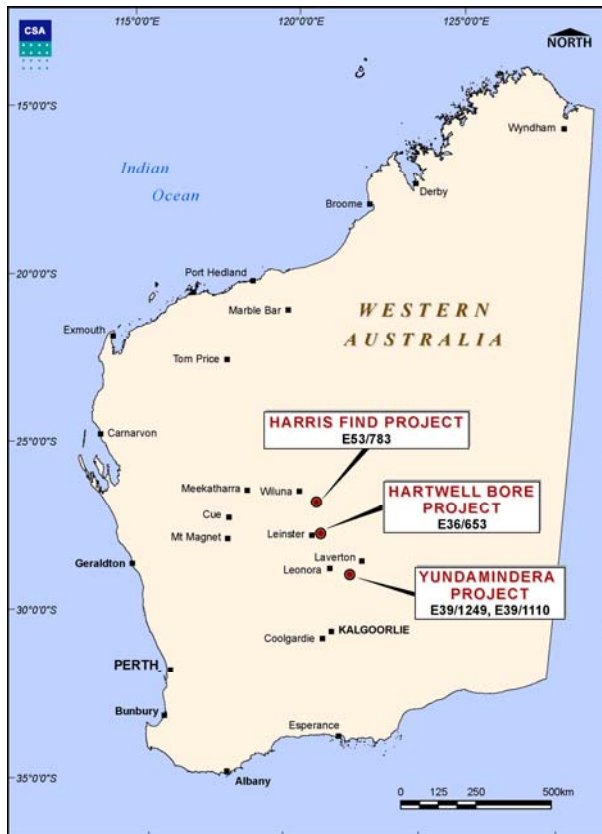


Figure 1 Project Locations

Yundamindera Project (Atticus earning 80%)

The Yundamindera gold project is located in the Eastern Goldfields Province (EGP) of the Yilgarn Craton, 685 kilometres northeast of Perth and 205 kilometres north-northeast of Kalgoorlie. The project comprises two granted exploration licences and several prospecting licence applications, which are located adjacent to the historic mining centre of Yundamindera. Previous gold exploration programs have been carried out in the area by a number of operators, who have identified several areas of coherent gold anomalism (>50ppb Au & >100ppb Au) in soil and water sampling and RAB/aircore and vacuum drilling programs. All of these anomalies require follow-up work.

miniRAB Soil Geochemical Sampling

During the quarter, a miniRAB soil geochemical program was completed to provide further definition of the existing vacuum soil anomalies in

the central and eastern parts of the project area (Figure 2). Sampling was generally conducted on a 200x100m spaced grid using a Land Cruiser-mounted miniRAB drill rig and, where present, the pedogenic carbonate horizon was the preferred sample medium. This regolith unit was widespread across the sampled area but its depth varied from 3-4m to 8-9m below surface, which required close supervision of the sampling program. Where the pedogenic carbonate horizon was not present, a base-of-hardpan sample or an interface sample between clearly transported and in-situ regolith was collected. This is a similar sampling methodology used by the previous vacuum soil sampling, which generated the original gold-in-soil anomalies.



A total of 211 miniRAB soil samples were collected during the program and were submitted for the following analyses:

Au - aqua regia digest/low level AAS determination (1ppb Au detection limit)

As (10ppm), **Ag** (0.1ppm), **Bi** (2ppm), **Pb** (1ppm), **Zn** (1ppm), **Te** (2ppm) & **Mo** (2ppm) - aqua regia digest/standard AAS determinations (detection limits in brackets).

Results have been returned and assessed and indicate that the previous vacuum soil anomalies form coherent gold anomalies at the >20ppb Au and >30ppb Au contour level. At least three of these anomalies and/or trends remain open along strike and will require further sampling to determine their extent and tenor. The sampling has also identified several well defined trends that have not been extensively covered by the past and recent sampling. Further definition of these trends is also required to identify, where present, further anomalism and targets for deeper drill testing. There were no significant results from the multi-element analyses.

