BERKELEY RESOURCES LIMITED

FINANCIAL REPORT

30 JUNE 2003

ABN 40 052 468 569

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CORPORATE DIRECTORY

Directors

Mr Ian P Middlemas – Non Executive Chairman
Mr Peter J Batten – Managing Director
Ms Rita M Brooks – Non Executive Director
Mr Mark L Pearce – Non Executive Director

Secretary

Mr Mark L Pearce

Registered and Principal Office

Level 9, BGC Centre
28 The Esplanade
Perth WA 6000

Telephone: (61 8) 9322 6322
Facsimile: (61 8) 9322 6558

Share Register

Computershare Investor Services Pty Ltd
Level 2
45 St Georges Terrace
Perth WA 6000

Telephone: 1300 557 010
International: (61 8) 9323 2000
Facsimile: (61 8) 9323 2033

Stock Exchange Listing

Australian Stock Exchange Limited
Home Branch – Perth
2 The Esplanade
Perth WA 6000

ASX Code

BKY - Fully paid ordinary shares
BKYO - $0.20 Options expiring 30 November 2006

Solicitors

Pullinger Readhead Stewart

Auditor

Stanton Partners

DIRECTORS' REPORT
30 JUNE 2003

The Directors of Berkeley Resources Limited ("Company" or "Berkeley") present their report on the Company for the year ended 30 June 2003.

Directors

The names of directors in office at any time during the financial year or since the end of the financial year are:

Mr Ian P Middlemas (appointed 10 July 2003)
Mr Peter J Batten (appointed 20 December 2002)
Ms Rita M Brooks
Mr Mark L Pearce (appointed 10 July 2003)
Mr Brian M Smith (resigned 10 July 2003)
Mr William P Brooks (resigned 20 December 2002)

Current Directors

Ian P Middlemas - Non Executive Chairman
Qualifications – B.Com, CA, ASIA

Mr Middlemas has been in the resources sector for over 20 years and has held senior executive positions and directorships in a number of resource companies. He originally worked for a large international Chartered Accounting firm before joining the Normandy Group where he was a Senior Group Executive for approximately 10 years. Mr Middlemas then founded Tanganyika Gold in 1996 where he was an executive director for approximately 5 years.

Mr Middlemas has developed considerable corporate, financial and management expertise. He is a Chartered Accountant and an Associate of the Securities Institute of Australia.

Mr Middlemas was appointed a director of Berkeley Resources on 10 July 2003.

Peter J Batten – Managing Director
Qualifications – BAppSc (Geol) MAusIMM MGSA QMCC

Mr Batten has been involved in mineral exploration for 20 years since graduating from Curtin University of Western Australia in 1983. He has worked in the exploration and mining industry for a wide range of commodities including gold, nickel and industrial minerals. Much of Mr Batten's time has been spent as a principal consulting geologist working in Australia and overseas with particular emphasis on the Eastern Goldfields of Western Australia. He started Exploration and Mining Consultants (EMC) in 1995 which at its peak had offices in Kalgoorlie, Perth, Melbourne and Jakarta. At EMC Peter was responsible for all the company's mining and exploration projects which required the management of up to 56 staff working for forty active clients in seven countries and three states. Mr Batten brings to the Company a proven management ability and a comprehensive knowledge of the mining industry.

Mr Batten was appointed a director of Berkeley Resources on 20 December 2002.

Rita M Brooks – Non Executive Director
Qualifications – B Ed (Melb. Uni)

Ms Brooks is a business person with a demonstrated record of success in gold and mineral exploration companies. She has been a Director of several private exploration companies which have acquired and developed projects exploring for gold and other commodities throughout Australia since 1986. Ms Brooks has experience developing new business in the mining and hospitality industries.

Ms Brooks was appointed a director of Berkeley Resources on 24 June 1994.

Mark L Pearce – Non Executive Director
Qualifications - B.Bus, CA, FCIS

Mr Pearce is a Chartered Accountant and is a Fellow of the Institute of Chartered Secretaries who currently holds the position of Chief Financial Officer and Company Secretary for a number of publicly listed companies. Mr Pearce is also a director of several publicly listed companies that operate in the resources and/or industrial sector. Prior to this he was the CFO and Company Secretary for a publicly listed national manufacturer and has worked for several large international Chartered Accounting firms.

Mr Pearce has gained experience in business analysis, business acquisitions and disposals, capital raising, debt financing and Corporations Act and ASX compliance matters during his career.

Mr Pearce was appointed a director of Berkeley Resources on 10 July 2003.

Principal Activities

The principal activities of the Company during the year consisted of mineral exploration. There was no significant change in the nature of those activities.

Employees

	2003
The number of full time equivalent people employed or contracted by the Company at balance date	1

Dividends

No dividends have been declared, provided for or paid in respect of the financial year ended 30 June 2003.

Corporate Structure

Berkeley Resources Limited is a company limited by shares that is incorporated and domiciled in Australia. The Company did not control any other entities during the financial year.

Consolidated Results

	2003 $
(Loss) of the Company from ordinary activities before income tax expense	(282,899)
Income tax expense	-
Net (loss)	(282,899)

Review of Operations

During the year, the Company:

i) Entered into a number of agreements to acquire several mineral exploration tenements;
ii) Lodged a prospectus for an Initial Public Offering ("IPO"); and
iii) Progressed completion of the Company's IPO.

Significant Changes in the State of Affairs

Other than as disclosed below, there were no significant changes in the state of affairs of the Company during the year.

i) On 20 December 2002, the Company's share capital of 2 ordinary shares was split into 7,000,000 ordinary shares.
i) On 20 December 2002, the Company raised $250 by issuing 2,500,000 Shares
ii) On 20 December 2002, 4,750,000 Founder Options, expiring on 31 October 2006, were granted.
iii) On 14 January 2003, the Company lodged a prospectus for its Initial Public Offering ("IPO") (see post balance date events).

