



ALCASTON MINING N. L.

A.C.N. 006 710 774

30 January 2004

The Companies Announcement Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

By: e-lodgement

Dear Sir/Madam

ACTIVITIES REPORT FOR THE QUARTER ENDING 31 DECEMBER 2003

HIGHLIGHTS

- *The purchase of the North Monger gold project, in Western Australia, from AngloGold Australia Limited ("AngloGold") was finalized with Alcaston's final payment of the balance \$270,000 completed on 1st December 2003.*
- *On the same day as the final payment, Alcaston commenced a reverse circulation drilling program at North Monger. The program was completed by the 5th December and included 19 holes for a total of 1,258 m.*
- *The drilling produced significant new high-grade gold intercepts including 8 m @ 3.4 g/t gold, including 2 m @ 8.8 g/t gold and 5 m @ 7.3 g/t gold, including 2 m @ 15.5 g/t gold at the Hammer and Tap prospect.*
- *A limited soil and rock chip sampling program at Blondin, in Canada located previously unidentified gold mineralisation on the small, sampled part of the tenements. The best rock chip sample gold assay was 5.64 g/t from a north-south trending banded iron formation. Seven soil samples returned anomalous results of greater than 20 ppb gold. The best soil results were 417 ppb and 409 ppb gold.*
- *Although less than 5% of the total area of the Blondin tenements was sampled the program demonstrated that soil geochemical techniques are highly effective and could be applied as a cheap exploration tool to about 80% of the tenement area of 111 square kilometres.*

REVIEW OF OPERATIONS

AUSTRALIA - GOLD

North Monger (Western Australia)

During the Quarter the purchase of the North Monger gold project, located 45 km southeast of Kalgoorlie, from AngloGold Australia Limited ("Anglogold") was finalised. The final payment for \$270,000, was completed on the 1st December 2003. Drilling by Anglogold delineated a gold resource at the Hammer and Tap Prospect.

Hammer and Tap Reverse Circulation Drilling

Alcaston commenced an initial infill reverse circulation drilling program at the Hammer and Tap prospect with the intention of confirming continuity of gold mineralization delineated by the Anglogold drilling. Nineteen holes for a total of 1,258 metres were completed by the 5th December. Holes were drilled on 50 m spaced sections, at a 25 m spacing, and ranged from 40 m to 100 m in depth.

The infill drilling confirmed that the **Hammer Lode which comprises the Hammer and Tap resource is continuous and remains robust over a strike length of 100 m between drill sections 11600N and 11700N**. The best gold intercepts obtained by Alcaston were on section 11650N which was an infill drill section halfway between existing AngloGold sections 11600N and 11700N. These intercepts include: **8 m @ 3.4 g/t gold (30-38 m), including 2 m @ 8.8 g/t gold (36-38 m) in hole AHTRC009 and 5m @ 7.3 g/t gold (24-29 m), including 2 m @ 15.5 g/t gold (25-27m) in hole AHTRC010**. All significant gold intercepts obtained in the program are summarised in Table 1.

Table 1: Significant Alcaston Drill Intercepts at Hammer and Tap Prospect

<i>Hole No.</i>	<i>Local Northing</i>	<i>Local Easting</i>	<i>Intercept (g/t gold)</i>	<i>Interval (m)</i>	<i>EOH (m)</i>
AHTRC001	11550	13095	1m @ 1.02	21-22	64
AHTRC002	11550	13125	3m @ 1.24	39-42	60
AHTRC005	11600	13132	3m @ 0.88	55-58	80
AHTRC006	11600	13189	5m @ 1.19	13-18	60
			5m @ 1.33	21-26	
			1m @ 1.29	31-32	
AHTRC008	11650	13140	6m @ 1.25	36-42	80
AHTRC009	11650	13170	8m @ 3.39	30-38	60
Including			2m @ 8.8	36-38	
			1m @ 4.39	46-47	
			4m @ 2.03	51-55	
AHTRC010	11650	13200	1m @ 1.74	19-20	60
			5m @ 7.28	24-29	
Including			2m @ 15.5	25-27	
AHTRC011	11650	13230	5m @ 0.90	13-18	60
AHTRC012	11700	13131	2m @ 2.54	59-61	100
AHTRC013	11700	13192	2m @ 1.06	21-23	82

