



JAGUAR MINERALS LTD

ACN 107 159 713

PROSPECTUS

For the issue of 25,000,000 ordinary shares at 20 cents each together with 12,500,000 free attaching options on the basis of one option for every two shares subscribed for, to raise \$5,000,000.

BROKER TO THE ISSUE

MONTAGU STOCKBROKERS PTY LTD

ABN 46 009 368 432

Oversubscriptions of a further 2,500,000 ordinary shares at 20 cents each, with 1,250,000 free attaching options on the basis of one option for every two shares subscribed for, to raise an additional \$500,000 may be accepted.

CORPORATE DIRECTORY

DIRECTORS

BRIAN J HURLEY, AWASM
Chairman

NANETTE M ALLEN, BSC (HONS)
Managing Director

MICHAEL P WRIGHT, BBus
Executive Director

COMPANY SECRETARY

MICHAEL P WRIGHT, BBus

REGISTERED OFFICE

Level 3, 50 Colin St
West Perth WA 6005

Telephone: (08) 9322 2788
Facsimile: (08) 9481 1669

Website: www.jaguarminerals.com.au
Email: nallen@jaguarminerals.com.au

SOLICITORS

BLAKISTON & CRABB
1202 Hay Street
West Perth WA 6005

BROKER TO THE ISSUE

MONTAGU STOCKBROKERS PTY LTD
Citibank House
Level 2, 37 St Georges Tce
Perth WA 6000

SHARE REGISTRY

SECURITY TRANSFER REGISTRARS PTY LTD
770 Canning Highway
Applecross WA 6153
Telephone: (08) 9315 0933
Facsimile: (08) 9315 2233

INVESTIGATING ACCOUNTANTS

STANTON PARTNERS CORPORATE PTY LTD
1st Floor, 1 Havelock Street
West Perth WA 6005

AUDITORS

STANTON PARTNERS
1st Floor, 1 Havelock Street
West Perth WA 6005

INDEPENDENT CONSULTING GEOLOGISTS

N J TURNER GEOLOGICAL SERVICES PTY LTD
65 Lochner Street
West Hobart TAS 7000

RANGOTT MINERAL EXPLORATION PTY LTD
PO Box 1141
Orange NSW 2800

CALDAY GRANGE PTY LTD
(TRADING AS MARTIN RESOURCE
CONSULTANTS)
33 Waroonga Road
Nedlands WA 6090

JAGUAR:

SYMBOLIC OF POWER AND PERFORMANCE. IT EMBODIES THE ENERGY AND DESIGN OF THE COMPANY. NOBLE WITH INTEGRITY. ADVENTUROUS WITH INGENUITY. SERIOUS WITH REASONABILITY. DESCRIBED IN AZTEC MYTHOLOGY AS HAVING BOTH TRAITS OF THE SUN AND THE NIGHT, THE JAGUAR DEFINES THE BALANCE BETWEEN STRENGTH AND MAGNIFICENCE.

WWW.JAGUARMINERALS.COM.AU

TABLE OF CONTENTS

CHAIRMAN'S LETTER OF INTRODUCTION	2
HIGHLIGHTS OF JAGUAR MINERALS LTD	3
SECTION 1 DETAILS OF THE OFFER	4
SECTION 2 DIRECTORS AND MANAGEMENT	7
SECTION 3 OVERVIEW OF JAGUAR MINERALS LIMITED	9
SECTION 4 INDEPENDENT CONSULTING GEOLOGISTS' REPORTS	14
SECTION 5 INVESTIGATING ACCOUNTANT'S REPORT	81
SECTION 6 SOLICITORS' REPORT ON TENEMENTS	89
SECTION 7 RISK FACTORS	106
SECTION 8 ADDITIONAL INFORMATION	108
SECTION 9 DEFINED TERMS	120

IMPORTANT NOTICE

This Prospectus is dated 13 April 2004 and a copy of this Prospectus was lodged with the Australian Securities and Investments Commission ("ASIC") on that date. ASIC takes no responsibility for the contents of this Prospectus. No securities will be allotted or issued on the basis of this Prospectus later than the expiry date of this Prospectus being the date which is 13 months after the date of this Prospectus. Securities allotted or issued pursuant to this Prospectus will be allotted or issued on the terms and conditions set out in the Prospectus.

Before deciding to invest in the Company, potential investors should read the entire Prospectus and, in particular, in considering the prospects for the Company, investors should consider the risk factors that could affect the financial performance of the Company. Investors should carefully consider these factors in light of personal circumstances (including financial and taxation issues). Jaguar is in the early stages of development and the risks are therefore significant. The Securities offered by this Prospectus should be considered speculative. Refer to Section 7 of this Prospectus for details relating to risk factors. Investors should seek professional advice from an accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Securities or the Offer, or otherwise to permit a public offering of the Securities, in any jurisdiction outside Australia.

This Prospectus will be issued as an Electronic Prospectus and may be accessed on the Internet at www.jaguarminerals.com.au. The Offer pursuant to an Electronic Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. The Corporations Act prohibits any person from passing to another person the Application Form unless it is attached to or accompanies the complete and unaltered version of this Prospectus. During the Offer period, any person may obtain a hard copy of the Prospectus by contacting the Company.

In accordance with Chapter 6D of the Corporations Act, this Prospectus is subject to an exposure period of seven days from the date of lodgement with ASIC. This period may be extended by ASIC for a further period of up to seven days. The purpose of this exposure period is to enable this Prospectus to be examined by market participants prior to the raising of funds, which examination may result in the identification of deficiencies in this Prospectus. If this Prospectus is found to be deficient, Applications received during the exposure period will be dealt with in accordance with section 724 of the Corporations Act. Applications received prior to the expiration of the exposure period will not be processed until after the exposure period. No preference will be conferred on Applications received in the exposure period and all Applications received during the exposure period will be treated as if they were simultaneously received on the date on which Applications open.

Figures disclosed in this Prospectus are exclusive of goods and services tax, unless otherwise disclosed.

Unless otherwise stated, items shown in this Prospectus are not assets of the Company.





JAGUAR MINERALS LTD
ACN 107 186 713

13th April, 2004

Dear Investor,

It is with great pleasure that I introduce to you Jaguar Minerals Limited ("Jaguar") for your consideration.

THE PEOPLE: Jaguar Minerals is headed by a dynamic and innovative group of explorationists with the determination to succeed. Nanette Allen, Michael Wright and I together combine the expertise of science and commerce to form a well balanced management team.

THE PROJECTS: Jaguar's focus has landed on 5 target projects. Previously under the control of well regarded Herald Resources Ltd ("Herald"), these projects have met the high standards of Herald's selection criteria. The Directors of Jaguar consider the projects to have a high degree of prospectivity each with potential for positive exploration success. The Company will also continue to look to expand its portfolio if or when new opportunities arise.

THE POTENTIAL: Jaguar's exploration projects target several different styles of mineralisation including:-

- Stratiform copper, lead and zinc mineralisation
- Stockwork type related tin-tungsten
- Tonalite hosted gold
- Porphyry hosted copper-gold
- Avebury-style nickel sulphide

THE PERFORMANCE: Jaguar's scope of work includes plans to commence drilling within the first few months of listing. The interpretation of newly available EM data, design of resource evaluation drilling programmes and the development of exploration programmes over geochemical and geophysical anomalies will be Jaguar's focus for 2004/05.

THE PROPOSITION: The information in this prospectus details each of our exciting tenements and our proposed course of action. The prospectus is an important document and I urge you to read it carefully. I invite you to share in this investment opportunity and become a valued shareholder of Jaguar Minerals Ltd.

Yours faithfully,

BRIAN J HURLEY

Chairman



HIGHLIGHTS OF JAGUAR MINERALS LTD

- Jaguar has a dynamic and well qualified board and management team with the capabilities to take successful exploration projects to mine production, thereby delivering capital growth to shareholders.
- Within Jaguar's portfolio there are 5 exciting and diverse projects throughout Australia in well known mining regions

Tasmania	~	Balfour
	~	Wilson River
New South Wales	~	Springfield
	~	Mount David
Western Australia	~	Kintore
- Recently available government airborne electromagnetic survey information over the Balfour project has highlighted new prospective targets in areas of limited exploration and adjacent to known copper mineralisation.
- Inferred resource of 47,000oz gold already delineated at Springfield project with potential to increase this with further infill drilling and drilling along strike to the north and south for resource extension.
- Jaguar has control of the consolidated prospects over the Kintore Mining Centre which has historically produced approximately 50,000oz gold, allowing Jaguar the benefit of exploring the area in its entirety. Significant drill intersections of gold mineralisation have had no or limited follow-up work and require immediate infill and along strike drilling.
- Walk up drill targets at Mt David, to be initiated soon after listing, once standard site-clearance approvals are obtained.
- Dighem anomalies to be geochemically tested for nickel and associated minerals on the Wilson River tenement.
- Issue of Shares (with free attaching 1 for 2 Options) at an issue price of 20 cents will raise \$5,000,000 (or up to \$5,500,000 with oversubscriptions) to allow for comprehensive exploration of Jaguar's project areas.
- Existing Herald Shareholders have a priority right to subscribe for shares in Jaguar until the Herald Priority Right Closing Date, thereby assisting in providing Jaguar with spread and liquidity.



