

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

NORTHERN ENERGY CORPORATION LIMITED
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ACN or ARBN

081 244 395

Quarter ended ("current quarter")

31 December 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors - other income	2	5
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) other minesite costs (e) administration (f) goods and services tax	(1,230) - - - (124) (74)	(2,129) - - - (323) (11)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	112	199
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(1,315)	(2,261)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - (3)	- - (56)
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 - Joint Venture funding for projects - Tenement Security Deposits	225 (35)	225 (23)
Net investing cash flows	187	146
1.13 Total operating and investing cash flows (carried forward)	(1,128)	(2,115)

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(1,128)	(2,115)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares and call payments.	18	18
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings		
	- Convertible Note Subscriptions	-	-
	- Other loans	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - Payment of finance lease principal	(2)	(4)
	- Securities issue costs	-	-
	Net financing cash flows	16	14
	Net increase (decrease) in cash held	(1,112)	(2,101)
1.20	Cash at beginning of quarter/year to date	6,158	7,147
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	5,046	6,158

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	88
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Director remuneration and 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	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

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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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	600
4.2 Development	-
Total	600

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	385	602
5.2 Deposits at call	4,661	5,556
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	5,046	6,158

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	EPC 1171	Tenements granted in the period	0	100%
	EPC 1082		0	100%
	EPC 1169		0	100%
	ELA 3220		0	100%
	ELA 3221		0	100%
	ELA 3222		0	100%

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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.

	Number issued	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>	nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities - fully paid	67,312,324	67,312,324		
7.4 Changes during quarter (a) Increases through option exercise Fully Paid	60,000	60,000	30 cents	
7.5 +Convertible debt securities <i>(description)</i>	nil			
7.6 Changes during quarter (c) Increases through issues (d) Decreases through returns of capital, buy-backs, redemptions				
7.7 Options <i>(description and conversion factor)</i> Broker Options Broker Options Director Options Director Options	500,000 500,000 2,000,000 1,000,000		<i>Exercise price</i> 25 cents 30 cents 25 cents 30 cents	<i>Expiry date</i> 01/02/08 01/02/08 01/02/08 01/02/08
7.8 Issued during quarter Employee Options				
7.9 Exercised during quarter Employee Options	60,000		30 cents	1/2/08
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>	nil			
7.12 Unsecured notes <i>(totals only)</i>	nil			

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