Four main gold-in-vacuum/gold-in-miniRAB soil anomalies have been identified to date and are shown on Figure 2. These are:

- The **MUR1 anomaly** is at this stage the northern-most anomaly and does not appear to be on a particular trend, although further regional sampling may indicate otherwise. This anomaly is well defined at the >20ppb Au and >30ppb Au level, with a peak value to date of 51.4ppb Au. The anomaly is open to the south and further sampling is a priority in this area to define the extent of the anomalism. Only one line of widely spaced (100-400m) RAB/aircore holes has previously tested this anomaly and has generated results up to 2m @ 0.52ppm Au (MUR1).
- The **Mulga West** and **Mulga East anomalies** are two sub-parallel anomalies located to the southeast of the MUR1 anomaly and appear to be located on well defined northeast – southwest anomalous trends, which are possibly structurally controlled. Both anomalies are defined by >20ppb Au and >30ppb Au values and both have peak values above 50ppb Au. The Mulga East anomaly is approximately 1.5km long and is partly open to the southwest. The Mulga West anomaly is

approximately 1.1km long and is probably closed off but both anomalous trends require better definition, particularly to the southwest. The Mulga West and Mulga East anomalies have been previously tested by only two very widely spaced (800m) RAB/aircore lines, which generated several anomalous drill intercepts above 100ppb Au. This drilling was completed prior to knowing the extent and orientation of the anomalies and the drilling appears to have tested the northern and southern extremities of the anomalies rather than the central portions.

- The **Fenceline anomaly** is located approximately 3.5km to the southwest of the Mulga West anomaly and may be on the same trend. At this stage this anomaly is relatively small but is open to the northwest and further sampling is required in this area. There is no previous drilling in the area.

Comment on vacuum sampling v/s miniRAB sampling:

While it appears that both vacuum and miniRAB sampling are effective regional exploration tools, which are suitable for the project and surrounding areas, inspection of the available data, suggests that the vacuum sampling is generating slightly higher values than the miniRAB sampling. Within the anomalies, the vacuum sampling has generated anomalism at the >30ppb Au and >50ppb Au levels, compared to the >20ppb Au and >30ppb Au results from the miniRAB sampling. This is interpreted to be predominantly due to the two sampling techniques.

Vacuum sampling provides the sampler the ability to be very specific in which part of the regolith profile should be selected for sample collection, while the miniRAB technique tends to generate samples, which are more of a composite of individual metres and consequently sometimes a composite of regolith types. This means that miniRAB sampling cannot always be very specific about which part of the regolith horizon is sampled and also allows a greater chance of contamination from unwanted parts of the profile. The end result is that the targeted pedogenic carbonate samples from the miniRAB sampling may have been diluted by the unwanted regolith resulting in a slightly lower result than the vacuum sample, which is much less likely to have contamination and therefore dilution problems.