SECTION 1. DETAILS OF THE OFFER

DESCRIPTION OF THE OFFER

By this Prospectus, the Company invites investors to subscribe for a total of 25,000,000 Shares in the Company at an issue price of 20 cents with 12,500,000 free attaching Options on the basis of one Option for every two Shares subscribed for, to raise \$5,000,000, with each Option granting the holder the right to subscribe for one Share at an exercise price of 20 cents on or before 30 September 2008 (refer to Section 8 of this Prospectus for terms and conditions of the Options).

Applications must be made on the Application Form which accompanies this Prospectus.

Further details of the Offer are set out below in the sub-section "Indicative Dates".

MINIMUM SUBSCRIPTION

The minimum subscription is \$3,000,000. In accordance with the Corporations Act, no Securities will be allotted by the Company until the minimum subscription has been subscribed. If the minimum subscription is not achieved within four months after the date of this Prospectus, the Company will either repay the application monies to the Applicants or issue a supplementary or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their application monies.

In this regard, please refer also to Section 3, sub-section titled 'Use of Funds' of this Prospectus.

OVERSUBSCRIPTIONS

The Company may, in its absolute discretion, accept oversubscriptions of up to \$500,000 through the issue of an additional 2,500,000 ordinary fully paid Shares, together with 1,250,000 free attaching Options on the basis of one Option for every two Shares subscribed for, with each Option granting the holder the right to subscribe for one Share at an exercise price of 20 cents on or before 30 September 2008.

INDICATIVE DATES

Lodgement of the Prospectus with the ASIC	13 April 2004
Opening Date of the Offer	20 April 2004
Closing Date of the Herald Priority Right	4 May 2004
Closing Date of the Offer	31 May 2004
Despatch of Share and Option Statements	8 June 2004
Expected Date for Quotation of Securities	11 June 2004

These dates are indicative only and may vary. The Company reserves the right to vary the opening and closing dates of the Offer without prior notice. Applicants are encouraged to apply as soon as possible after the Offer opens as the Offer may close earlier than the date specified above. The Company also reserves the right not to continue with the Offer at any time before the allotment of Securities to Applicants.

APPLICATIONS FOR SECURITIES

If you wish to participate in the Offer, you should complete the Application Form enclosed with this Prospectus.

Applicants may apply for a minimum parcel of 10,000 Shares and thereafter in multiples of 2,000 Shares.

Applications for less than the minimum parcel of 10,000 Shares (equivalent to \$2,000) will not be accepted.

HERALD PRIORITY RIGHT

Existing Herald Shareholders have a priority right to subscribe for Shares under the Offer. This means that applications for Shares by Existing Herald Shareholders will receive first preference ahead of any Applications received from the public, subject at all times to the Directors' right to allocate Shares as they see fit.



LODGEMENT OF APPLICATION FORMS

All completed Application Forms must be lodged at the Company's share registry, on or before the relevant Closing Date:

BY POST TO	OR DELIVERED TO
JAGUAR MINERALS LTD c/- Security Transfer Registrars Pty Ltd PO Box 535 APPLECROSS WA 6953	JAGUAR MINERALS LTD c/- Security Transfer Registrars Pty Ltd 770 Canning Highway APPLECROSS WA 6153

No brokerage or stamp duty is payable by Applicants with respect to their Applications for Shares under this Prospectus. The amount payable on application will not vary during the period of the Offer.

Applications must be accompanied by payment in full in Australian currency of \$0.20 for each Share applied for. Payment must be by way of cheque or bank draft drawn on and payable on an Australian bank and should be made payable to **"Jaguar Minerals Ltd - Share Offer Account"** and crossed **"Not Negotiable"**.

Application Forms must not be circulated to prospective investors unless accompanied by a copy of this Prospectus.

A duly completed and lodged Application Form will constitute an offer by the Applicant to subscribe for the number of Shares applied for pursuant to the Application Form together with the resulting number of free attaching Options.

ALLOCATION

(a) General Discretion

The Company retains an absolute discretion in allocating the Securities under the Offer and reserves the right to allot to an Applicant a lesser number of Securities than the number for which the Applicant applies, or to reject an Application. If the number of Securities allotted is fewer than the number applied for, surplus application monies will be refunded without interest. The acceptance of Applications and the allocation of Securities are at the absolute discretion of the Directors.

The Company will not be liable to any person not allocated Securities.

(b) Herald Priority Right

Subject to paragraph (a), the Company will use its best endeavours to allot Securities the subject of the Herald Priority Right to Existing Herald Shareholders in priority to anyone else.

APPLICATION MONIES HELD IN TRUST

All application monies will be held in trust in a subscription account until allotment. The subscription account will be established and kept by the Company on behalf of the Applicants.

All interest earned on all application monies (including those which do not result in allotments of Securities) will be retained by the Company.

BROKERS

The Company will pay a fee of 5% of the amount subscribed (and accepted by the Company) to any holders of dealers' licences in respect of Applications bearing the stamp of such dealers.

BROKER TO THE ISSUE

The Company will pay the Broker to the Issue a fee of 1% of the total amount raised (a maximum of \$55,000 if the maximum subscription, including over subscriptions of \$5,500,000 is raised) and grant 1,500,000 Options on the same terms and conditions as the Options offered under the Prospectus. The Company will also pay the Broker to the Issue a fee of 5% of the amount raised by it. Montagu will use its best endeavours to obtain firm commitments from other brokers to subscribe or have their clients subscribe for at least \$500,000 worth of Shares whereupon Montagu will use its best endeavours to raise a minimum of \$500,000 from its own clients. If Montagu and the brokers it obtains firm commitments from, submit applications for \$1,000,000 but are scaled back due to Herald shareholders subscribing for more Shares than anticipated, the Company will pay a fee of 5% to Montagu or the other brokers, as the case may be, on the amount of the scale back. In the event the minimum subscription is not achieved, the Broker to the Issue will receive a fee of \$15,000 and reimbursement of reasonable costs and expenses incurred.



AUSTRALIAN STOCK EXCHANGE LISTING

Application will be made by the Company to ASX, within seven days after the date of this Prospectus, for the Company to be admitted to the Official List of ASX and for admission of the Securities offered pursuant to this Prospectus to quotation on ASX. If the Company is not admitted to the Official List of ASX and the Securities are not admitted to quotation within three months after the date of this Prospectus, all application monies will be refunded without interest. ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may admit the Company to its Official List is not to be taken in any way as an indication of the merits of the Company or the Securities offered pursuant to this Prospectus.

ESCROWED SECURITIES

The ASX may classify certain Securities on issue at the date of this Prospectus as being subject to the restricted securities provisions of the Listing Rules.

CHESS

The Company proposes participating in the Clearing House Electronic Subregister System ("CHESS"), operated by ASX Settlement and Transfer Corporation Pty Ltd ("ASTC") a wholly owned subsidiary of ASX, in accordance with the Listing Rules and SCH Business Rules.

Under this system, the Company will not issue certificates to investors. Instead, shareholders will receive statements of their Share and Option holdings in the Company. If an investor is broker-sponsored, the ASTC will send them CHESS statements.

The CHESS statements will set out the number of Securities allotted to each holder under the Prospectus, give details of the shareholder's Holder Identification Number and give the Participant Identification Number of the sponsor.

If you are registered on the Issuer Sponsored Subregister, your statements will be dispatched by the share registry and will contain the number of Securities allotted under the Prospectus and the Shareholder's Security holder Reference Number.

CHESS statements or Issuer Sponsored Statements will routinely be sent to shareholders at the end of any calendar month during which the balance of their holding changes. A shareholder may request a statement at any other time, however a charge may be applied for additional statements.

OVERSEAS INVESTORS

No action has been taken to register or qualify the Securities, or the Offer, or otherwise to permit a public offering of the Securities, in any jurisdiction outside Australia.

The Offer pursuant to an Electronic Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia.

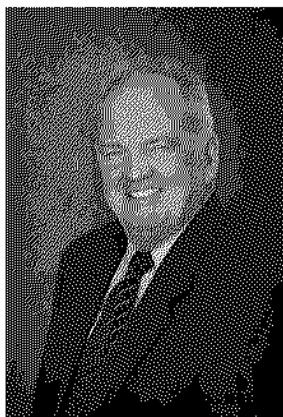
INVESTMENT CONSIDERATIONS

An investment in Jaguar Minerals Ltd should be considered speculative given the nature of the Company's assets and their stage of development at this time, the fluctuation of metal prices and various other risk factors. A summary of some of the risks that should be considered in connection with an investment in Jaguar is contained in Section 7 of this Prospectus.