AHTRC014	11700	13222	2m @ 1.15	0-2	60
			6m @ 1.28	13-19	
			6m @ 2.43	23-29	
			1m @ 1.01	39-40	
AHTRC015	11750	13135	1m @ 2.87	64-65	70
AHTRC016	11750	13165	1m @ 3.86	58-59	72

All holes angled at -60 degrees towards 045 degrees AMG. Sampling on 1m intervals, with 3kg samples submitted for 30g charge fire assay for gold.

On section 11600N intercepts of 5 m @ 1.19 g/t gold (13-18 m) and 5 m @ 1.33 g/t gold (21-26 m) were obtained in hole AHTRC006 confirming the predicted up-dip extent of the Hammer Lode intercepted by AngloGold in hole NMRC005 (7 m @ 6.71 g/t gold).

On section 11700N two holes AHTRC013 and AHTRC014 were drilled to trace the up-dip extent of the Hammer Lode intercepted by AngloGold in hole NMRC001 (9 m @ 5.15 g/t gold). Intercepts of 6 m @ 1.28 g/t gold (13-19 m) and 6 m @ 2.43 g/t gold (23-29 m) were obtained in AHTRC014 in the predicted lode position. However in hole AHTRC013 which lies halfway between holes AHTRC014 and NMRC001 an intercept of only 8 m @ 0.19 g/t gold was obtained in the predicted lode position, which was surprising as the hole was successful in intercepting significant quartz veining (8 m @ 20% quartz). Check assaying of this interval is underway.

Only narrow gold intercepts were obtained on sections 11550N and 11750N suggesting the Hammer and Tap resource has been closed off to the north and south.

Alcaston plan to complete further infill drilling at Hammer and Tap prior to updating the current resource estimate. This infill drilling will most likely be conducted on 25 m spaced lines. It is likely that further regional gold targets will be tested prior to the infill drilling phase.

Coarse Gold

Visible gold is common at the Hammer and Tap prospect and has been found in both outcropping quartz veining and in fresh drill hole samples. AngloGold found a quartz vein sample on a mullock pile at Hammer and Tap with a gold nugget measuring approximately 2.5 mm x 2.5 mm.

The presence of coarse gold demands a greater a greater level of scrutiny of the drill hole sampling and assaying process and requires the analysis of larger sample volumes than usually required. It is expected that some of the current assays based on fire assaying (30 gram charge) of a traditional 2 kilogram drill chip sample may be underreporting the actual gold grade. For example in the recent drilling program visible gold was noticed in two of the one metre interval chip samples. **These samples only returned assays of 0.09 g/t gold and 3.86 g/t gold.**

Alcaston is planning to implement a vigorous check assaying program to confirm assays in significant zones of gold mineralisation. This program will include re-assaying (fire assay) of a new sample splits along with 500 gram screen fire assaying. **Alcaston expects that the check assaying program may lead to an increase in the grade of several of the current drill hole intercepts.**

Other Target Areas

In the immediate vicinity to the Hammer and Tap gold resource are at least two other areas which offer potential to host similar gold mineralisation and are considered by Alcaston to be priority drill targets:

Area 1: Lies 500 metres northwest. AngloGold obtained the best RAB hole intercept in the North Monger gold property (better than those over the current Hammer and Tap resource) of **5 m @ 7.92 g/t gold**. No follow-up drilling has ever been conducted. The area has geophysical conductors (TFMMR anomalies) which are very similar to the conductors corresponding with the Hammer and Tap resource. This anomalism is thought to related to the alteration associated with the gold-bearing quartz veins.