Post Balance Date Events

i) On 29 August 2003, the company closed its initial public offering ("IPO") after raising $3,475,124.
ii) Pursuant to the IPO, on 11 September 2003 the Company issued and allotted 16,889,500 fully paid ordinary shares ("Shares") at an offer price of $0.20 each and 19,444,750 Options (exercise price: $0.20; expiry date of 30 November 2006) at an offer price of $0.005 each.
iii) Pursuant to a number of sales agreements (as outlined in the IPO Prospectus), on 11 September 2003 by paying $184,000 in cash and issuing another 300,000 shares, the Company also completed the acquisition of several interests in mineral exploration tenements.
iv) On 16 September 2003, the Company's securities were admitted to Official Quotation on the Australian Stock Exchange.
v) At the date of this report, the Company has the following securities on issue:

Issued and Paid Up Capital	Shares	Options	Founder Options
Balance at 30 June 2003	9,500,000	-	4,750,000
Securities issued to purchase tenements	300,000	-	-
Public Offer	16,889,500	8,444,750	-
Placement Options	-	11,000,000	-
TOTAL	**26,689,500**	**19,444,750**	**4,750,000**

Other than as disclosed above, as at the date of this report there are no matters or circumstances which have arisen since 30 June 2003 that have significantly affected or may significantly affect:

(a) the operations, in financial years subsequent to 30 June 2003, of the Company;
(b) its operations; or
(c) the state of affairs, in financial years subsequent to 30 June 2003, of the Company.

Environmental Regulation

During the financial year, the Company was not subject to any particular or significant Commonwealth, State or Territory regulation in respect to environmental management.

Likely Developments

Due to the nature of the Company's business activities, the directors are not able to state:

(a) likely developments in the entities' operations; or

(b) the expected results of these operations,

as to do so would result in unreasonable prejudice to the Company.

Information on Directors' Interests in Securities of Berkeley

	Interest in Securities at the date of this Report			Interest in Securities issued/granted during the year[4]		
	Ordinary Shares[1]	Options [2]	Founder Options [3]	Ordinary Shares[1]	Options [2]	Founder Options [3]
Ian P Middlemas	-	-	-	-	-	
Peter J Batten	395,000	-	697,500	1,500,000	-	750,000
Rita M Brooks [4]	1,842,000	-	921,000	-	-	3,500,000
Mark L Pearce	-	-	-	-	-	

Notes

(1) *"Ordinary Shares" means fully paid ordinary shares in the capital of the Company.*

(2) *"Options" means an option to subscribe for 1 Ordinary Share in the capital of the Company at an exercise price of $0.20 on or before 30 November 2006.*

(3) *"Founder Options" means an option to subscribe for 1 Ordinary Share in the capital of the Company at an exercise price of $0.20 on or before 31 October 2006.*

(4) *On 20 December 2003, 2 Ordinary Shares held by a related entity of Ms Brooks were split into 7,000,000 Ordinary Shares.*

Share Options

At the date of this report the following options have been issued over unissued capital:

Listed Options

- 10,144,750 listed options (BKYO) at an exercise price of $0.20 each that expire on or before 30 November 2006.

Unlisted Options

- 9,300,000 unlisted options at an exercise price of $0.20 each that expire on 30 November 2006.
- 4,750,000 unlisted options at an exercise price of $0.20 each that expire on 31 October 2006.

During the year no shares were issued as a result of the exercise of options. Since 30 June 2003, no shares have been issued as a result of the exercise of options.

Meetings of Directors

The following table sets out the number of meetings of the Company's directors (including meetings of committees of directors, if any) held during the year ended 30 June 2003, and the number of meetings attended by each director.

	Board Meetings Number eligible to attend	Board Meetings Number attended	Due Diligence Committee Number eligible to attend	Due Diligence Committee Number attended
Current Directors				
Ian P Middlemas	-	-	-	-
Peter J Batten	2	2	4	4
Rita M Brooks	2	2	4	4
Mark L Pearce	-	-	-	-
Former Directors				
Brian M Smith	2	2	4	4
William P Brooks	1	1	-	-

Directors' Remuneration

The Board is responsible for determining the nature and amount of emoluments packages applicable to the Board members and senior executives of the Company. The Board's remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities. Remuneration is aimed at being competitive in attracting, motivating and retaining people of the highest quality.

The emoluments (paid or payable) of each director and the five executive officers (excluding executive directors) receiving the highest emoluments for the year ended 30 June 2003 are as follows:

Name	Salary	Directors Fees	Superannuation Contributions	Other Remuneration	Total
	$	$	$	$	$
Current Directors					
Ian P Middlemas	-	-	-	-	-
Peter J Batten	-	-	-	46,830	46,830
Rita M Brooks	-	-	-	-	-
Mark L Pearce	-	-	-	-	-
Former Directors					
Brian M Smith	-	-	-	-	-
William P Brooks	-	-	-	-	-

Executive Officers
Other than directors, there were no other executive officers of the Company.

Insurance of Officers

During the year, no insurance premiums were paid by Berkeley Resources Limited to insure directors and officers of the Company.

This report is made in accordance with a resolution of the directors.

PETER BATTEN
Managing Director

Perth, 26 September 2003

CORPORATE GOVERNANCE

The Board of Directors of Berkeley Resources Limited is responsible for the corporate governance of the Company. This statement outlines the main corporate governance practices that have been established during the financial year.

Board of Directors and its Committees

Role of the Board

The Board is responsible to direct and monitor the Company in order to optimise Company performance and to increase shareholder value by:

- Reviewing strategic direction;
- Adopting corporate strategy;
- Adopting corporate policy;
- Monitoring performance of the Company;
- Monitoring performance of senior management;
- Monitoring communications with shareholders;
- Monitoring the effectiveness of internal controls in managing risks; and
- Monitoring compliance with key policies, laws and regulations.

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities.

Board Processes

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

The Board has also established a framework for the management of the Company including a system of internal controls, a business risk management process and the establishment of appropriate ethical standards.

The full Board currently holds meetings at such times as may be necessary to address any general or specific matters as required.

Composition of the Board

At the date of this report the Board comprises three non executive directors and one managing director. The names, qualifications and relative experience of each director are included in this Annual Report.