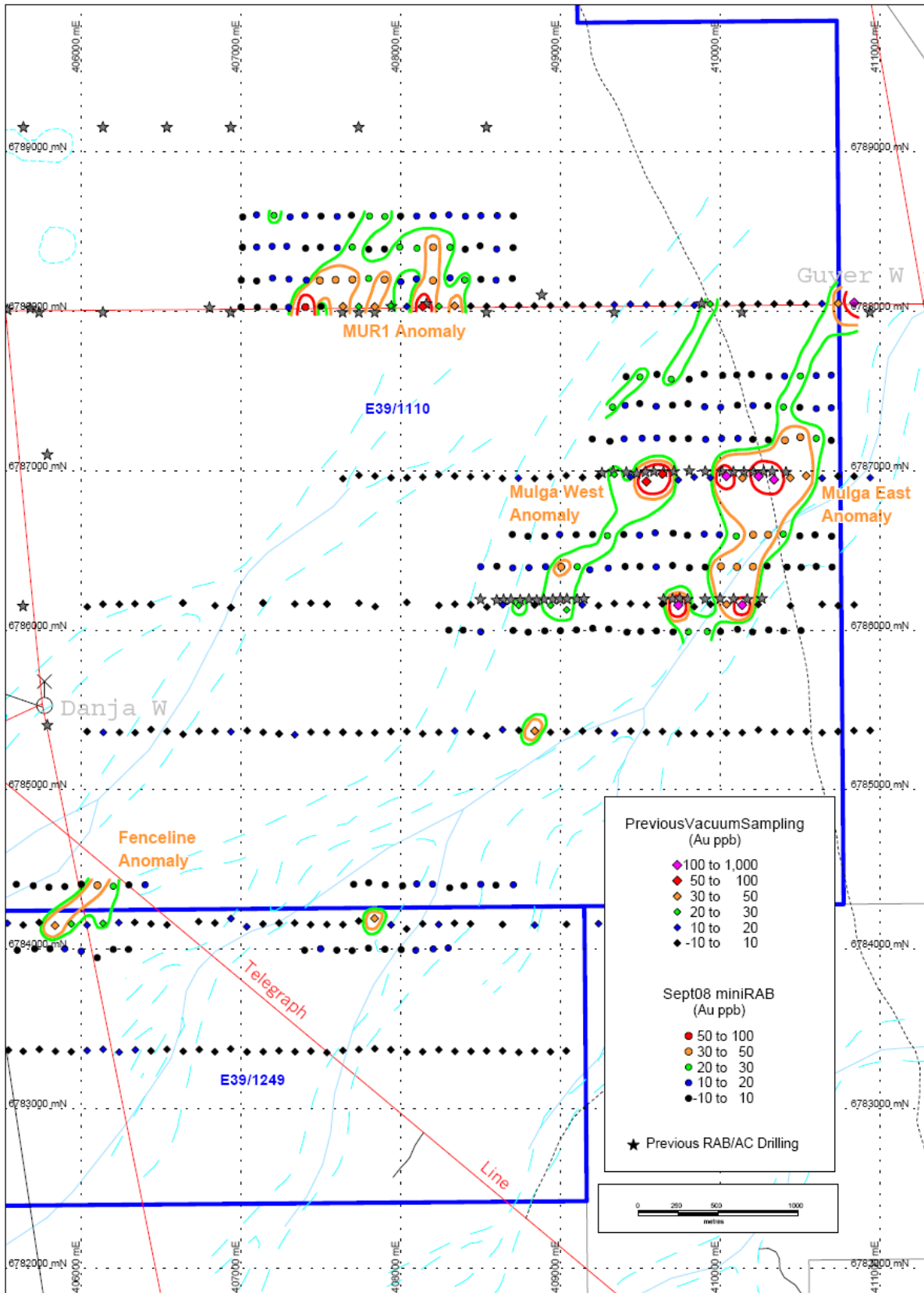


Figure 2 - miniRAB Sampling Showing Previous Vacuum Sampling & Previous RAB/Aircore Drilling



In summary, when comparing the results from the two techniques, the slightly lower values from the miniRAB sampling are likely to be as important and as significant as the slightly higher results from the vacuum sampling. Identifying which sampling technique has been used and where, is therefore an important part of interpreting such datasets.

Proposed Work For Next Quarter:

- Complete further assessment and compilation of the miniRAB soil sample results and plan further sampling to better define the existing anomalies.
- Complete annual statutory technical reporting.

Harris Find Project

(Atticus 100%)

The Harris Find gold project is located in the northern parts of the Eastern Goldfields Province (EGP) of the Yilgarn Craton, 750 kilometres northeast of Perth and 65 kilometres east-southeast of Wiluna. The project comprises one granted exploration licence and two granted prospecting licences. The exploration licence covers the historical gold workings at Harris Find (also known as Harris Reward). Previous gold exploration programs have been carried out in the area by a number of operators in a disjointed manner. A more systematic approach is required to identify the prospectivity of this project area.

During the quarter, a statutory 50% reduction of E53/783 was completed. The areas considered to be most prospective for further gold mineralisation have been retained and will be the focus of further work in due course.

Proposed Work For Next Quarter:

- Plan individual programmes over targets as necessary.

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Greg Jorgensen, a self-employed, Kalgoorlie-based Consulting Exploration Geologist, who is a Member of The Australian Institute of Geoscientists. Mr Jorgensen has sufficient experience, which is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 Edition of The JORC Code. Mr Jorgensen consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Further Disclosure

Mr Jorgensen is a Director of BrilliantGold Pty Ltd, an unlisted, Kalgoorlie-based mineral exploration company, which currently holds 100% of the Yundamindera Project. Atticus Resources Ltd is currently earning an 80% interest in this project.

Hartwell Bore Project

(Atticus 100%)

The Hartwell Bore gold project is located in the northern parts of the Eastern Goldfields Province (EGP) of the Yilgarn Craton, 575 kilometres northeast of Perth and 32 kilometres east-northeast of Leinster. The single tenement, E36/653, covers an Archaean greenstone sequence at the western margin of the southern Yandal greenstone belt, however, most of the area is covered by more recent transported sediments and other regolith. Previous exploration, including drilling, has identified at least two gold prospects that require further exploration.

It is anticipated that E35/653 will be granted in the near future, at which point exploration can commence. Early stage work will involve acquisition and assessment of regional geophysical data sets, a detailed prospectivity review and a heritage survey.