SECTION 2. DIRECTORS AND MANAGEMENT

DIRECTORS



BRIAN J HURLEY, AWASM
CHAIRMAN

Mr Hurley is a mining engineering graduate of the Western Australian School of Mines. Between 1965 and 1990 he was employed by Western Mining Corporation Ltd in many roles including General Manager - Nickel Division and Senior General Manager - W.A.

During this time he held the position of Vice-Chairman of the Toronto based Nickel Development Institute and also sat as Vice-President of the Western Australian Chamber of Minerals and Energy. He has been Chairman or a Director of a number of junior mining and exploration companies including Gascoyne Gold Mines NL and Defiance Mining NL.

Mr Hurley is currently Chairman of Oropa Limited (formerly Finders Gold NL), White Gold Mining Ltd and the annual Diggers & Dealers Mining Forum. In addition, he is also a member of the Australian Institute of Company Directors.

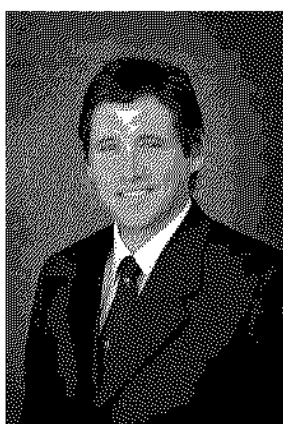


NANETTE M ALLEN, BSC (HONS)
MANAGING DIRECTOR

Ms Allen is a geologist with experience in mineral exploration throughout Western Australia and Indonesia, as well as mine and resource management. Her previous position with Kimberley Diamond Company Ltd encompassed managing exploration site operations, development and implementation of field programmes, negotiating with land owners and stakeholders and being part of a team which has brought a grass roots exploration project through to a significant mine.

Her particular areas of expertise are in the fields of design and co-ordination of mine planning, critical analysis of exploration targets, and design and resource modeling of databases.

Ms Allen is a member of the Geological Society of Australia and has previously held positions with Hartree Consulting Pty Ltd and Herald Resources Ltd.



MICHAEL WRIGHT, BBus
EXECUTIVE DIRECTOR

Mr Wright has had over 20 years experience in the resource sector in a corporate and financial capacity. He is also an executive director of the Herald Resources Ltd group of companies, where he has been instrumental in the financing and management of a number of profitable mining operations.

He has previously held positions with Occidental Oil and Gas Corporation, The Griffin Coal Mining Co Pty Ltd, Haoma Mining NL, Strata Oil and Gas Company and Arthur Andersen.



CORPORATE GOVERNANCE STATEMENT

The Board of Directors considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the establishment of separate Board committees. Accordingly, all matters that may be capable of delegation to committees will be dealt with by the full Board.

As such, the Directors are responsible for setting the strategic direction of the Company and establishing the policies of the Company. It is their responsibility to oversee the financial position of the Company and monitor the business and affairs of the Company, on behalf of the shareholders, by whom the Directors are elected and to whom they are accountable. The Directors also address issues relating to internal control and the Company's approach to risk management.

Section 2 sub-section "Directors" of the Prospectus contains details of the Directors' skills, experience and qualifications.

The primary responsibilities of the Board include:

- The establishment of long term goals for the Company and strategic plans to achieve these goals.
- Implementing adequate systems of internal control together with appropriate monitoring of compliance activities and establishment of and adherence to ethical and environmental standards.
- Reviewing the results and findings of the external auditors, the adequacy of internal accounting and financial controls and obtaining feedback on the implementation of recommendations made.
- Reviewing and approving the financial reports of the Company and receiving the audit/review reports.
- Determining the remuneration of the Directors and senior executives as part of an annual review, having regard to:
 - a performance evaluation process;
 - market factors; and
 - where necessary, independent remuneration advice.
- Implementing policies and codes of conduct to assist the Company and all its employees in maintaining appropriate standards of behaviour, business ethics and integrity.
- Implementing policies and programmes aimed at complying with all environmental statutory standards and where standards do not exist, applying appropriate self-regulation.
- Adopting practices designed to identify and monitor significant areas of business risk and to effectively manage those risks in accordance with the Company's risk profile. The strategic planning process, which will be updated regularly, is the principal tool in this process.
- Evaluating and, where appropriate, adopting with or without modification the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations.
- Recognising that adherence to corporate governance standards and benchmarks is an evolving process by reviewing and updating the Company's practices periodically or when otherwise appropriate.
- Preparing, implementing and monitoring policies to ensure that all major developments affecting the financial position and state of affairs of the Company and any subsidiaries are announced to ASX immediately.



SECTION 3. OVERVIEW OF JAGUAR MINERALS LTD

BACKGROUND

Jaguar Minerals Ltd was incorporated on 25 November 2003 as a wholly-owned subsidiary of Herald Resources Limited. On 22 December 2003, Herald and Jaguar entered into a sale agreement whereby Jaguar acquired Herald's interest in the Kintore, Springfield, Mt David, Balfour and Wilson River projects the subject of this Prospectus.

The projects are summarised below and more fully described in the Independent Consulting Geologists' Reports in Section 4 of this Prospectus.

CORPORATE OBJECTIVE AND STRATEGIES

The Company's aim is to discover and develop high value mineral deposits, thereby delivering capital growth to shareholders, and dividends where appropriate.

USE OF FUNDS

The funds raised from the Offer are primarily for the purpose of mineral exploration. The application of funds raised from the Offer will be applied over the

Description	Minimum Subscription	Offer	Over Subscriptions
Exploration			
- Balfour Project	314,681	900,000	900,000
- Wilson River Project	85,663	245,000	245,000
- Springfield Project	204,543	585,000	585,000
- Mt David Project	215,032	615,000	615,000
- Kintore Project	178,319	510,000	510,000
Part repayment of Herald exploration costs	500,000	500,000	500,000
Expenses of the Issue (including brokers fees)	300,000	420,000	450,000
Administration	600,000	600,000	600,000
Working Capital	601,762	625,000	1,095,000
Total issue	\$3,000,000	\$5,000,000	\$5,500,000

If subscriptions over the full subscription amount of \$5,000,000 are received the additional funds will be applied as additional working capital. If the Company raises more than the minimum subscription but less than the full subscription amount of \$5,000,000, the overall exploration budget will be reduced pro rata across all projects (subject to meeting minimum expenditure requirements).

On completion of the Offer, the Directors believe that the Company will have sufficient working capital to carry out its stated objectives.

Further detail with respect to the application of funds to be raised from the Offer is set out in the Independent Consulting Geologists' Reports in Section 4 of this Prospectus.



CAPITAL STRUCTURE

The pro forma capital structure of the Company following successful completion of the Offer is as follows:

Shares	No. of Shares	\$
Present Issued Capital	20,000,000	200
To be issued pursuant to Wilson River Sale Agreement	100,000	0
To be issued pursuant to this Prospectus ⁽¹⁾	25,000,000	5,000,000
Total Shares	45,100,000	\$5,000,200

Options	No. of Options	\$
Presently Issued Options ⁽¹⁾	10,000,000	0
To be issued pursuant to this Prospectus ⁽²⁾	12,500,000	0
To Montagu Stockbrokers Pty Ltd pursuant to Broker Engagement Letter ⁽³⁾	1,500,000	0
To be issued subsequent to listing to Directors ⁽⁴⁾	2,250,000	0
Total Options	26,250,000	0

⁽¹⁾ Each of the Options has an expiry date of 30 September 2008 and carries the right to apply for one ordinary fully paid share in the capital of the Company at an exercise price of 20 cents per share.

⁽²⁾ Subsequent to listing, the Company intends to seek shareholder approval for the issue of up to 2,250,000 options to subscribe for Shares in the capital of the Company, to Directors and employees. Each of the options will have an expiry date of 31 December 2008 and will carry the right to apply for one Share in the capital of the Company at an exercise price of 25 cents per Share.

⁽³⁾ Oversubscriptions of up to 2,500,000 Shares at 20 cents each with up to 1,250,000 free attaching Options may be accepted (refer to Section 1 sub-section "Oversubscriptions").

JAGUAR'S PROJECTS

INTRODUCTION

The Company has five projects, of which two are in Tasmania, two in New South Wales and one in Western Australia. The Directors believe all of the projects have the potential to contain significant mineral deposits.

At Balfour, in north-west Tasmania, there is potential for stratiform copper and/or lead-zinc mineralisation in Proterozoic age rocks together with stockwork type granite related tin-tungsten mineralisation. At Wilson River, also in north-west Tasmania, there is potential for an Avebury-style nickel sulphide deposit.

In New South Wales, at Springfield, an inferred resource of 47,000oz gold has been delineated within an Ordovician monzodiorite sill with untested extents which could lead to an increase in this resource and further exploration may outline additional resources at other nearby prospects. At Mt David, there is potential for porphyry related gold-copper mineralisation of the Cadia-Ridgeway style in late Ordovician sequences, and/or prospectivity for smaller, higher grade gold deposits.

In Western Australia, the Kintore Project has previously yielded significant drill intersections of gold mineralisation in a sheeted vein system within a granitoid host and the Directors believe this project has the potential to develop into a large tonnage deposit.