The Company's Constitution provides that the number of directors shall not be less than three and not more than ten. There is no requirement for any share holding qualification.

If the Company's activities increase in size, nature and scope the size of the Board will be reviewed periodically and the optimum number of directors required to supervise adequately the Company's Constitution determined within the limitations imposed by the Constitution and as circumstances demand.

The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board shall include quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the Company's scope of activities, intellectual ability to contribute to Board's duties and physical ability to undertake Board's duties and responsibilities.

Directors are initially appointed by the full Board subject to election by shareholders at the next general meeting. Under the Company's Constitution the tenure of directors (other than managing director, and only one managing director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his last appointment. Subject to the requirements of the Corporations Act 2001, the Board does not subscribe to the principle of retirement age and there is no maximum period of service as a director. A managing director may be appointed for any period and on any terms the directors think fit and, subject to the terms of any agreement entered into, the Board may revoke any appointment.

Committees of the Board

Other than the use of a Due Diligence Committee for the Company's initial public offering, the Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of committees to address specific issues (including an audit committee or a remuneration committee). As outlined above, the Board as a whole is currently able to address all governance aspects of the Company. The Board will reconsider the use of specialised committee should the size and/or complexity of the Company's business change.

Ethical Standards

The Board seeks to ensure that the directors, officers and employees of the Company act with integrity and observe the highest standards of behaviour and business ethics in relation to their corporate activities.

Directors, officers and employees must:

- Comply with the law;
- Act in the best interests of the company;
- Be responsible and accountable for their actions; and
- Operate ethically at all times, which will include disclosure of potential conflicts of interest.

Independent Professional Advice

Each director has the right to seek independent professional advice at the Company's expense. However, prior approval of the Chair (or if no Chair has been appointed, an executive director) is required, which must not be unreasonably withheld. A copy of advice received by the director must be made available to all other members of the Board.

Continuous Disclosure

The Company is a "Disclosing Entity" within the meaning of section 111AC of the Corporations Act 2001. As such, regular reporting and disclosure obligations will require the Company to disclose to ASX information of which it is, or becomes, aware which concerns the Company which a reasonable person would expect to have a material effect on the price or value of the Company unless certain exceptions from the obligation to disclose apply.

Communication to Shareholders

The Board of Directors aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs. In addition to complying with the continuous disclosure rules of the ASX, information is communicated to the shareholders through:

- the annual report which is distributed to all shareholders;
- the half-yearly summary being lodged with the ASX; and
- the annual general meeting and other meetings so called to obtain approval for Board action as appropriate.

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

	Note	Company 2003 $
Revenue from ordinary activities		-
Exploration costs		(117,869)
Capital raising costs expensed		(120,782)
Administration costs		(27,539)
Borrowing costs		(16,709)
Loss from ordinary activities before income tax expense		**(282,899)**
Income tax expense	2	-
Net loss		**(282,899)**
Total changes in equity other than those resulting from transactions with owners as owners attributable to members of Berkeley		**(282,899)**
Basic earnings per share (cents per share)	16	(5.63)
Diluted earnings per share (cents per share)	16	(5.63)

Notes to and forming part of the Statement of Financial Performance are set out on pages 12 to 23.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2003

	Note	Company 2003 $
Current Assets		
Cash assets	17	5,286
Other	3	23,062
Total Current Assets		28,348
Non-current Assets		
Exploration expenditure	4	93,672
Other financial assets	5	3,000
Total Non-current Assets		96,672
TOTAL ASSETS		125,020
Current Liabilities		
Payables	6	56,241
Interest bearing liabilities	7	313,641
Other	8	70,000
Total Current Liabilities		439,882
TOTAL LIABILITIES		439,882
NET ASSETS		**(314,862)**
EQUITY		
Contributed equity	9	252
Accumulated losses	10	(315,114)
TOTAL EQUITY		**(314,862)**

Notes to and forming part of the Statement of Financial Position are set out on pages 12 to 23.

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

	Note	Company 2003 $
Cash flows from operating activities		
Payments to suppliers and employees		(249,028)
Net cash outflows from operating activities	17	**(249,028)**
Cash flows from investing activities		
Payments for exploration		(17,524)
Security bonds		(3,000)
Net cash outflow from investing activities		**(20,524)**
Cash flows from financing activities		
Proceeds from borrowings		296,558
Proceeds from issue of shares		250
Repayment of borrowings		(27,440)
Net cash inflow from financing activities		**269,368**
Net decrease in cash held		**(184)**
Cash at the beginning of the financial year		5,470
Cash at the end of the financial year	17	**5,286**

Notes to and forming part of the Statement of Cash Flows are set out on pages 12 to 23.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report has been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the Corporations Act 2001.

It is prepared on an accruals basis and in accordance with the historical cost convention. The Company became a reporting entity for the first time during the year, and as a result, no comparative information has been provided.

(a) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred by the Company is accumulated for each area of interest and recorded as an asset, if either:

(i) it is expected to be recouped through successful development of and production from the area, or by its sale; or
(ii) significant exploration or evaluation of the area is continuing.

A provision for unsuccessful exploration and evaluation is created against each area of interest by means of a charge to the Statement of Financial Performance. The expenditure incurred in areas of interest located around existing milling facilities is provided for over the life of the milling facilities. Expenditure on all other areas of interest is fully provided for as the expenditure is incurred other than for exploration assets acquired, which are initially recorded at cost.

The recoverable amount of each area of interest is determined on a bi-annual basis and the provision recorded in respect of that area adjusted so that the net carrying amount does not exceed the recoverable amount. For areas of interest that are not considered to have any commercial value, or where exploration rights are no longer current, the capitalised amounts are written off against the provision and any remaining amounts are charged against profit.

(b) Mine properties and development

Where it has been established to the satisfaction of directors that economically recoverable reserves exist, costs incurred on development properties are capitalised and amortised once production has commenced. The amortisation rate is calculated on a units of production basis using the mine life based on economically recoverable reserves.