Area 2: Lies 700 metres north. AngloGold obtained several gold anomalous intercepts in RAB drilling (2 m @ 2.94 g/t gold and 3 m @ 1.40 g/t gold) and corresponding anomalous soil auger sample results.

Alcaston considers that these two targets have potential for the discovery of gold resources to add to the North Monger resource inventory.

Planned Work

Alcaston is planning the following work on the North Monger gold project during the 1st Quarter of 2004:

- 1) Check analyses and screen fire assaying of significant gold intercepts.
- 2) Detailed geological mapping and rock chip sampling program at Hammer and Tap.
- 3) Further infill reverse circulation drilling at Hammer and Tap along with drill testing of the two target areas which surround the Hammer and Tap resource.
- 4) Updated gold resource estimation.

Alcaston remains optimistic that a small, profitable gold mining operation can be established if additional infill drilling confirms the initial resource estimate and also taking into consideration the low associated mining costs which will be due to the prospect's close proximity to the related facilities and good infrastructure which exists in the mining centre of Kalgoorlie.

Woods Point (Victoria)

At the Franklin prospect, Alcaston has mapped out an extensive gold mineralised dyke stockwork, comprising a major east-west trending dyke ("Cross Dyke") and at least nine north-west trending dykes.

Within the dykes extensive and intense stockwork quartz veining, with gold mineralisation has been located. Significant rock chip samples taken from portions of this veining include channel samples of 6 m @ 3.1 g/t gold (including 2.5 m @ 6.2 g/t gold), 15 m @ 1.9 g/t gold, and 3 m @ 4.2 g/t gold, and grab samples of 77.8 g/t, 24.8 g/t, 6.9 g/t, 5.8 g/t, and 4.7 g/t gold.

No drilling has ever been conducted at the Franklin prospect. Alcaston's mapping is the only significant exploration conducted on the prospect since 1902. The Franklin mineralization is located only 3 km southeast of the Morning Star Mine, which produced at least 800,000 ounces of gold.

No exploration was conducted during the Quarter. A program to test the gold mineralised dykes at Franklin, Cronans and Golden Fleece prospects with reverse circulation drilling is planned. A work plan for this drilling has been submitted to the Department of Primary Industries, Victoria and is currently under review. Drilling can commence once this work plan is approved.

CANADA - GOLD

Blondin (Ontario)

Alcaston has two gold properties in the northwestern corner of the Archean Birch-Uchi greenstone belt in the northwestern part of Ontario Province in Canada. The gold properties, known as Blondin Lake and Wavell Lake, have a combined area of 111 km² over largely unexplored greenstones which are highly prospective for Archean, shear-related gold deposits. They lie 120 km northeast of the Campbell/Red Lake gold mines which have past production and reserves of +20 million ounces of gold.

Alcaston has identified a number of priority geophysical targets for gold mineralisation. **Several targets have a magnetic signature almost identical to that of Placer Dome's Musselwhite Mine (3.5 million ounces)**, located 190 km to the northeast.

During the Quarter Alcaston completed a limited geological mapping, prospecting and rock chip and soil sampling program in the southern portion of the Blondin Lake property. The program covered less than 5% of the total area of the tenements but showed that soil geochemical techniques were highly effective and could be applied as a cheap exploration tool to about 80% of the tenement area.

It also demonstrated that there was previously unidentified gold mineralisation on the small, sampled part of the tenements. **The best rock chip sample gold assay was 5.64 g/t** from a north-south trending quartz-pyrite banded iron formation. Seven soil samples returned anomalous results of greater than 20 ppb gold. The best soil results were **417 ppb and 409 ppb gold**. The source of this very significant gold-in-soil anomalism is as yet unknown.

Once the snow cover has melted in May 2004 Bullion intends to conduct a follow-up geological mapping and infill soil sampling program over the gold anomalous areas discovered in the recently completed program.

Drilling of targets is planned for the later in 2004.

FIJI - GOLD

Sabeto

The Sabeto gold project in Fiji, along with Alcaston's gold projects in Vanuatu are subject to a farm-in agreement between Alcaston and the tenement owner Mincor Resources, previously announced to shareholders.

