TAIPAN

Resources N.L.

ACN 060 156 452

ASX SHAREHOLDERS REPORT

Enquiries regarding this report may be directed to:

Stephen W. Miller
Chairman
Telephone (08) 9476 5555
Overseas +61 8 9476 5555

or

Colin G. Jackson
Non- executive Director
Telephone 0417 929 107

Taipan Resources NL
Level 2, 16 Ord Street
West Perth
Western Australia 6005
Telephone (08) 9476 5555
Overseas +61 8 9476 5555

Dollar values in this report are Australian dollars unless otherwise stated.

Paulsens Project
– Financing complete, project approved

The Board of Directors has committed to the development of the high grade shallow underground mine following completion of a $21 million institutional and Share Purchase Plan equity raising together with an associated debt for equity conversion by St Barbara Mines Limited, placing Taipan in a debt-free and cash strong position.

Shareholders, at the Annual General Meeting, ratified the issue of shares to institutions ($18 million) which, together with a Share Purchase Plan ($3 million), has recapitalised the Company balance sheet. Cleared funds totalling $21 million (gross of fees) have now been received.

The number of shareholders has increased dramatically (up 82 percent) to in excess of 1,160 following substantial interest in the Share Purchase Plan. Furthermore, eight institutions from London, Sydney and Melbourne have participated in the $18 million share placement. Following completion of the financing and associated debt for equity conversion, St Barbara's holding in the expanded capital of Taipan will be 54.4 percent.

Two drill programmes are scheduled early in the development strategy. The first, comprising twenty holes targeting 125 metres below the surface in an area selected for a 50,000 tonne bulk sample, commences the third week of January 2004. The second programme, targeting down plunge orebody extensions between 200 and 400 metres below surface, commences the first week of February 2004.

To complement the engineering, balance sheet and ownership changes, three non-executive directors – Colin Jackson, Trevor Ireland and John den Dryver – have joined the Board. Each is a mining professional covering the disciplines of geology, mining and metallurgy.

Stephen W. Miller
Chairman

23 December 2003