(c) Recoverable amount of non-current assets

Each reporting period, the recoverable amount of all non-current assets is assessed. Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is revalued down to its recoverable amount. Where net cash inflows are derived from a group of assets working together, such as at a mining operation, the recoverable amount is determined on the basis of the relevant group of assets.

The expected net cash flows included in determining recoverable amounts of non-current assets are discounted to their present values using a market-determined, risk-adjusted discount rate. The effect of capital gains tax has not been taken into account.

(d) Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

Deferred cash settlements are recognised at the present value of the outstanding consideration payable on the acquisition of an asset discounted at prevailing commercial borrowing rates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(e) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(f) Taxes

Income Taxes

Tax effect accounting is applied using the liability method whereby income tax is regarded as an expense and is calculated on the accounting profit after allowing for permanent differences. To the extent timing differences occur between the time items are recognised in the financial statements and when items are taken into account in determining taxable income, the net related taxation benefit or liability, calculated at current rates, is disclosed as a future income tax benefit or a provision for deferred income tax. The net future income tax benefit relating to tax losses and timing differences is not carried forward as an asset unless the benefit is virtually certain of being realised.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(g) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, superannuation and long service leave.

Liabilities arising in respect of wages and salaries, annual leave, and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

(h) Earnings per share

Basic EPS is calculated as net profit attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element. Diluted EPS is calculated as net profit attributable to members, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(i) Revaluations of Non-current Assets

Where revaluations of non-current assets are undertaken, revaluation increments are credited directly to the asset revaluation reserve. Revaluation decrements are recognised as an expense in the statement of financial performance except that, to the extent that the decrement reverses a revaluation increment previously credited to, and still included in, an asset revaluation reserve in respect of that same class of assets, it is debited to that revaluation reserve.

Revaluations do not result in the carrying value of a non-current asset exceeding the net amount expected to be recovered through the net cash inflows arising from its continued use and subsequent disposal ("recoverable amount").

Potential capital gains tax is not taken into account in determining revaluation amounts unless there is an intention to sell the assets concerned.

(j) Depreciation of property, plant and equipment

Depreciation is calculated on a units of production basis, reducing balance or straight line basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding land) over its expected useful life to the Company. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:-

Plant and equipment	2 – 15 years
Leasehold improvements	40 years

Where items of property, plant and equipment have separately identifiable components which are subject to regular replacement, those components are assigned useful lives distinct from the item of property, plant and equipment to which they relate.

(k) Cash

For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

(l) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criterion must also be met before revenue is recognised:

Sale of Goods - Control of the goods has passed to the buyer.

Interest - Control of a right to receive consideration for the provision of, or investment in, assets has been attained.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. INCOME TAX

	Company 2003 $

(a) The aggregate amount of income tax attributable to the financial year differs from the amount calculated on the loss from ordinary activities before tax. The differences are reconciled as follows:

Loss from ordinary activities before tax	(282,899)
Income tax calculated at 30%	(84,870)
Tax effect of permanent differences:	
Non-deductible expenses	1,947
Tax losses not brought to account	82,923
Income tax attributable to loss from ordinary activities	-

(b) Future income tax benefits arising from tax losses and timing differences of controlled entities are not brought to account at balance date as realization of the benefit is not regarded as virtually certain:

Tax losses – calculated using a tax rate of 30%	82,923

This future income tax benefit will only be obtained if:-

(i) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
(ii) the conditions for deductibility imposed by tax legislation continue to be complied with; and
(iii) no changes in tax legislation adversely affect the Company in realising the benefit.

3. CURRENT ASSETS – Other

GST Refundable	23,062

4. NON CURRENT ASSETS – Mineral Exploration, Evaluation and Development Expenditure

The Company has mineral exploration costs carried forward in respect of areas of interest:

Areas in Exploration and Evaluation at cost:	
Balance at the beginning of year	6,148
Acquisition of new tenements	80,000
Amount expended during the year	7,524
Balance at end of year (i)	93,672
Total costs carried forward	93,672

(i) The value of the mining tenements is dependent upon the discovery of commercially viable reserves and the successful development or alternatively sale, of the respective tenements. The Company's exploration properties may at some future time be subject to claims under native title or contain sacred sites or sites of significance to Aboriginal people. In the event of any such claim being made and the National Native Title Tribunal ratifying such claim, the Company's exploration properties or areas within the tenements may be subject to exploration and/or mining restrictions or compensations. This may impact on the commercial viability and/or carrying value of the respective tenements.

5. NON CURRENT ASSETS – Other financial assets

Security Bonds – Exploration tenements	3,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	Note	Company 2003 $
6. CURRENT LIABILITIES – Payables		
Accrued expenses		39,532
Accrued interest expense	14	16,709
		56,241
7. CURRENT LIABILITIES – Interest Bearing Liabilities		
Unsecured loan – Baracus Pty Ltd (director related entity)	14	313,641
8. CURRENT LIABILITIES – Other		
Obligation to complete acquisition of exploration tenement		70,000
		70,000

9. CONTRIBUTED EQUITY

(a) Issued and paid up capital:

9,500,000 fully paid ordinary shares	252

(b) Movements in ordinary share capital during the financial year were as follows:-

Date	Details	Number of Shares	Number of Options	Number of Founder Options	$
1 July 2002	**Opening balance**	**2**			**2**
20 December 2002	Split of share capital	6,999,998	-	-	-
20 December 2002	Placement	2,500,000	-	-	250
20 December 2002	Grant of Founder Options	-	-	4,750,000	-
30 June 2003	**Closing Balance**	**9,500,000**	**-**	**4,750,000**	**252**

(c) Rights attaching to Shares

The rights attaching to fully paid ordinary shares ("Shares") arise from a combination of the Company's Constitution, statute and general law.

Shares issued following the exercise of Options in accordance with Note 9(d) will rank equally in all respects with the Company's existing Shares.

