

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments



ASF GROUP LIMITED
ACN 008 924 570
Bennelong
2/3B Macquarie Street
Sydney, NSW 2000, Australia
Telephone: (61 2) 9251 9088
Facsimile: (61 2) 9251 9066
www.asfgroupltd.com

31 October 2008

The Manager
Company Announcements
Australian Stock Exchange
20 Bridge Street
Sydney 2000
Via: www.asx.online.com

APPENDIX 4C AND QUARTERLY ACTIVITIES REPORT

ASF Group Limited (**ASX Code AFA**) is pleased to release its Appendix 4C for the quarter ended 30 September 2008.

The Company also reports on the exploration activities of its wholly owned subsidiary, ASF Resources Pty Limited.

Western Australia

During the quarter, further analysis was undertaken of the coal potential of the Company's exploration tenements in the Canning Basin.

A field work program was being developed with a view to receiving the required approvals to enable field work, including drilling, to commence after the conclusion of the 'wet season'.

Discussions continued with potential Chinese joint venture partners.

Tasmania

During the quarter site visits with potential joint venture partners were made but no field work was undertaken.

Direct exploration expenditure during this quarter was \$48,932.

A handwritten signature in black ink, appearing to read 'Barry F Neal', written over a circular stamp or seal.

Barry F Neal
Company Secretary

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

ASF Group Limited

ABN

50 008 924 570

Quarter ended ("current quarter")

30 September 2008

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$	Year to date (3 months) \$
1.1 Receipts from customers	107,314	107,314
1.2 Payments for		
(a) staff costs	(188,380)	(188,380)
(b) advertising and marketing	(95,519)	(95,519)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(273,835)	(273,835)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5,609	5,609
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid		
1.7 Other (GST refund)	4,665	4,665
Net operating cash flows	(440,146)	(440,146)

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$	Year to date (3 months) \$
1.8 Net operating cash flows (carried forward)	(440,146)	(440,146)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(1,430)	(1,430)
(e) other non-current assets	(48,932)	(48,932)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	(50,362)	(50,362)
1.14 Total operating and investing cash flows	(490,508)	(490,508)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	1,077,893	1,077,893
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	1,077,893	1,077,893
Net increase (decrease) in cash held	587,385	587,385
1.21 Cash at beginning of quarter/year to date	822,611	822,611
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	1,409,996	1,409,996

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

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 \$
1.24	Aggregate amount of payments to the parties included in item 1.2	(100,699)
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	

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 businesses in which the reporting entity has an interest

n/a

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$	Amount used \$
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

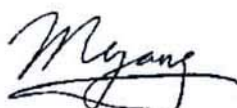
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$	Previous quarter \$
4.1	Cash on hand and at bank	1,409,996	822,611
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		1,409,996	822,611

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	n/a	n/a
5.2	Place of incorporation or registration	n/a	n/a
5.3	Consideration for acquisition or disposal	n/a	n/a
5.4	Total net assets	n/a	n/a
5.5	Nature of business	n/a	n/a

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Director)

Date: 31/10/2008

Print name: Min Yang

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

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 definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **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.