

30 October 2009

Company Announcements Office
Australian Stock Exchange Ltd

**FIRST QUARTER ACTIVITIES AND CASH FLOW REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

Highlights

- JV partner Independence Group NL identify 3.5 km long gold and base metal anomaly at Club Terrace
- Completion of Placement and Entitlements Issue raised about \$1,045,000 before costs

Club Terrace Joint Venture (IGO option to earn 70% - gold, base metals)

As announced to ASX on 12 June 2009, Independence Group NL (IGO) entered into an option agreement with Oroya to explore the Club Terrace project in eastern Victoria.

Under the option arrangement, IGO will fund exploration to a minimum of \$70,000 within an initial one year period. During this period IGO may elect to earn a 70% interest by spending an additional \$1.5 million within 3 years. After earning a 70% interest, IGO will free carry Oroya for a 30% interest to completion of a bankable feasibility study, with standard dilution clauses applying.

The initial focus of exploration is the Buldah North Prospect where the target is a structurally controlled, intrusive related, large tonnage, disseminated gold and/or base metal deposit.

Previous regional geochemical exploration by Oroya identified, within an area of 5 kilometres by 3 kilometres, anomalous gold and base metals in stream sediment, soil and rock chip samples. Geochemical anomalism appears to be associated with a prominent aeromagnetic anomaly situated within silicified, sheared and faulted Ordovician turbiditic metasediments.

An initial program of systematic follow-up soil sampling was completed by IGO in July and identified two anomalous areas. The first and most significant was a northeast trending gold plus base metals anomaly that stretches across the grid for almost 3.5 kilometres and is coincident with a northeast trending magnetic feature. The second area comprised low level gold and semi-coincident Molybdenum plus Antimony anomalism. Rock samples collected as part of this program returned elevated base metal values including up to 4,354 ppm Lead.

A second phase of detailed follow-up soil sampling was completed in September to infill and extend sampling around the anomalous areas defined in the previous phase. Field observations during this program suggest that the magnetic anomaly is due to the presence of a fine to medium grained dioritic intrusive. Assay results from this program are awaited.

Fund Raising

As previously announced to ASX, Oroya completed a combined placement and Rights Issue during the quarter, raising about \$1,045,000 before costs.

The funds raised from the placement and the Rights Issue are being used to continue the evaluation of the Company's exploration projects in New South Wales, Victoria and Western Australia.

Roe Hills Project (Oroya 100% - nickel, gold)

Following the withdrawal of Vale Inco from the project in the last quarter, Oroya commenced the compilation and review of the Roe Hills database which includes: aeromagnetic surveys, electromagnetic surveys, regional geochemistry, reverse circulation and diamond drill data and geological mapping. Company geologists consider the project under explored but very prospective for Kambalda-style nickel deposits. Three exploration licence applications by Oroya lie along strike and adjacent to the existing Exploration Licence at Roe Hills and are expected to be granted early in 2010.

Ballarat North Gold Joint Venture (Oroya 100% - gold)

Range River Gold Limited (Range) advised today that they are withdrawing from the Ballarat North Gold joint venture but will continue their work on the Beaufort Gold Project.

No results were reported for the quarter; however, approval was recently received from the Department of Primary Industries in Victoria for a Ground Intrusive Work Plan for drill testing. Oroya will now review the database before commencing any further work on the project.

Beaufort Gold Joint Venture (Oroya 25% free-carried interest)

Beaufort Gold Project is a joint venture with Range River Gold Ltd. No results were reported for the quarter; however, approval is pending on a Ground Intrusive Work Plan for drill testing which has been lodged with the Department of Primary Industries in Victoria.

Ken Lim
Chairman

DECLARATION OF COMPETENCY

The information in this report that relates to Exploration results is based on information compiled by Mr Timothy Carter, a member of the Australasian Institute of Mining and Metallurgy and a full time employee of Oroya Mining Limited. Mr Carter 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 the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Carter 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

Oroya Mining Limited

ABN

16 009 146 794

Quarter ended ("current quarter")

30.09.2009

Consolidated statement of cash flows

		Current quarter	Year to date
		\$A'000	(3 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	(65)	(65)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(253)	(253)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	5	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
Net Operating Cash Flows		(313)	(313)
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 – Deposit refunded	-	-
	- Deposit paid	-	-
	- Funds deposited for performance bonds	-	-
Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)	(313)	(313)

1.13	Total operating and investing cash flows (brought forward)	(313)	(313)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,049	1,049
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—expenses related to issue of shares	(94)	(94)
	-funds deposited for performance bonds	-	-
	-funds received for performance bonds deposit	-	-
	-payments for rental bond monies	-	-
	-share application monies received during last quarter now allocated to proceeds	-	-
	Net financing cash flows	955	955
	Net increase (decrease) in cash held	642	642
1.20	Cash at beginning of quarter/year to date	264	264
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter **	906	906

** Excludes \$140,000 held on deposit with a bank as security against Performance Bonds lodged with the Minister of Mineral Resources in New South Wales.

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	206
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 being salaries paid to working directors and entitlement payments paid to directors resigned during the quarter.

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.

	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	45	85
5.2 Deposits at call	861	179
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22) **	906	264

** Excludes \$140,000 held on deposit with a bank as security against Performance Bonds lodged with the Minister of Mineral Resources in New South Wales.

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	Nil			
6.2 Interests in mining tenements acquired or increased	Nil			

EA = Exploration Licence Application

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	874,042,136	874,042,136		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	418,055,388 Nil	418,055,388 Nil		
7.5 +Convertible debt securities <i>(description)</i>	Nil	Nil		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil	Nil		
7.7 Options <i>(description and conversion factor)</i>	251,584,772 10,000,000 ¹	251,584,772 Nil	<i>Exercise price</i> \$0.008 \$0.050	<i>Expiry date</i> 01-12-11 30-11-09
7.8 Issued during quarter	174,795,024	174,795,024	\$0.008	01-12-11
7.9 Exercised during quarter	67,536	67,536	\$0.008	01-12-11
7.10 Expired during quarter	48,693,809	48,693,809	\$0.045	31-07-09
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

¹ Unlisted employee share options.

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: 30 October 2009
(Director/~~Company secretary~~)

Print name: T J Carter

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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