Copies of the Company's Constitution are available for inspection during business hours at the Company's registered office. The clauses of the Constitution contain the internal rules of the Company and define matters such as the rights, duties and powers of its shareholders and directors, including provisions to the following effect (when read in conjunction with the Corporations Act 2001 or Listing Rules):

i) Shares

The issue of shares in the capital of the Company and options over unissued shares by the Company is under the control of the directors, subject to the Corporations Act 2001, ASX Listing Rules and any rights attached to any special class of shares.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

9. CONTRIBUTED EQUITY (continued)

ii) Transfer of Shares

The Company participates in the electronic share registration and transfer system known as CHESS operated by ASX under the Security Clearing House Business Rules. Accordingly, the Company will issue holding statements in lieu of share certificates. The Company will not charge any fee for registering a transfer of shares. The directors may refuse to register a transfer of shares, or request SCH to apply a holding lock to prevent a proper SCH transfer, in the circumstances identified in the Constitution or as otherwise permitted or required under the Corporations Act 2001 or Listing Rules.

iii) Meetings of Members

Directors may call a meeting of members whenever they think fit. Members may call a meeting as provided by the Corporations Act 2001. The Constitution contains provisions prescribing the content requirements of notices of meetings of members and all members are entitled to a notice of meeting. A meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of members is 2 natural persons, each of whom is or represents different Shareholders who are eligible to vote.

The Company holds annual general meetings in accordance with the Corporations Act 2001 and the Listing Rules.

iv) Voting

Subject to any rights or restrictions for the time being attached to any shares or class of shares of the Company, each member of the Company is entitled to receive notice of, attend and vote at a general meeting. Resolutions of members will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. However, where a person present at a general meeting represents personally or by proxy, attorney or representative more than one member, on a show of hands the person is entitled to one vote only despite the number of members the person represents.

On a poll each eligible member has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

v) Dividends

Subject to any rights attaching to shares that may in the future be issued with special or preferred rights, the directors may fix the amount, the time for payment and the method of payment of a dividend. Subject to any special rights attaching to shares (such as preference shares), dividends will be paid proportionately to the number of shares held by each member. The Company is not required to pay any interest on dividends.

vi) Winding Up

If on a winding up of the Company there remains a surplus, then under the Constitution and subject to any rights attaching to shares which may in the future be issued with special or preferred rights, all assets representing the surplus that may be legally distributed among Shareholders shall be so distributed in proportion to the number of shares held by each Shareholder.

vii) Dividend Plans

The Company's Constitution contains a provision allowing directors to implement a dividend reinvestment plan and a dividend selection plan. It is not currently intended that either a dividend reinvestment, or dividend selection plan will be implemented.

viii) Changes to the Constitution

The Company's Constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the Company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

9. CONTRIBUTED EQUITY (continued)

ix) Share Buy-Backs

The Company may buy-back Shares in itself in accordance with the provisions of the Corporations Act 2001.

x) Listing Rules

Provided the Company remains admitted to the Official List, then despite anything in its Constitution, no act may be done that is prohibited by the Listing Rules, and authority is given for acts required to be done by the Listing Rules. The Company's Constitution will be deemed to comply with the Listing Rules as amended from time to time.

(d) Terms and Conditions of Options

The terms and conditions of the Options are as follows:-

(i) Each Option shall entitle the holder to subscribe in cash for one (1) Share in the Capital of the Company.

(ii) The Options will expire at 5:00pm WST on 30 November 2006 ("Expiry Date") and may be exercised at any time prior to the expiry date. The Options shall automatically expire on the Expiry Date.

(iii) Each Share allocated as a result of the exercise of any Option will be subject to the Constitution of the Company and rank in all respects pari passu with the existing Shares in the capital of the Company on issue at the date of the allotment.

(iv) A registered owner of an Option ("Option Holder") will not be entitled to attend or vote at any meetings of the members of the Company unless they are, in addition to being an Option Holder, a member of the Company.

(v) Options are transferable at any time prior to the Expiry Date. This right is subject to any restrictions on the transfer of Options that may be imposed by the ASX in circumstances where the Company is listed on the ASX.

(vi) Method of Exercise of an Option

A) The Company will provide to each Option Holder a notice that is to be completed when the Options are to be exercised (Notice of Exercise of Options). Options may be exercised by the Option Holder by completing the Notice of Exercise of Options and forwarding the same to the Secretary of the Company to be received prior to the Expiry Date. The Notice of Exercise of Options must state the number of Options to be exercised and the consequent number of Ordinary Shares in the Capital of the Company to be allotted which number of Options must be a multiple of 2,500 if only part of the Option Holder's total Options are exercised, or if the total number of Options held by an Option Holder is less than 2,500, then the total of all Options held by the Option Holder must be exercised.

B) The Notice of Exercise of Options by the Option Holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of 20 cents ($0.20) per Share.

C) Subject to paragraph (vi) A) above, the exercise of less than all of an Option Holder's Options will not prevent the Option Holder from exercising the whole or any part of the balance of the Option Holder's entitlement under the Option Holder's remaining Options.

D) Within 14 days from the date the Option Holder properly exercises Options held by the Option Holder the Company shall issue and allot the Option Holder that number of Shares in the Capital of the Company subscribed for by the Option Holder.

E) If the Company is listed on the ASX, the Company will within three (3) business days from the date of the issue and allotment of Shares pursuant to the exercise of an Option, apply to the ASX for, and using its best endeavours obtain, Official Quotation of all such Shares, in accordance with the Corporations Act and the Listing Rules of the ASX.

F) The Company will generally comply with the requirements of the Listing Rules in relation to the timetable imposed when quoted Options are due to expire. Where there shall be any inconsistency between the timetables outlined herein regarding the expiry of the Options and the timetable outlined in the Listing Rules, the timetable outlined in the Listed Rules shall apply.

(vii) In the event of a reconstruction (including consolidations, subdivision, reduction or return) of the issued Capital of the Company; all rights of the Options Holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

9. CONTRIBUTED EQUITY (continued)

(viii) There are no participation rights or entitlements inherent in the Options to participate in any new issues of Capital which may be made or offered by the Company to its shareholders from time to time prior to the expiry date unless and until the Options are exercised. The Company will ensure that during the exercise period, the record date for the purposes of determining entitlements to any new such issues, will be at least nine (9) business day after such new issues are announced (or such other date if required under the Listing Rules) in order to afford the Option Holder the opportunity to exercise the Options held by the Option Holder.