The Sabeto licence is in a key position in the island of Viti Levu, Fiji, and is prospective for bonanza grade epithermal veining of similar style to the nearby Tuvatu deposit (1.64 million tonnes @ 8.5 g/t gold for 450,000 ounces) or that at the Vatukoula Mine (10 million ounces) operated by Emperor Gold Mines Limited.

To date, three (3) significant bonanza-style epithermal quartz veins have been discovered at the **Banana Creek** prospect. Veins seem to be narrow but have produced high gold grades. Surface channel rock chip samples have returned **0.15 m @ 46.3 g/t gold, 14.4 g/t silver, 0.5 m @ 6.5 g/t gold, 5.0 g/t silver and 0.15 m @ 32.0 g/t gold, 20.9 g/t silver**. Drill intercepts include **0.4 m @ 23.4 g/t gold, 6.3 g/t silver**. Further drilling to locate extensions to this veining is required.

At **Central Ridge** prospect a series of parallel mineralized zones of highly fractured monzonite porphyry have produced significant gold, copper and silver assays. Best results include a grab rock chip sample of **16.05 g/t gold, 7.53 % copper, 4.9 g/t silver** and a channel rock chip sample of **11 m @ 4.45 g/t gold**. Previous drilling at the prospect did not adequately test these mineralised zones.

Exploration at the **Tuvatu North** prospect is focussed on locating the strike extensions of the high-grade epithermal veins from Emperor's Tuvatu deposit (**located only 300 m south the Alcaston tenement boundary**). The area is covered with soil and scree cover. Drilling is required to locate the veining.

No exploration was conducted at Sabeto during the quarter.

VANUATU - GOLD

Webe Creek

Webe Creek is situated on the northern Island of Espiritu Santo. Mincor holds a 75% interest in the Webe Creek tenement. Mincor spent >\$1 million and compiled an excellent geological, geophysical and geochemical exploration database and yet failed to drill a hole.

At the **Laonasmata** prospect there is a 3 km long and 300 m wide mineralised zone. Coincident within the zone are outcropping epithermal gold and silver-bearing veins, anomalous gold-in-soils, hydrothermal alteration and geophysical anomalies. To date rock chip values up to 13.2 g/t gold and 270 g/t silver have been obtained from the veining.

The Laonasmata prospect is **prospective for a 'Porgera-style' (+14 million ounces) gold discovery.**

Alcaston plans to test the Laonasmata prospect with 1,500 m of drilling.

No exploration was conducted during the quarter.

Tafuse

The Tafuse Licence adjoins Webe Creek to the north. Five (5) gold targets have been identified, comprising epithermal alteration zones with gold mineralisation on surface. The most advanced prospect at Tafuse North consists of a series of explosive breccia bodies aligned over 700 m along an elongated northwest trending zone with a coincident gold (generally greater than 0.5 g/t), arsenic, copper, lead and zinc soil anomaly. Exotic siliceous clasts in the breccia have assayed up to 10g/t gold and 860g/t silver.

No exploration was conducted during the quarter. Alcaston has planned a limited reconnaissance program with a view to drilling the main targets in 2004.

Taoran and Amethyst

These gold tenements located on the island of Malekula have been explored by a number of companies. Mincor completed geochemical and geophysical programs culminating in drill testing of the best anomalies with 10 diamond holes. The best intercept was 2 m @ 8.61g/t gold. Although the drilling has downgraded the prospectivity of the Taoran target area, there remains some potential in the surrounding licence areas with several untested or poorly tested targets remaining. Mincor holds a 53% interest in these two tenements.

No exploration was conducted during the quarter.

AUSTRALIA - DIAMONDS

Labelle Downs (Northern Territory)

The Labelle Downs exploration licence application straddles the northerly extension of the Halls Creek Mobile Zone, which hosts the Argyle Diamond Mine and numerous other kimberlite occurrences along the margin of the Kimberly block. Past exploration has delineated a cluster of discrete dipolar magnetic anomalies concealed under a blanket of transported sediments, and a detailed magnetic survey has pinpointed individual anomalies that closely resemble anomalies associated with kimberlite pipes.

