Rule 5.3

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

AUSTRALIAN MINES LIMITED

ABN	Quarter ended ("current quarter")
68 073 914 191	**31 MARCH 2005**

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A	Year to date (12 months) $A
1.1	Receipts from product sales and related debtors	3,263,332	12,297,785
1.2	Payments for		
	(a) exploration and evaluation	(140,809)	(892,211)
	(b) development	(578,165)	(2,244,729)
	(c) production	(3,835,681)	(10,025,384)
	(d) administration	(299,033)	(845,292)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	6,537	45,428
1.5	Interest and other costs of finance paid		
1.6	GST paid		
1.7	Other (provide details if material)	(54,396)	(119,538)
	Net Operating Cash Flows	**(1,638,215)**	**(1,783,941)**
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a)prospects		
	(b)equity investments		
	(c) other fixed assets	(99,290)	(346,508)
1.9	Proceeds from sale of:		
	(a)prospects		
	(b)equity investments		
	(c)other fixed assets	41,000	41,000
	(d) Hedge Contracts		
1.10	Loans to controlled entity	-	-
1.11	Loans repaid by other entities	-	-
1.12	Loan to other entity- short term	-	-
	Net investing cash flows	**(58,290)**	**(305,508)**

1.13	**Total operating and investing cash flows (carried forward)**	**(1,696,505)**	**(2,089,449)**
1.13	Total operating and investing cash flows (brought forward)	**(1,696,505)**	**(2,089,449)**
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	872,407	872,407
1.17	Repayment of borrowings	(232,984)	(519,078)
1.18	Dividends paid		
1.19	Other – costs of capital raising		
	Net financing cash flows	**639,423**	**353,329**
	Net increase (decrease) in cash held	**(1,057,082)**	**(1,736,120)**
1.20	Cash at beginning of quarter/year to date	1,073,884	1,752,922
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	**16,802**	**16,802**

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
1.23	Aggregate amount of payments to the parties included in item 1.2	31,743
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

$27,500 directors' fees paid in the quarter.
$4,243 legal services.

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

1. Additions to leased mining equipment and lease liabilities of $882,322

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

None.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A	Amount used $A
3.1	Loan facilities	-	872,407
3.2	Credit standby arrangements	2,700,000	872,407

Estimated cash outflows for next quarter

		$A
4.1	Exploration and evaluation	100,000
4.2	Development	
4.3	Acquisition of interests	
	Total	**100,000**

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	Previous quarter $A
5.1	Cash on hand and at bank	16,802	93,967
5.2	Deposits at call	-	979,917
5.3	Bank overdraft		
5.4	Other (security deposit with CBA)		
	Total: cash at end of quarter (item 1.22)	**16,802**	**1,073,884**

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				
6.2	Interests in mining tenements acquired or increased				

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**				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	144,926,132	144,926,132	20 cents	20 cents
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	**+Convertible debt securities**				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	15,400,001 37,500,000 500,000	Nil Nil Nil	*Exercise price* 20 cents 20 cents 20 cents	*Expiry date* 31 December 2005 1 February 2006 31 December 2008
7.8	Issued during quarter	500,000	Nil	20 cents	31 December 2008
7.9	Exercised during quarter				
7.10	Expired during quarter	700,000	Nil	*Exercise price* 20 cents	*Expiry date* 31 December 2005
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

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.

Byoung

Sign here:..Date: 29 April 2005
Chief Financial Officer/Company Secretary

Print name: Brett Young

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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