(ix) There are no rights to change the exercise price or the number of underlying Shares.

(e) Terms and Conditions of Founder Options

The terms and conditions of the Founder Options are as follows:-

(i) No ASX listing will be sought for the Foundation Options.

(ii) Each Option shall entitle the holder to subscribe in cash for one (1) Share in the Capital of the Company.

(iii) The Options will expire at 5:00pm WST on 31 October 2006 and may be exercised at any time following the release from the ASX escrow restriction and prior to the expiry date. The Options shall automatically expire on the Expiry Date.

(iv) Each Share allocated as a result of the exercise of any Option will be subject to the Constitution of the Company and rank in all respects pari passu with the existing Shares in the capital of the Company on issue at the date of the allotment.

(v) A registered owner of an Option ("Option Holder") will not be entitled to attend or vote at any meetings of the members of the Company unless they are, in addition to being an Option Holder, a member of the Company

(vi) Foundation Options are not transferable.

(vii) Method of Exercise of an Option

A) The Company will provide to each Option Holder a notice that is to be completed when the Options are to be exercised (Notice of Exercise of Options). Options may be exercised by the Option Holder by completing the Notice of Exercise of Options and forwarding the same to the Secretary of the Company to be received prior to the Expiry Date. The Notice of Exercise of Options must state the number of Options to be exercised and the consequent number of Ordinary Shares in the Capital of the Company to be allotted which; number of Options must be a multiple of 2,500 if only part of the Option Holder's total Options are exercised, or if the total number of Options held by an Option Holder is less than 2,500, then the total of all Options held by the Option Holder must be exercised.

B) The Notice of Exercise of Options by the Option Holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of 20 cents ($0.20) per Share.

C) Subject to paragraph (Vii) A) above, the exercise of less than all of an Option Holder's Options will not prevent the option Holder from exercising the whole or any part of the balance of the Option Holder's entitlement under the Option Holder's remaining Options.

D) Within 14 days from the date the Option Holder properly exercises Options held by the Option Holder the Company shall issue and allot the Option Holder that number of Shares in the Capital of the Company subscribed for by the Option Holder.

(viii) In the event of a reconstruction (including consolidations, subdivision, reduction or return) of the issued Capital of the Company; all rights of the Options Holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.

(ix) There are no participation rights or entitlements inherent in the Options to participate in any new issues of Capital which may be made or offered by the Company to its shareholders from time to time prior to the expiry date unless and until the Options are exercised. The Company will ensure that during the exercise period, the record date for the purposes of determining entitlements to any new such issues, will be at least nine (9) business day after such new issues are announced (or such other date if required under the Listing Rules) in order to afford the Option Holder the opportunity to exercise the Options held by the Option Holder.

(x) There are no rights to change the exercise price or the number of underlying Shares.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

10. ACCUMULATED LOSSES

	Company 2003 $
Balance at the beginning of year	(32,215)
Net loss	(282,899)
Total available for appropriation	(315,114)
Dividends provided for or paid	-
Balance at end of year	(315,114)

(a) Franking Credits

In respect to the payment of dividends (if any) by Berkeley in subsequent financial years, no franking credits are currently available, or are likely to become available in the next 12 months.

11. REMUNERATION OF DIRECTORS

	Directors of Berkeley 2003 $
Income paid or payable, or otherwise made available, to directors by entities in the Company and related parties in connection with the management affairs of Berkeley	46,830

The number of Berkeley directors whose income from Berkeley or related parties was within the specified bands are as follows:

$		$	2003 No.
0	-	9,999	4
40,000	-	49,999	1

12. REMUNERATION OF EXECUTIVES

	Executive Officers of Berkeley 2003 $
Remuneration received, or due and receivable, from entities in the Company and related parties by executive officers (including directors) whose income was at least $100,000	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	Company 2003 $
13. REMUNERATION OF AUDITORS	
Amounts received or due and receivable by Stanton Partners for:	
- an audit or review of the financial reports of the Company	2,500
- other services in relation to the Company	6,000
Total Auditors' Remuneration	8,500

14. RELATED PARTIES

Directors

The names of each person holding the position of director of Berkeley during the financial year are as follows:

Directors at Balance Date

Mr Peter J Batten (appointed 20 December 2002)
Ms Rita M Brooks
Mr Brian M Smith (resigned 10 July 2003)

Former Director

Mr William P Brooks (resigned 20 December 2002)

Details of directors' remuneration and retirement benefits are set out in Note 11 and the Directors' Report attached to these financial statements.

Directors' holdings of shares and share options

Aggregate numbers of shares and share options of Berkeley held directly, indirectly or beneficially by directors of the Company or their director-related entities at balance date:

	2003 Number
Ordinary Shares	9,500,000
Founder Options	4,750,000

Directors' transactions in shares and options

Aggregate number of share and share option purchases (including initial allocations), and disposals of Berkeley held directly, indirectly or beneficially by directors of the Company or their director related entities during the financial year:

	2003 Number
Ordinary shares issued pursuant to a placement	2,500,000
Founder Options over ordinary shares granted	4,750,000

All dealings with directors were on terms and conditions no more favourable than those adopted for other shareholders.

Director related entity' transactions

Baracus Pty Ltd (a company associated with a director, Rita Brooks) advanced funds to Berkeley for the purpose of Berkeley undertaking an initial public offering and listing on the Australian Stock Exchange. The loan, which is unsecured, is repayable within fourteen (14) days of the Company being listed on the ASX. Interest of $16,709 has been accrued in respect to the loan (calculated on an annualised rate of 10%).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

15. SEGMENT INFORMATION

Berkeley Resources Limited operated in the Australian mineral exploration industry.