The Labelle Downs diamond exploration project was subject to a two-stage option/joint venture agreement between Alcaston and De Beers Australia Exploration Ltd previously announced to shareholders.

In mid August 2003 three (3) priority magnetic anomalies were tested by drilling by De Beers. One anomaly was found to be related to granodiorite and not considered of interest. The other two anomalies were found to be associated with altered ultramafic rocks.

Drill core from the ultramafic rocks was treated for the recovery of heavy minerals and fresh samples of core were sent for petrographic descriptions. No diamonds or diamond indicator minerals were recovered.

Following the negative drilling results, De Beers elected to withdraw from the Labelle Downs project.

Leopold Downs (Western Australia)

These two adjoining exploration licences are situated in the Kimberly Region of Western Australia and are located approximately 50 km to the southeast of the Ellendale lamproite field.

Leopold Downs is subject to a joint venture agreement between Alcaston and Rio Tinto Exploration Pty Ltd (RTZ) previously announced to shareholders. RTZ are the operators.

The property contains a cluster of at least five (5) lamproite bodies comprising four (4) pipes ranging in surface area from 10.4 hectares to 1.0 hectare and a sill or dyke of at least 1.0 hectare in extent.

Few areas in Australia other than downstream from the Argyle diamond mine have yielded diamonds so consistently from normal drainage sampling. At least **50 diamonds have been recovered to date**.

RTZ 'due diligence' sampling located a number of clear, white diamonds and numerous chromites. One sample produced seven (7) diamonds (including 3 macrodiamonds). The largest diamond recovered was 1.4 mm.

RTZ conducted an airborne electro-magnetic (EM) geophysical survey over the Leopold Downs tenement area and defined eight (8) priority targets for follow-up trenching and drilling.

RTZ subsequently drilled six of the priority geophysical targets (targets 1.1, 1.2, 3.1, 4.1, 5.1, 9.1 and 11.1). Most targets were found to be related to granites and meta-sediments. Drilling of Target 3.1 located a new lamproite pipe ("Leopold 1"). Based on drilling information and magnetic data it is estimated that the pipe has approximate dimensions of 700 m x 60 m (~4.2 hectares).

No diamonds were recovered from the drill samples, including those from the lamproite pipe.

SWEDEN - DIAMONDS

The Swedish diamond exploration project comprises 17 granted licences covering an area of 1,075 km² over prospective parts of the Baltic Shield. This cratonic area is known to host diamond-bearing kimberlite deposits in the adjoining countries of Finland and Russia.

During the Quarter, Alcaston attempted to divest the Sweden Diamond project. An Information Memorandum was sent out to over 20 companies. Little interest was shown in the project.

As a result Alcaston sold 72.7% of its 81.3% holding in Alcaston Diamond Exploration AB ("ADE") to retain 8.6% and withdraw from the Sweden diamond licences. Alcaston however retains 1% gross royalty on all diamonds recovered from all properties which ADE owned at March 2002.

AUSTRALIA – BASE METALS

Minilya (Western Australia)

The Minilya project was subject to a joint venture agreement between Alcaston and USA resource company Asarco Exploration Company Inc previously announced to shareholders.

Following the negative results obtained in drilling, Asarco notified Alcaston of its withdrawal from the Joint Venture on the 17th September 2003.

Subsequently Alcaston surrendered this property.

SWEDEN – BASE METALS

Nimtek

Following failure to interest a joint venture partner to drill test the zinc-in-till anomaly, Alcaston relinquished this property during the quarter.

OTHER PROJECTS

The company has been actively engaged in pursuing new project opportunities both in Australia, Asia, Africa, and North and South America. Projects are being evaluated continuously but to date have all failed to meet the company's acquisition and exploration criteria.

