

WASHINGTON RESOURCES LIMITED (ASX: WRL)

QUARTERLY REPORT 31 MARCH 2009

HIGHLIGHTS

- **REVISED EXPLORATION EXPENDITURE STRATEGY IMPLEMENTED TO CONSERVE CASH**
 - **ACQUISITION OPPORTUNITIES BEING PURSUED**
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FUTURE EXPLORATION EXPENDITURE STRATEGY IMPLEMENTED

Following previous announcements, the Board has now implemented a revised exploration expenditure strategy, in light of the economic turmoil affecting world stock markets and the financial sector generally.

The Board has adopted a general strategy of preserving capital during the current economic downturn, both in the interests of protecting shareholder value and in order to maximize cash available to the Company for potential future strategic acquisitions.

In line with this strategy, the Board has reviewed the Company's portfolio of tenements and its exploration expenditure commitments over the coming 12 months and has resolved to surrender certain non-core tenements, which will result in a cash injection into the Company of approximately \$55,000. In addition to this the Company has reduced its exploration activities for the time being to a level consistent with applicable minimum statutory and contractual requirements (including in relation to its joint ventures with Northern Uranium Limited and Reedy Lagoon Corporation Limited).

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ACQUISITION OPPORTUNITIES BEING PURSUED

The Company is continuing to search for and assess suitable acquisition opportunities that would add substantial value for Washington shareholders, particularly if and when economic conditions stabilize and improve. Significant progress has been made in this area, with a number of potential projects and corporate opportunities having been reviewed to date. The Company is presently actively considering a number of opportunities and the directors look forward to being able to report further to shareholders in this regard.

For further information please contact:

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Washington Resources Limited
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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

Washington Resources Limited

ABN

58 097 532 137

Quarter ended ("current quarter")

31 March 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation	(60)	(105)
(b) development		
(c) production	(209)	(751)
(d) administration		
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	18	99
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(251)	(757)
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		(146)
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)	(251)	(903)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(251)	(903)
	Cash flows related to financing activities		
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)		
	Net financing cash flows		
	Net increase (decrease) in cash held	(251)	(903)
1.20	Cash at beginning of quarter/year to date	2,287	2,939
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,036	2,036

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	85
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 relates to Directors Remuneration, Fees and Superannuation Contributions.

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

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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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+ 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	20
4.2 Development	
Total	20

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	2,036	2,287
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,036	2,287

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	E70/2579	Holder	80%	0%
	E70/2718	Holder	100%	0%
	E70/3056	Holder	100%	0%
	E70/3284	Applicant	100%	0%
	E70/3285	Applicant	100%	0%
	E70/3286	Applicant	100%	0%
	E70/3287	Applicant	100%	0%
	E70/3288	Applicant	100%	0%
	E70/3289	Applicant	100%	0%
	E70/3290	Applicant	100%	0%
	E70/3371	Applicant	100%	0%
	E70/3375	Applicant	100%	0%
	E70/3376	Applicant	100%	0%
	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.

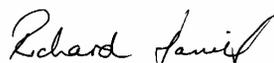
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities				
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>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <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 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: 28 April 2009

Print name: Richard Jarvis
Director

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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