16. EARNINGS PER SHARE

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

	Company 2003 $
Net loss used in calculating basic and diluted earnings per share	(282,899)

	Number of Shares 2003
Weighted average number of ordinary shares used in calculating basic earnings per share	5,023,289
Effect of dilutive securities	-
Adjusted weighted average number of ordinary shares used in calculating basic and diluted earnings per share	5,023,289

Non dilutive securities

As at balance date, 4,750,000 Founder Options (which represent 4,750,000 potential ordinary shares) were not dilutive and are therefore excluded from the weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted earnings per share.

Conversions, calls, subscriptions or issues after 30 June 2003

Other than as disclosed in the Directors' Report, there have been no other conversions to, calls of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of this financial report.

17. STATEMENTS OF CASH FLOWS

(a) Reconciliation of Net Loss to Net Cash Outflow from Operating Activities

	Company 2003 $
Net loss	(282,899)
Increase in other assets	(22,370)
Increase in accrued interest	16,709
Increase in other accrued expenses	39,532
Net cash outflow from operating activities	(249,028)

(b) Reconciliation of Cash Assets

Cash at bank and on hand	5,286

(c) Credit Standby Arrangements with Banks

At balance date, the Company had no used or unused financing facilities.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

18. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk Exposure

The Company's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Maturing 1 Year or Less	Fixed Interest Maturing from 1 to 5 Years	Non-Interest Bearing	Total
2003		$	$	$	$	$
Financial Assets						
Cash and deposits		-	-	-	5,286	5,286
Other financial assets		-	-	-	23,062	23,062
Total Financial Assets		-	-	-	28,348	28,348
Financial Liabilities						
Payables		-	-	-	56,241	56,241
Interest bearing liabilities	10%	-	313,641	-	-	313,641
Other		-	-	-	70,000	70,000
Total Financial Liabilities		-	313,641	-	126,241	439,882
Net Financial Liabilities		-	(313,641)	-	(97,893)	(411,534)

(b) Net Fair Value of Financial Assets and Liabilities

The net fair value of cash, cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices and approximate carrying value.

(c) Credit Risk Exposure

The credit risk on financial assets of the Company which have been recognised on the statement of financial position is generally the carrying amount. The Company does not have off-balance sheet financial instruments.

	Company 2003 $
19. COMMITMENTS FOR EXPENDITURE	
(a) Exploration Expenditure	
Minimum exploration expenditure:	
- not later than one year	41,040
- later than one year but not later than five years	41,040
Total minimum exploration expenditure	82,080

20. SUBSEQUENT EVENTS

Other than as disclosed in the Directors' Report, there has been no event has arisen since 30 June 2003 that would be likely to materially affect the operations of the Company, the results of the Company or the state of affairs of the Company not otherwise disclosed in the Company's financial report.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Berkeley Resources Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001 including:

  (i) giving a true and fair view of the Company's financial position as at 30 June 2003 and of its performance for the year ended on that date; and

  (ii) complying with accounting standards and the Corporations Act 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board.

PETER BATTEN
Managing Director

Perth, 26 September 2003

STANTON PARTNERS

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WESTERN AUSTRALIA

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INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF BERKELEY RESOURCES LIMITED

SCOPE

We have audited the financial report of Berkeley Resources Limited (the Company) for the financial year ended 30 June 2003 as set out on pages 9 to 24. The Company's directors are responsible for the preparation of the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements in Australia and the Corporations Act 2001 so as to present a view which is consistent with our understanding of the Company's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion the financial report of Berkeley Resources Limited is in accordance with:

a) the Corporations Act 2001 including:

   (i) giving a true and fair view of the Company's financial position as at 30 June 2003 and of its performance for the financial year ended on that date; and

   (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

b) other mandatory professional reporting requirements in Australia.

STANTON PARTNERS

Stanton Partners

JVanDieren

J P Van Dieren
Partner

Perth, Western Australia
26 September 2003

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 11 September 2003.

1. TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest holders of each class of listed securities are listed below:

(a) Ordinary Shares

Name	No of Ordinary Shares Held	Percentage of Issued Shares
Fortenors Pty Ltd	3,700,000	13.86
TRG Corporation Pty Ltd	3,000,000	11.24
Baracus Pty Ltd (Brooks Family A/C)	1,842,000	6.90
Mr William Paul Brooks	1,000,000	3.75
Batten Resources Pty Ltd	405,000	1.52
Baracus Pty Ltd	390,000	1.46
Ceres Capital Pty Ltd	375,000	1.41
MPI Nickel Pty Ltd	300,000	1.12
Permanent 3 Nominees Pty Ltd	300,000	1.12
Dilkara Nominees Pty Ltd	263,000	0.99
Clodene Pty Ltd	250,000	0.94
Esta Nominees Pty Ltd	250,000	0.94
NEFCO Nominees Pty Ltd	250,000	0.94
Ronsmere Pty Ltd	250,000	0.75
Caulfield Investments Pty Ltd	200,000	0.75
First Distribution Services Limited	200,000	0.75
Hwang Pei Pty Ltd	200,000	0.75
Mr Robin Scrimgeour	200,000	0.75
Springtide Capital Pty Ltd	200,000	0.75
Bayonet Investment Pty Ltd	175,000	0.66
Total Top 20	**13,750,000**	**51.54%**
Others	12,939,500	48.46%
Total Ordinary Shares on Issue	**26,689,500**	**100.00%**