Drilling on at least 2 of the projects, Kintore and Mt David, is expected to commence within a short period of the Company listing on the ASX once approvals are met. The Company will also look to increase its portfolio if or when worthwhile projects arise.



BALFOUR, TASMANIA

The Balfour Project is located in north-west Tasmania, about 85km WSW of Burnie. Tin was discovered at Balfour in the 1880's whilst copper was first discovered in 1901.

The project consists of one Exploration Licence of 110km². This licence is held by New Challenge Resources Pty Ltd with whom Jaguar has a two year option to purchase a 95% interest in the tenement for \$200,000.

The Balfour Mining Centre is contained within a 35km line of intermittent copper workings. To the west of the copper workings are highly anomalous tin-tungsten occurrences whilst lead and zinc are also known to be anomalous in the area.

Recently, as a result of a 2002 Tasmanian Government airborne electromagnetic (EM) survey, conductors were identified adjacent to and west of the Balfour line of copper mineralisation and elsewhere within the exploration licence. These new EM conductor anomalies occur in areas of little or limited previous exploration and it is possible that the conductors are reflecting significant base metal deposits which may have affinities with stratiform copper deposits and/or stratiform lead-zinc deposits which are hosts to many of the world's major base metal mines. The conductors are often adjacent to areas of previous exploration, but have not in themselves been targets for any of this earlier activity. These EM conductors will be a prime target for exploration by Jaguar in the Balfour area. In the Nelson prospect area, unfested lead-zinc soil geochemical anomalies are known to be associated with the western margin of one of the EM anomalies.

Potential also exists for the early delineation of tin-tungsten resources in the Specimen Hill, Robbies and Tatfows prospect areas. These prospects have already been found to be anomalous in these metals and require systematic drilling programmes to better define the known mineralisation.

WILSON RIVER, TASMANIA

The Wilson River Exploration Licence is located in north-west Tasmania, about 65km south-west of Burnie and 4km south of the now closed Cleveland tin-copper mine. The licence has an area of 9km² and Jaguar has an option to purchase agreement with New Challenge Resources Pty Ltd and Haustella Pty Ltd with the exercise price being 50,000 shares each in Jaguar, \$15,000 and 1% net smelter Royalty.

The area has geological similarities to the setting of the Avebury nickel sulphide deposit located about 50km to the south. At Wilson River there is a similar association of ultramafics, volcanics and sediments close to the contact with a mineralising Devonian granite as at Avebury.

The exploration programme will initially comprise geochemical surveys testing for nickel, zinc, arsenic and cobalt, as the main elements, especially in areas of established Dighem anomalies, and ground magnetic surveys to better define the ultramafic unit. This work will be followed up with drill testing of anomalous zones.

SPRINGFIELD, NEW SOUTH WALES

The Springfield Project is 100% owned by the Company. The exploration licence has an area of 139km² and is located about 220km north-west of Sydney between the towns of Mudgee and Gulgong. Jaguar has a royalty agreement over the Springfield resource and a surrounding area of about 11.6km².

The Project area covers a large part of a predominantly Ordovician volcanoclastic sequence, containing numerous gold prospects, that is believed to be the prime source of the +½ million ounces of alluvial gold produced in the Gulgong region between 1872-1927.

The Springfield deposit contains an inferred mineral resource of 1.05Mf at 1.4g/t Au for a contained 47,000oz gold, using a lower cut off grade of 1.0g/t Au. There is potential to increase this resource with further drilling along strike to the north and south and with additional infill drilling.

The Springfield gold deposit is hosted by an intrusive Ordovician monzodiorite sill. The character of the mineralisation is consistent with mesothermal vein-style mineralisation controlled by brittle deformation of the structurally competent monzodiorite. Much of the existing drilling failed to adequately test the near surface supergene mineralisation for cross cutting structures and it is possible that better grade mineralisation may be located with further drilling.

The Canadian Group was one of the richest and most productive leads in the Gulgong district. A large part of the Canadian lead is located within the Project area and it is proposed to test the bedrock of the deep lead to search for possible primary sources of the alluvial gold. Old Mines Department reports indicate some of the alluvial gold in the Canadian Lead was located in cavities within a fossiliferous limestone bedrock and the presence of this rock type suggests the possibility that skarn-type mineralisation may occur in the area. The Home Rule Granite outcrops only 3km to the east of the Canadian Lead and may be even closer sub-surface.



Some of the other deep leads in the Gulgong area were described as sitting directly above primary lode deposits and this could be the same for the Canadian Lead as there is no obvious source for this rich alluvial deposit. Other deep leads within the licence area, in particular the Helvetia and Galambine Leads, also have undiscovered sources for their alluvial gold. Testing below these leads is also planned in future exploration.

A number of other gold prospects within the licence area have received inadequate or no testing and these will be subjected to programmes of mapping, soil sampling and, if warranted, RAB/RC drilling.

MOUNT DAVID, NEW SOUTH WALES

Mount David is located about 35km south of Bathurst and consists of one exploration licence, EL 5242, covering 163km². The project is 100% owned by Jaguar.

The area is underlain by predominantly Ordovician mafic to ultramafic volcanics, volcanoclastics and metasediments. Gold and copper mineralisation are widespread, mainly within the Ordovician rocks and often associated with the western structural imbricate zone. Much of this mineralisation is fracture controlled and of short strike length, however, there are indications that portions of the area may host granitoid intrusives at depth. It is therefore possible that some of the intrusives may be Ordovician porphyries, similar to those known to be associated with the world class (greater than 20M oz) Cadia-Ridgeway gold deposits, some 70km to the NW. They may also be of Carboniferous age similar to that known to be associated with the 170,000oz gold deposit at Lucky Draw only 7km south of the Project area.

Evidence for the existence of these granitoid intrusives consists partially of the interpretation of two metamorphically anomalous zones as shown on Figure 6 of Rangott Mineral Exploration Pty Ltd's report. The anomalous zones contain retrogressive minerals that may be associated with the intrusion and crystallisation of granitoid bodies. Further evidence consists of the existence of a magnetic body, which may be related to an intrusive, beneath the southern metamorphic anomaly.

In the Summerhill-Bunnamagoo area, magnetite has been destroyed in the generally magnetic Rockley Volcanics. This may have been caused by an Ordovician porphyry intrusive at depth, with the known copper mineralisation in the area having been remobilised from the intrusive. Garnet-rich rocks have also been reported in this area by a previous explorer.

The old Mt David gold mine (historic production of 27,000oz gold) is also a worthwhile target in that the previous efforts to test this prospect were partially ineffective as a result of drill holes hitting stope areas or failing to reach target due to poor ground conditions. Thus the down dip extensions require further drill testing and, as discussed in Rangott Mineral Exploration Pty Ltd's report, the north and south strike extensions would benefit from an IP survey looking for blind extensions beyond the limits of the old workings followed by drill testing of any anomalous zones.

In the Fernlea-Poisson Creek area, vertical air core drilling by a previous explorer outlined an area of 1,000m by 100-400m with gold values to 341ppb Au in weathered bedrock. The prospect warrants follow up angle RAB drilling to better define the anomalies. Magnetic lows and radiometric anomalies in the area also warrant some initial aircore drilling to test for the presence of mineralisation.

Further work is required over the southern metamorphic anomaly to test the source of the underlying magnetic high which may be either mineralised Ordovician or Carboniferous intrusives.

KINTORE, WESTERN AUSTRALIA

Kintore is located 43km north of Coolgardie and comprises a group of contiguous prospecting licences and mining leases with a total area of 725ha (7.25km²). Jaguar has a 100% interest in 3 Prospecting Licences covering 449ha (4.49km²) and has an option to purchase agreement with Mr Kevin Pavlinovich concerning one prospecting licence and 3 mining leases.



The tenements cover a significantly mineralised portion of an intrusive granitoid known as the Kintore Tonalite. The area has produced approximately 50,000oz gold, mainly from the "alluvial" cement leads. Gold production is still occurring from bedrock quartz veins in low tonnage, high grade parcels by Mr Pavlinovich from his Sugarloaf workings. The Sugarloaf mineralisation consists of south dipping sheeted vein sets within the Kintore Tonalite close to the granitoid/greenstone contact and will be a focus for future drilling.

Previous drilling programmes in the Sugarloaf area, have yielded encouraging results which include:

Hole No.		From (m)	To (m)	Interval (m)	Grade (g/t Au)
KP06		23	36	13	3.21
KP11		18	21	3	6.22
	incl.	20	21	1	12.60
		45	50	5	3.24
KP17B		36	41	5	20.00
	incl.	38	39	1	94.50
KP19		26	41	15	2.48
	incl.	26	29	3	9.68
KP43		58	74	16	2.44
KP55		28	34	6	5.07
KTR062		37	41	4	6.58
		82	84	2	15.16
KTR063		5	26	21	1.80
		59	73	14	3.54
KTR064		99	102	3	12.07
KTR067		84	100	16	7.59
KTR070		51	56	5	2.49
KTR078		88	107	19	2.03

The Kintore tenements also encompass three areas on the western side of the tonalite, within the Company's wholly owned ground, that have been found from previous exploration programmes of auger and RAB drilling to contain anomalous gold values. Their geological setting can be described as similar to that at Sugarloaf and are therefore highly prospective. They will be subject to follow up drilling early in the proposed exploration programme.