Atticus Resources Limited

Geoff Donohue
Chairman

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

Atticus Resources Limited

ABN

34 124 782 038

Quarter ended ("current quarter")

30 September 2008

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 | (14) | (14) |
| (b) development | - | - |
| (c) production | - | - |
| (d) administration | (70) | (70) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 55 | 55 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Other | | |
| - GST Refunds | 3 | 3 |
| Net Operating Cash Flows | (26) | (26) |
| Cash flows related to investing activities | | |
| 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) | - | - |
| Net investing cash flows | - | - |
| 1.13 Total operating and investing cash flows (carried forward) | (26) | (26) |

+ See chapter 19 for defined terms.

| | | | |
|---|---|-------|-------|
| 1.13 | Total operating and investing cash flows (brought forward) | (26) | (26) |
| Cash flows related to financing activities | | | |
| 1.14 | Proceeds from issues of shares, options, etc (net of costs) | - | - |
| 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 | - | - |
| | Net increase (decrease) in cash held | (26) | (26) |
| 1.20 | Cash at beginning of quarter/year to date | 3,021 | 3,021 |
| | Less deposit included in cash in previous quarter | - | |
| 1.21 | Exchange rate adjustments to item 1.20 | - | |
| 1.22 | Cash at end of quarter | 2,995 | 2,995 |

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 | 30 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

- payments to related parties for company secretarial services; and
- payment of directors fees.

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

N/A

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

N/A

+ 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 | - | - |
| 3.2 Credit standby arrangements | - | - |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|---------|
| 4.1 Exploration and evaluation | 200 |
| 4.2 Development | - |
| Total | 200 |

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 | 195 | 3,021 |
| 5.2 Deposits at call | 2,800 | - |
| 5.3 Bank overdraft | - | - |
| 5.4 Other | - | - |
| Total: cash at end of quarter (item 1.22) ⁽¹⁾ | 2,995 | 3,021 |

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 | See attached Schedule of Tenements | | |
| 6.2 | Interests in mining tenements acquired or increased | | | |

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

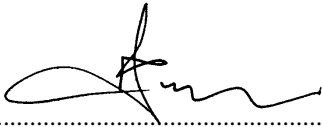
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | 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 | 30,000,000 | 20,437,600 | | Fully paid |
| 7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs | | | | |
| 7.5 +Convertible debt securities <i>(description)</i> | | | Conversion Price | Maturity Date |
| 7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | | | | |
| 7.7 Options <i>(description and conversion factor)</i> | 29,400,000 | 20,437,600 | <i>Exercise price</i> \$0.20 | <i>Expiry date</i> 30 September 2012 |
| 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 ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:  Date: 31 October 2008
(Director/Company secretary)

Print name: PETER R IRONSIDE

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.

Atticus Resources Limited

ABN 34 124 782 038

**Notes to and forming part of Appendix 5B
Mining exploration entity quarterly report as at 30 September 2008**

Note 1 – Mining Tenement Schedule

WEST AUSTRALIAN TENEMENTS

1. Harris Find – APG Resources 100%

| Tenement | Registered Holder or Applicant | Shares |
|----------|--------------------------------|------------|
| E53/783 | APG Resources Pty Ltd | 100/100ths |
| P53/1241 | APG Resources Pty Ltd | 100/100ths |
| P53/1242 | APG Resources Pty Ltd | 100/100ths |

2. Hartwell Bore – APG Resources 100%

| Tenement | Registered Holder or Applicant | Shares |
|-----------|--------------------------------|------------|
| ELA36/653 | APG Resources Pty Ltd | 100/100ths |

3. Yundamindera Joint Venture – Earning 80%

| Tenement | Registered Holder or Applicant | Shares |
|----------|--------------------------------|------------|
| E39/1110 | BrilliantGold Pty Ltd | 100/100ths |
| E39/1249 | BrilliantGold Pty Ltd | 100/100ths |

4. Yundamindera – APG Resources 100%

| Tenement | Registered Holder or Applicant | Shares |
|-------------|--------------------------------|------------|
| PLA 39/4920 | APG Resources Pty Ltd | 100/100ths |
| PLA 39/4921 | APG Resources Pty Ltd | 100/100ths |
| PLA 39/4922 | APG Resources Pty Ltd | 100/100ths |
| PLA 39/4923 | APG Resources Pty Ltd | 100/100ths |
| PLA 39/4924 | APG Resources Pty Ltd | 100/100ths |
| PLA 39/4925 | APG Resources Pty Ltd | 100/100ths |
| PLA 39/4926 | APG Resources Pty Ltd | 100/100ths |
| PLA 39/4927 | APG Resources Pty Ltd | 100/100ths |
| PLA 39/4928 | APG Resources Pty Ltd | 100/100ths |

+ See chapter 19 for defined terms.