(b) $0.20 Options to acquire Ordinary Shares

Optionholder	Number of $0.20 Options	Percentage of Issued Options
Fortenors Pty Ltd	4,000,000	20.57
TRG Pty Ltd	2,000,000	10.29
Jason Daniel Brooks	1,010,000	5.19
Permanent 3 Nominees Pty td	1,000,000	5.14
Mr William Paul Brooks	500,000	2.57
Dilkara Nominees Pty Ltd	440,000	2.26
Mr Mark Gregory Gwynne	430,000	2.21
Mr Trevor Cambell Mulroney	430,000	2.21
Foxrock Capital Management Ltd	350,000	1.80
Mr Kenneth George Bruce & Mrs Frances Marilyn Bruce	222,000	1.14
Mr Jonathan Kur & Mrs Faina Kur	222,000	1.14
Megan Leslie Mccaw	202,000	1.04
Baracus Pty Ltd	195,000	1.00
Ceres Capital Pty Ltd	187,500	0.96
Evelyn Diane Broadley	187,000	0.96
Miss Zoe Louise Hogan	162,000	0.83
Clodene Pty Ltd	125,000	0.64
Esta Nominees Pty Ltd	125,000	0.64
Nefco Nominees Pty Ltd	125,000	0.64
Ronsmere Pty Ltd	125,000	0.64
Total Top 20	**12,037,500**	**61.87%**
Others	7,407,250	38.13%
Total $0.20 Options on Issue	**19,444,750**	**100.00%**

2. DISTRIBUTION OF EQUITY SECURITIES

(a) Analysis of security by size of holding – number of security holders

	Ordinary Shares	$0.20 Options
1 - 1,000	-	-
1,001 - 5,000	-	171
5,001 - 10,000	171	51
10,001 - 100,000	249	216
100,001 - and over	28	20
	448	458

(b) Analysis of security by size of holding – number of securities held

	Ordinary Shares	$0.20 Options
1 - 1,000	0	0
1,001 - 5,000	0	855,000
5,001 - 10,000	1,710,000	469,250
10,001 - 100,000	10,089,500	6,083,000
100,001 - and over	14,890,000	12,037,500
	26,689,500	19,444,750

(c) Number of holders of unmarketable parcels

Ordinary Shares	$0.20 Options
-	-

3. SUBSTANTIAL SHAREHOLDERS

The names of the substantial shareholders listed in the holding company's register as at 11 September 2003 are:

Shareholder	Number of Ordinary Shares
Fortenors Pty Ltd	3,700,000
TRG Corporation Pty Ltd	3,000,000
Baracus Pty Ltd (Brooks Family A/C)	1,842,000

4. UNQUOTED SECURITIES

The names of the shareholders holding more than 20% of each class of unlisted securities are listed below:

Fully Paid Ordinary Shares Escrowed for 12 months

MPI Nickel Pty Ltd	300,000
TOTAL	**300,000**

Fully Paid Ordinary Shares Escrowed for 24 months

Fortenors Pty Ltd	3,700,000
TRG Corporation Pty Ltd	3,000,000
Baracus Pty Ltd	1,842,000
3 other holders (each less than 20% holding)	958,000
TOTAL	**9,500,000**

Options Expiring 30 November 2006 Escrowed for 24 months

Fortenors Pty Ltd	4,000,000
TRG Corporation Pty Ltd	2,000,000
5 other holders (each less than 20% holding)	3,300,000
TOTAL	**9,300,000**

Founder Options Expiring 31 October 2006 Escrowed for 24 months

Fortenors Pty Ltd	1,600,000
TRG Corporation Pty Ltd	1,250,000
4 other holders (each less than 20% holding)	1,900,000
TOTAL	**4,750,000**

5. VOTING RIGHTS

See Note 9 of the Notes to the Financial Statements.

6. ON-MARKET BUY BACK

There is currently no on-market buy back program for any of Berkeley's listed securities.

7. APPLICATION OF FUNDS FROM INITIAL PUBLIC OFFERING

Since the Company's securities were listed on ASX (16 September 2003), the Company has used funds raised by its initial public offering in a manner that is consistent with its business objectives.

8. EXPLORATION INTERESTS

As at 11 September 2003, the Company has an interest in the following tenements:

State	Tenement Name	Percentage Interest	Area Km^2	Status
Berkeley Project				
WA	E 80/1727	100%	86.80	Granted
	E80/1728	100%	70.00	Granted
	E80/2002	100%	72.80	Granted
	E80/2003	100%	11.20	Granted
	Total		**240.80**	
WA	ELA 80/2808	100%	196.00	Granted
	ELA 80/2818	100%	112.00	Granted
	ELA 80/2983	100%	11.20	Granted
	ELA 80/2984	100%	8.40	Granted
	ELA 80/2985	100%	2.80	Granted
	ELA 80/3054	100%	2.80	Granted
	ELA 80/3055	100%	2.80	Granted
	ELA 80/3082	100%	2.80	Pending
	Total		**338.80**	
Miriam/Bouchers Project				
WA	M 15/664	100%	7.31	Granted
	P 15/3355	100%	1.17	Granted
	P 15/3356	100%	1.16	Granted
	P 15/3357	100%	1.67	Granted
	MLA 15/1326	100%		Pending
	MLA 15/1327	100%		Pending
	Total		**11.31**	
WA	P 15/4334	100%	1.21	Granted
	P 15/4335	100%	1.21	Granted
	P 15/4336	100%	0.87	Granted
	P 15/4337	100%	0.63	Granted
	P 15/4338	100%	1.77	Granted
	P 15/4339	100%	0.58	Granted

8. EXPLORATION INTERESTS (continued)

State	Tenement Name	Percentage Interest	Area Km^2	Status
	P 15/4340	100%	1.20	Granted
	P 15/4341	100%	0.87	Granted
	P 15/4342	100%	0.82	Granted
	P 15/4343	100%	1.07	Granted
	Total		**10.23**	
WA	PLA 15/4528	100%	0.10	Pending
	PLA 15/4529	100%	0.16	Pending
	PLA 15/4545	100%	0.53	Pending
	ELA 15/802	100%	53.20	Pending
	Total		**53.99**	
Strelley/Kangan Project				
WA	ELA 45/2362	100%	196.00	Pending
	ELA 45/2363	100%	142.80	Pending
	ELA 45/2404	100%	159.60	Pending
	ELA 45/2471	100%	89.60	Pending
	ELA 45/2496	100%	19.60	Pending
	ELA 45/2531	100%	58.80	Pending
	Total		**666.40**	
Batchelor Project				
NT	ELA 23574	100%	121.29	Pending
	E 23581	100%	6.97	Granted
	ELA 23582	100%	22.74	Pending
	Total		**151.00**	