The northern contact zone of the Kintore Tonalite is also considered highly prospective and requires RAB type drill programmes as an initial test. Any anomalous values intersected would be followed up with a RC drill programme.



SECTION 4 INDEPENDENT CONSULTING GEOLOGISTS' REPORTS

This section contains reports from the following:

NAME OF CONSULTING GEOLOGIST

N J TURNER GEOLOGICAL SERVICES PTY LTD

RANGOTT MINERAL EXPLORATION PTY LTD

CALDAY GRANGE PTY LTD

TRADING AS MARTIN RESOURCE CONSULTANTS

PROJECT REPORTED UPON

TASMANIAN PROJECTS

Balfour
Wilson River

NEW SOUTH WALES PROJECTS

Springfield
Mount David

WEST AUSTRALIAN PROJECTS

Kintore



N.J.TURNER GEOLOGICAL SERVICES PTY. LTD.

ABN 80 069 271 325

Mapping and mineral exploration in complicated terrains

65 Lochner Street
West Hobart
Tasmania 7000

Mobile 0407 044 736
Email: nicturner@bigpond.com

Bus. (03) 6236 9599
Fax. (03) 6236 9599
Priv. (03) 6234 2652

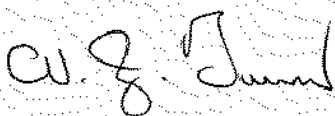
5th March, 2004

The Directors
Jaguar Minerals Ltd
Level 3, 50 Colin Street
West Perth WA 6005

Dear Sirs,

In response to your company's letter of 20th January, 2004, I provide the following Independent Geologist's Report on mineral exploration areas at Balfour and Wilson River in north western Tasmania.

Yours faithfully,



Nicol J Turner, B.Sc.(Hons), M.AusIMM



INDEPENDENT GEOLOGIST'S REPORT:

EL4/2002 BALFOUR AND EL23/2003 WILSON RIVER, TASMANIA

1.0 INTRODUCTION

This report has been commissioned by Jaguar Minerals Limited, a new mineral exploration company, for inclusion in its prospectus to be dated on or about 7 April, 2004. The company proposes an issue at 20 cents each of up to 25,000,000 shares and 12,500,000 free attaching options, exercisable at 20 cents each on or before 30th September, 2008. Oversubscriptions of up to 2,500,000 shares and 1,250,000 free attaching options may be issued to raise an additional \$500,000.

The report is a technical report in the sense of the Valmin Code of the Australasian Institute of Mining and Metallurgy, and it deals with exploration areas at Balfour and Wilson River in north western Tasmania. The author is a member of the Australasian Institute of Mining and Metallurgy and has 10 years of experience in the mineral exploration industry in Tasmania, preceded by 22 years with the Geological Survey of Tasmania. The author has no material interest in the mineral properties that are the subject matter of the prospectus.

Sources of information for this report include government reports and maps, reports by mineral exploration companies and the author's direct knowledge of the areas of interest. The company reports that are cited may be accessed through the Mineral Resources Tasmania (MRT) web site at <http://www.mrt.tas.gov.au>. A report cited as McClenaghan (in prep.) is available on request from MRT. Jaguar Minerals Ltd made available documents prepared by its staff that relate to the mineral properties, as well as documents prepared by the vendor of the properties, New Challenge Resources Pty Ltd. The vendor has provided Jaguar Minerals Ltd with very substantial research compilations on each of the project areas.

2.0 TENEMENTS

Jaguar Minerals Ltd will undertake two projects in north western Tasmania (Figure 1). One project will be based on Exploration Licence 4/2002 Balfour of 110 km², the other will be based on Exploration Licence 23/2003 Wilson River of 9 km². At the time of writing both tenements were held by New Challenge Resources Pty Ltd of 29 Trinian St, Prahran, Victoria 3181. EL4/2002 Balfour will remain current until 23/08/2007 while EL23/2003 Wilson River will remain current until 28/11/2008. In each case there is a qualification of satisfactory annual reviews by Mineral Resources Tasmania. A five hectare mining lease over old mine workings at Murrays Reward is excluded from EL4/2002 Balfour.

Also at the time of writing, the Tasmanian Registrar of Mines had been advised that a formal agreement was in preparation between the parties that have interests in the Balfour and Wilson River mineral properties. The written instrument of agreement will be subject to Government approval, and registration.

3.0 LAND CLASSIFICATIONS

The Tasmanian Government has designated the regions that contain Balfour and Wilson River as Strategic Prospectivity Zones. These zones are defined by legislation that provides strong guarantees to mineral explorers in the event of any proposed change to land classification. Balfour is classified as Conservation Area, while Wilson River is classified as Regional Reserve. These land classifications require that exploration and mining activities be carefully managed in terms of environmental impact, and proposed mineral exploration work programs are subject to review by a Government regulatory panel. Mineral Resources Tasmania has a clear and workable code of practice for the conduct of exploration work in areas of this type (Bacon, 1999). No Native Title issues are pending in respect of either EL4/2002 Balfour or EL23/2003 Wilson River.

4.0 EXPLORATION CONCEPTS

EL4/2002 Balfour is in a polymetallic mineral district where there is potential for economic deposits related to granite of Devonian age, and potential for Proterozoic stratiform copper and lead-zinc deposits. Granite-related styles include tin-tungsten and base metals in quartz vein stockwork, in greisen and/or as replacement in shales. EL23/2003 Wilson River may contain an analog of the newly recognised, granite/ultramafic-related nickel mineralisation that is present in the Avebury district, some 50 km to the south. Allegiance Mining NL is currently at an advanced stage in the economic assessment of the Avebury nickel deposit.



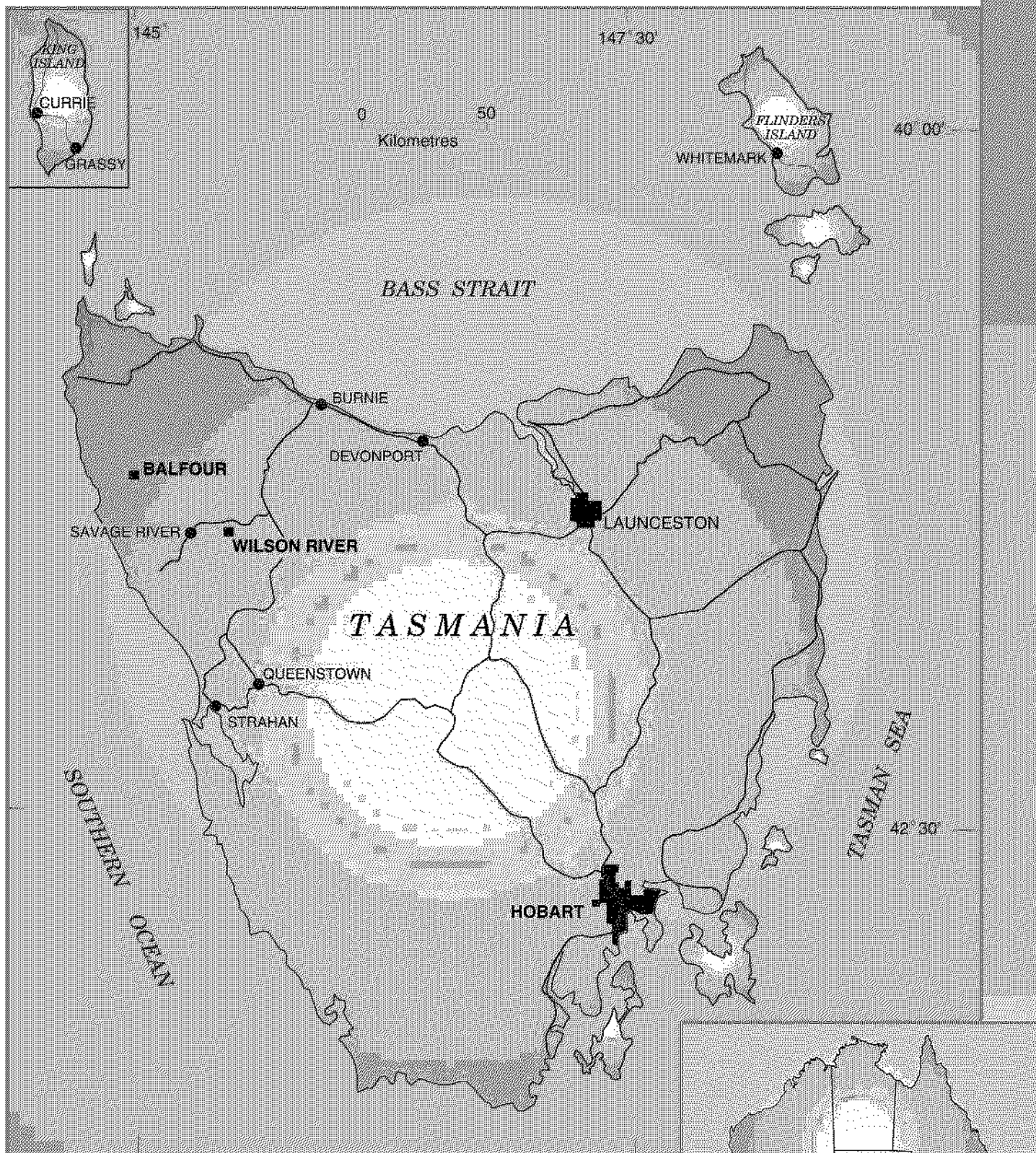
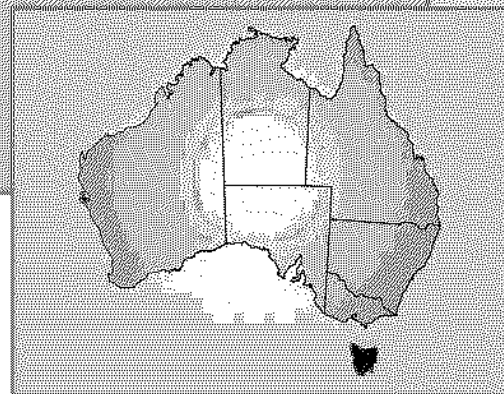