CORPORATE MATTERS

- The Company attempted to joint venture the Swedish claims held by its 81.3% owned Swedish subsidiary, Alcaston Diamond Exploration AB ("ADE"), but due to the lack of interest generated in same, Alcaston sold 72.7% of its 81.3% holding in ADE and accordingly, ADE is no longer considered to be a subsidiary of Alcaston. As part of the sale agreement, Alcaston has retained a 1% gross royalty on all diamonds recovered from all properties owned by ADE at March 2002. Rick Crabb, David Porter and Gilbert Rodgers have also resigned as directors of ADE.
- A General Meeting of shareholders was held on 30 October 2003 and the following resolutions were passed.

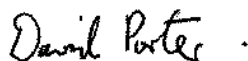
	For	Against
Resolution 1 – Ratify previous issue of 1,500,000 shares & 1,500,000 opts	8,948,620	Nil

Resolution 2 – Ratify previous issue of 375,000 shares	8,948,620	Nil
Resolution 3 – Ratify previous issue of 5,000,000 shares & 2,500,000 opts	4,698,620	Nil
Resolution 4 – Approve issue of 7,500,000 shares & 3,750,000 opts	4,697,134	Nil
Resolution 5 – Approve issue of shares in lieu of fees owing	6,385,486	Nil
Resolution 6 – Approve placement of up to 25,000,000 shares & up to 25,000,000 opts	8,947,134	Nil

- The Company issued 25,000,000 shares and 25,000,000 options expiring on 30 September 2007 and exercisable at 15 cents each during the quarter to raise \$1,500,000. The issue was oversubscribed.
- The Annual General Meeting was held on 28 November 2003 and the resolution to re-appoint Gilbert Rodgers as a Director of the Company was carried.

If any further information is required, please do not hesitate to contact our office.

Yours faithfully
ALCASTON MINING NL



DAVID PORTER
Managing Director

The information in this report so far as it relates to resource estimation and exploration activities, is based on information compiled by Craig Mackay and David Porter, persons who are members of The Australasian Institute of Mining and Metallurgy and who have more than five years' experience in the field of the activity being reported on. This report accurately reflects the information compiled by those members.

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

ALCASTON MINING NL

ABN

39 006 710 774

Quarter ended ("current quarter")

31 DECEMBER 2003

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(174) (168)	(237) (249)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	6	7
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	(336)	(479)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity invest: (c)other fixed assets	(270) (5)	(270) (5)
1.9 Proceeds from sale of: (a)prospects (b)equity invest: (c)other fixed assets		
1.10 Loans to other entities - Subsidiaries	(79)	(79)
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(354)	(354)
1.13 Total operating and investing cash flows (carried forward)	(690)	(833)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(690)	(833)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	1,427	1,427
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		
	Net financing cash flows	1,427	1,427
Net increase (decrease) in cash held			
1.20	Cash at beginning of quarter/year to date	42	185
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	779	779

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	138
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

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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

The reporting entity issued shares and options to the value of \$675,000 to acquire the remaining 40% of its Canadian subsidiary and also the 20% free carried interest in the Wavell Lake property.
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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

N/A

+ 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	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	40
4.2 Development	-
Total	40

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	779	779
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	779	779

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	Minilya	Joint venture arrangement Arrangement with ASARCO	100%	Nil Surrender
	Swedish Claims	Indirectly disposed through subsidiary	81.3% indirect	8.6% plus 1% gross royalty. indirect

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in mining tenements acquired or increased	North Monger Project Package	Outright acquisition	Nil	100%
	Wavell Lake	Acquisition of 20% free Carried interest	80%	100%

+ 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	115,565,075	114,665,075		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	37,118,517	37,118,517		
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>	87,784,788	87,784,788	<i>Exercise price</i> 15¢	<i>Expiry date</i> 30 September 2007
7.8 Issued during quarter	28,750,000	28,750,000	15¢	30 September 2007
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: 30-01-04
(Director/Company secretary)

Print name: GILBERT RODGERS

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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+ See chapter 19 for defined terms.