FIGURE 1. TASMANIA PROSPECTS - LOCATION MAP



5.0 REGIONAL GEOLOGICAL SETTING OF THE PROJECT AREAS

The Balfour area is underlain by part of the oldest group of outcropping rock formations in mainland Tasmania (Figure 2; Seymour and Calver, 1995) though granite studies indicate that substantially older rocks are present at depth. The Balfour rocks comprise moderately folded formations belonging to the Rocky Cape Group, which is a sandy and silty, shelf facies of late Mesoproterozoic age. Sedimentary structures in many parts of the Rocky Cape Group are consistent with very shallow water conditions, with some structures indicating periods of emergence and desiccation. To the north and south east of Balfour the Rocky Cape Group is overlain with mild unconformity by the Neoproterozoic Togari Group. This group is a succession of shelf facies clastics and carbonates with intercalated rift basalts. Folding in the Rocky Cape Group increases in intensity eastwards from Balfour towards the Arthur Lineament. The lineament is a tectonic feature of Early-Middle Cambrian age that is characterised by intense, mylonitic deformation and consists of metasedimentary schist and metabasite, including blueschist, that appear to be derived from Proterozoic protoliths.

Proterozoic turbidites and early Palaeozoic rocks to the east of the Arthur Lineament may be entirely allochthonous (i.e. over-thrust) though there is general agreement only that the Early Cambrian assemblage of ultramafics, sediments and basalts is allochthonous. Ultramafic and associated rocks in EL23/2003 Wilson River are part of this latter assemblage, together with ultramafic and associated rocks at Avebury. Allochthon emplacement was from the east and occurred at much the same time as metamorphism and deformation in the Arthur Lineament and in the terrain that lies east of the Mt Read Volcanics. Collectively, these events marked the initial phase of the Tyennan Orogeny (~ Delamerian Orogeny). Volcanism and unstable clastic sedimentation occurred during the remainder of the Tyennan Orogeny, which persisted to the end of Cambrian times. The orogeny was followed by stable conditions in the Ordovician, when shelf carbonates were deposited, and these stable conditions continued into Siluro-Devonian times with the accompanying deposition of clastic sediments and minor carbonates.

Another period of folding called the Tabberabberan Orogeny took place in the Devonian and was a prelude to widespread granitoid intrusion that continued into the Carboniferous. Relatively undeformed cover rocks of Carboniferous to Cainozoic age overly the granitoids. Granite and adamellite are more abundant than granodiorite in the granitoid intrusions, which were emplaced at high crustal levels and have narrow contact aureoles (McClenaghan, in prep.). Both I-type and S-type granitoids are present and some phases have been grouped as magnetite-series, others as ilmenite-series. Tourmaline may be common either in nodules or as quartz-tourmaline greisen. Fluorite, topaz, cassiterite and sulfides may also be present. The chemical and isotopic characteristics of the granitoids indicate that they were derived by partial melting of a range of different igneous and sedimentary source rocks of mostly Palaeoproterozoic to Mesoproterozoic age. Some of the melts subsequently underwent crystal fractionation.

North western Tasmania is a richly mineralised region that is a significant province for tin-tungsten deposits, which are associated with the Devonian to Carboniferous granitoids (Figure 2, Morrison et al, 2003; Collins et al, 1989). Other substantial mineralisation associated with the granitoids includes galena-sphalerite-silver, magnetite and fluorite. The Avebury nickel deposit is a newly recognised style of granitoid-related mineralisation that has extended the prospectivity of the Cambrian ultramafic complexes beyond the previously known, small occurrences of nickel sulfides, chromite and platinoids. The Avebury deposit is in ultramafic rocks near the contact of the Heemskirk Granite. Sulfur-bearing hydrothermal fluids emanating from the granite are thought to have mobilised nickel in the ultramafics and to have facilitated the concentration of the metal. North western Tasmania is also a significant province for polymetallic base metal and gold deposits of middle to late Cambrian age, which occur in the Mount Read Volcanics. Substantial mineral deposits of apparently older age (?Neoproterozoic) occur in the Arthur Lineament. These include magnetite-pyrite and magnesite-dolomite.

6.0 BALFOUR PROJECT

6.1 STRATIGRAPHY

The lowermost formation in the Mesoproterozoic shelf facies rocks of the Rocky Cape Group in the Balfour district is called the Pedder River Siltstone (Everard et al, 2002; Everard et al, 2003). It mostly consists of well-bedded, pale grey and dark grey siltstone that may display wavy lamination or cross lamination, well developed erosional gutters and clastic dykes. There is grading, cross lamination and lensing of more quartz-rich beds. The Pedder River Siltstone is overlain by the Lagoon River Quartzite (Figure 3) of cross bedded to parallel bedded, quartzose sandstone. In turn, the Lagoon River Quartzite is overlain by a predominantly siltstone unit that is called the Balfour Subgroup. Siltstone in this subgroup may be pale grey and siliceous, dark grey and carbonaceous, or green and chloritic.



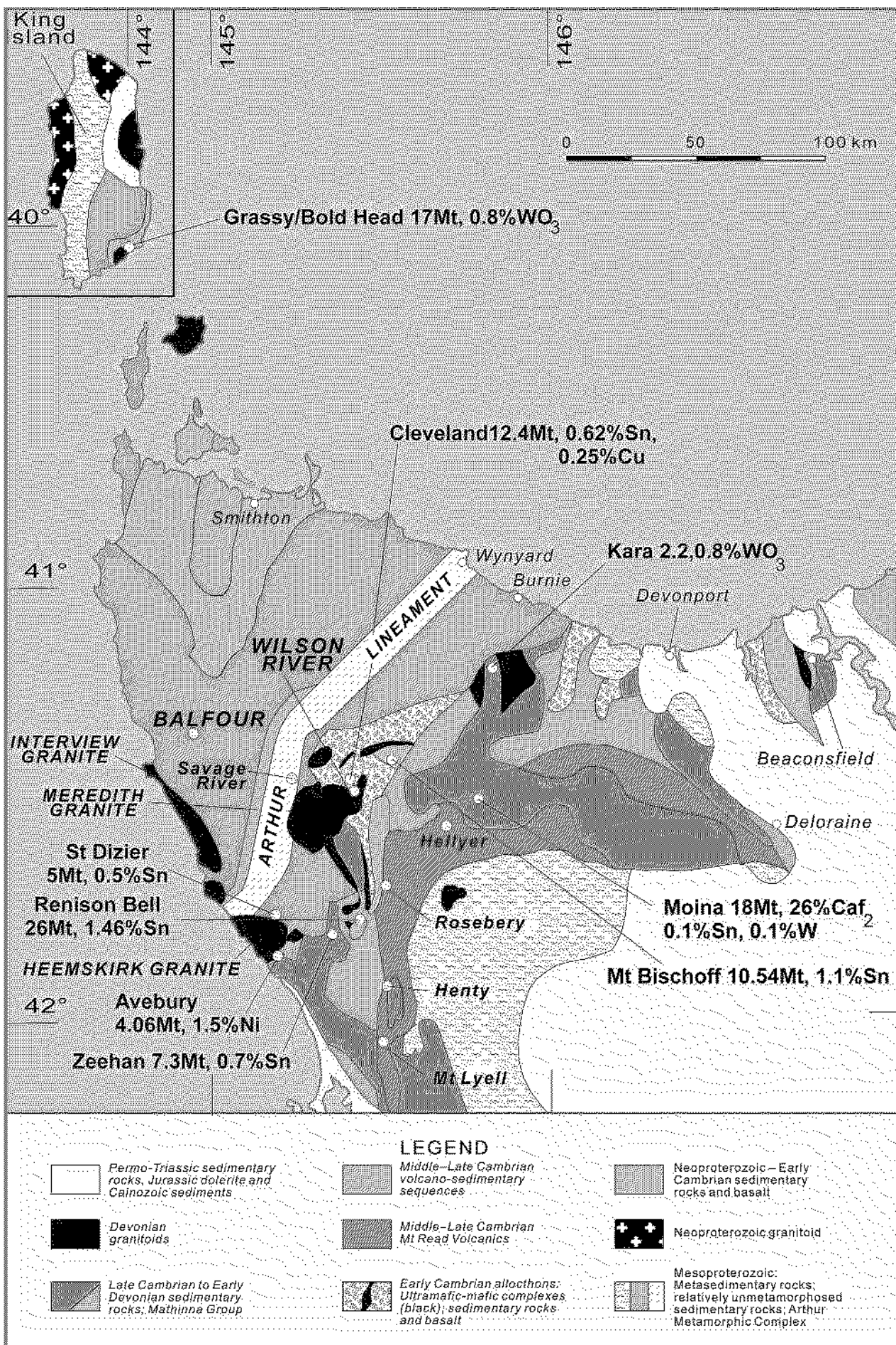


FIGURE 2. N.W. TASMANIA REGIONAL GEOLOGY WITH Sn - W AND Ni DEPOSITS

Some beds are richly pyritic. The lower part of the subgroup is much like the Pedder River Siltstone, but the upper part is chloritic. The chloritic siltstone ranges from laminated to thinly bedded and is overlain and underlain by quartzite intervals. Above the Balfour Subgroup is the Cowrie Siltstone, which is the highest part of the Rocky Cape Group stratigraphy in the district. This unit consists of black, grey and green, pyritic, laminated siltstone and mudstone with rare mud pellet conglomerate and sandstone.

The Neoproterozoic Togari Group outcrops to the north east of Balfour. It comprises a discontinuous, basal formation of well sorted conglomerate and sandstone followed by substantially silicified stromatolitic dolomite, then basalt with mudstone, siltstone and lithicwacke, followed by more stromatolitic dolomite. Basalts in the Togari Group may carry native copper.

6.2 STRUCTURE AND MINERALISATION

The stratigraphy in the Balfour district appears to have been strongly disrupted by north easterly directed thrusting, with the Rocky Cape Group over-riding the Togari Group by some 2.5 km laterally and 3 km vertically (Everard et al, 2002). Numerous small faults are also present and the north east striking, regional-scale Roger River Fault terminates within the district by merging with a structure of NNW strike. Steeply dipping, NNW striking structures around Murrays Reward (Figure 3) that host copper-bearing lodes are the most strongly mineralised part of a regionally extensive system of narrow, copper-bearing lode structures that stretches from north of the Clump through Murrays Reward and South Balfour to the Toner River (Ward, 1911), a distance of some 35 km. Characteristically, the lode structures are zones that display strong fracturing and shearing, and contain veins and disseminations of copper minerals. Metallic minerals in the copper-bearing lodes are mostly pyrite, chalcopryite, covellite and chalcocite with rare galena and sphalerite. Low order anomalous tin may be present and stibnite occurs in a cross-striking lode near Dohertys Pimple. Gangue minerals are ferroan dolomite, quartz, chlorite and sericite. Wall rocks usually display chloritic or siliceous alteration and in places there may also be sericitic and hematitic alteration.

The NNW structural trend that is exhibited by the lode structures is shared by the steep contacts of the very elongate Interview Granite, one of the strongly crystal fractionated granitoids in western Tasmania, which outcrops to the south of EL4/2002 Balfour (Figure 2). The trend is also shared by a similarly elongate granitoid that has been detected by geophysics under the intervening country between Balfour and the Interview Granite (Webster, 2002; Leaman and Richardson, 2003). EL4/2002 Balfour lies along the north eastern shoulder of this subsurface granitoid ridge. Another system of NNW striking lode structures is developed west of EL4/2002 Balfour, near the coast, but these are mainly magnetite-bearing (Turner et al, 2003).

Compared with the copper mineralisation, tin mineralisation is more restricted in regional extent. It is mostly confined to an area of several square kilometres west of Murrays Reward. Alluvial deposits of cassiterite are present in the local creek valleys while there are hard-rock occurrences of cassiterite and wolframite in shallowly dipping, massive quartz veins at Specimen Hill (Figure 3) and at nearby Peter's Ridge. Cassiterite is also present in tourmalinised breccia that is related to a fault of NNW strike at Specimen Hill, and it is geochemically anomalous in some laminated shales. Polymetallic tin-bearing veins occur in small prospects to the east and south of Specimen Hill. At Robbies workings there is particularly high grade mineralisation that contains 8.6% tin, 8.2% tungsten, 4.31% arsenic and 0.25% copper, while at Tatloes workings there is mineralisation that contains 0.91% tin, 0.1% tungsten, 3.31% arsenic, 1.62% copper, 0.15% lead, 9.94% zinc and 135gpt silver (Turner, 1994).

Lead isotope studies of polymetallic mineralisation from the Tatloes/Robbies workings and of copper mineralisation from Murrays Reward favour a Devonian age for the deposits (Dean, 1992), which is similar to the age of the granitoids. Although the lead isotope studies favour a Devonian age for both styles of mineralisation, it is likely that they represent different episodes of mineralisation within that period. The copper-bearing lodes are regionally extensive, have relatively simple mineralogy and are probably of lower temperature. In comparison, the tin mineralisation is more regionally restricted, probably of higher temperature, may be strongly polymetallic, and shows evidence of zonation. Geophysical data indicate that a localised dome of granitoid underlies the area that contains the tin mineralisation (Russell & Tier, 1997a) and this granitoid was probably the source of the mineralising fluids. However, the structures that contain the copper-bearing lodes are of a collective scale that is similar to the scale of the structures that exercised regional control on granitoid emplacement. Thus, the copper-bearing lodes probably reflect an early episode of hydrothermal activity. The simple mineralogy of the lodes may indicate that the hydrothermal fluids derived their metal content from a stratiform source in the Proterozoic succession, rather than from granitoid.



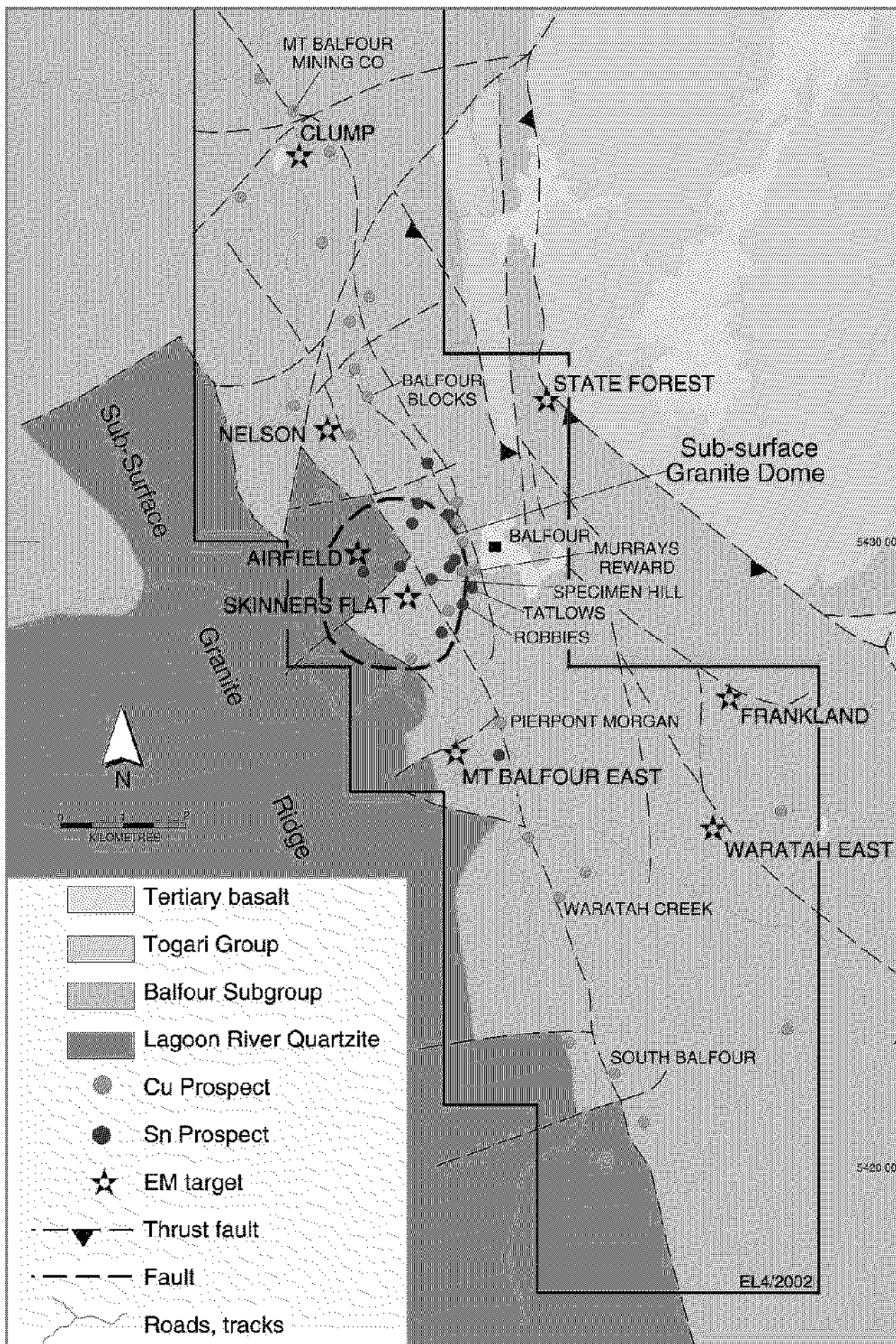


FIGURE 3. BALFOUR - GEOLOGY AND PROSPECTS

6.3 PREVIOUS MINERAL EXPLORATION

The Balfour district has been the focus of prospecting, small scale mining and modern mineral exploration at various times since the late 19th century. The copper occurrences were prospected in the early days and underground workings were developed at a number of places between the Clump and South Balfour (Ward, 1911). Murrays Reward was the principal working. Alluvial and colluvial cassiterite deposits were worked on a small scale into the 1980s and early attempts were made to develop the hard-rock tin deposits at Specimen Hill. The early work at Specimen Hill was discontinued when sulfides were encountered.

Balfour has attracted some substantial rounds of modern mineral exploration in the period 1965-1998. Notably from Australian Consolidated Industries (ACI), BHP, Geopeko and CRAE/Rio Tinto. ACI concentrated mainly on the copper lodes between South Balfour and the Clump. The company identified a small resource of 0.5Mt at 0.8% Cu at Murrays Reward and obtained a number of other drill intersections along the line of lodes (McIntyre, 1973). More recent drilling was carried out at Murrays Reward by Rio Tinto who returned intersections that included 17.3 m at 1.06% copper (Russell and Tier, 1997a). Grades at depths below about 120 m have not been established.

Limited drilling was carried out at Specimen Hill by BHP and by a joint venture of CRAE and Geopeko. Various attempts to establish grade/tonnage figures for the veins and mineralised breccia at Specimen Hill by costeaning, bulk chip-sampling and by NQ diamond drilling are regarded as unreliable and systematic RC drilling has been recommended (Patterson, 1996). Little drilling has been carried out elsewhere in the tin-mineralised areas around Specimen Hill. Rio Tinto detected anomalous zinc in rock chips, drill core and in deep regolith samples in several areas in the Balfour district, notably in the Nelson locality (Figure 3) to the north west of Balfour where the company delineated a number of long (31 km), north striking, lead-zinc geochemical anomalies in regolith. These anomalies remain untested by drilling (Russell and Tier, 1997b).

In the period 2000-2003 Mineral Resources Tasmania substantially upgraded the background information available for the Balfour district. New digital geological maps at a scale of 1:25,000 were published and new aerial geophysical data were made available. The latter include helicopter electromagnetic data (Figure 4), magnetic data (Figure 5) and radiometric data. An interpretation of the electromagnetic data by Reid (2003) identified anomalies coincident with known mineralisation at Robbies workings and with tin-lead-copper and copper lodes in a locality some 1.5 km south west of Specimen Hill.

6.4 NEW MINERAL EXPLORATION

EL4/2002 Balfour holds strong potential for new discoveries. It is in a polymetallic mineral district with many small, known prospects and mineral occurrences that may reflect the presence of a large, undiscovered deposit. The district is at the intersection of faults and shear systems of regional scale and the geophysical interpretation is that the district lies along the shoulder of a substantial subsurface granitoid ridge. A more localised dome of subsurface granite also appears to be present. The district includes the best development of regionally extensive, shear-hosted copper mineralisation, which may reflect hydrothermal leaching of a stratiform copper source. Strong thrusting of the Rocky Cape Group over the copper-bearing basalts of the Togari Group could also have created a source of copper at depth. Substantial, untested, lead-zinc, geochemical anomalies are present and may support a model of stratiform mineralisation. Tin mineralisation occurs in an area of several square kilometers extent, with the previous intensive mineral exploration work restricted to a relatively small area at Specimen Hill. The previous work at Specimen Hill has not established the grade/tonnage of the deposit.

A principal focus of the new exploration program at Balfour will be electrically conductive zones discovered during the recent helicopter electromagnetic survey (Figure 4). New ground will be tested as many of the interesting EM features are adjacent to the areas that have received most attention from previous explorers, rather than coincident with them. In the case of the Nelson locality there are untested, lead-zinc regolith anomalies that are known to lie along the western margin of the EM feature. Systematic RC drilling will be carried out in the Specimen Hill - Robbies - Tatloes area where there is potential for a shallow tin-tungsten resource to be quickly delineated. The proposed budget for the Balfour Project (Table 1) will enable a substantial round of work to be undertaken.



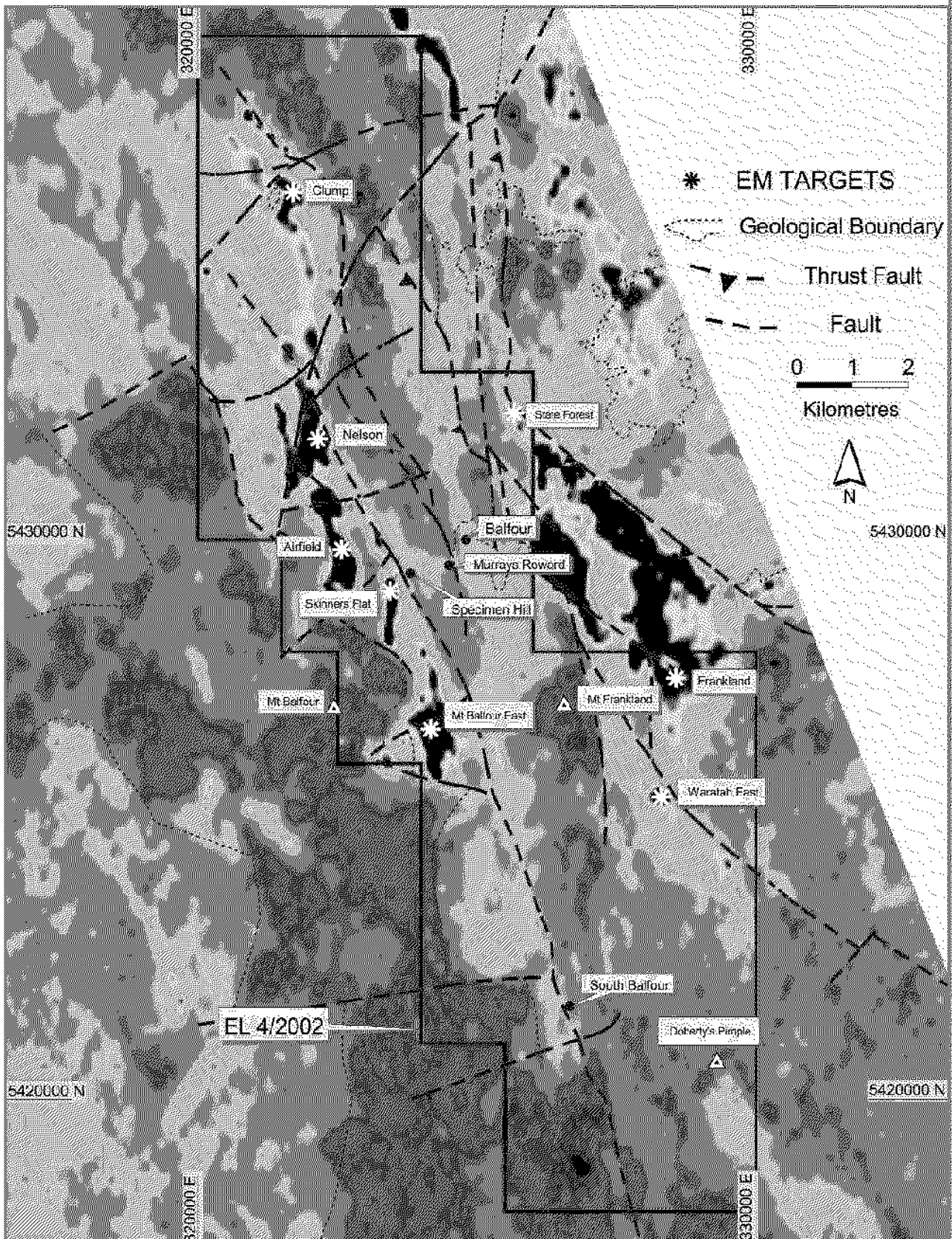


FIGURE 4. BALFOUR - AIRBORNE EM

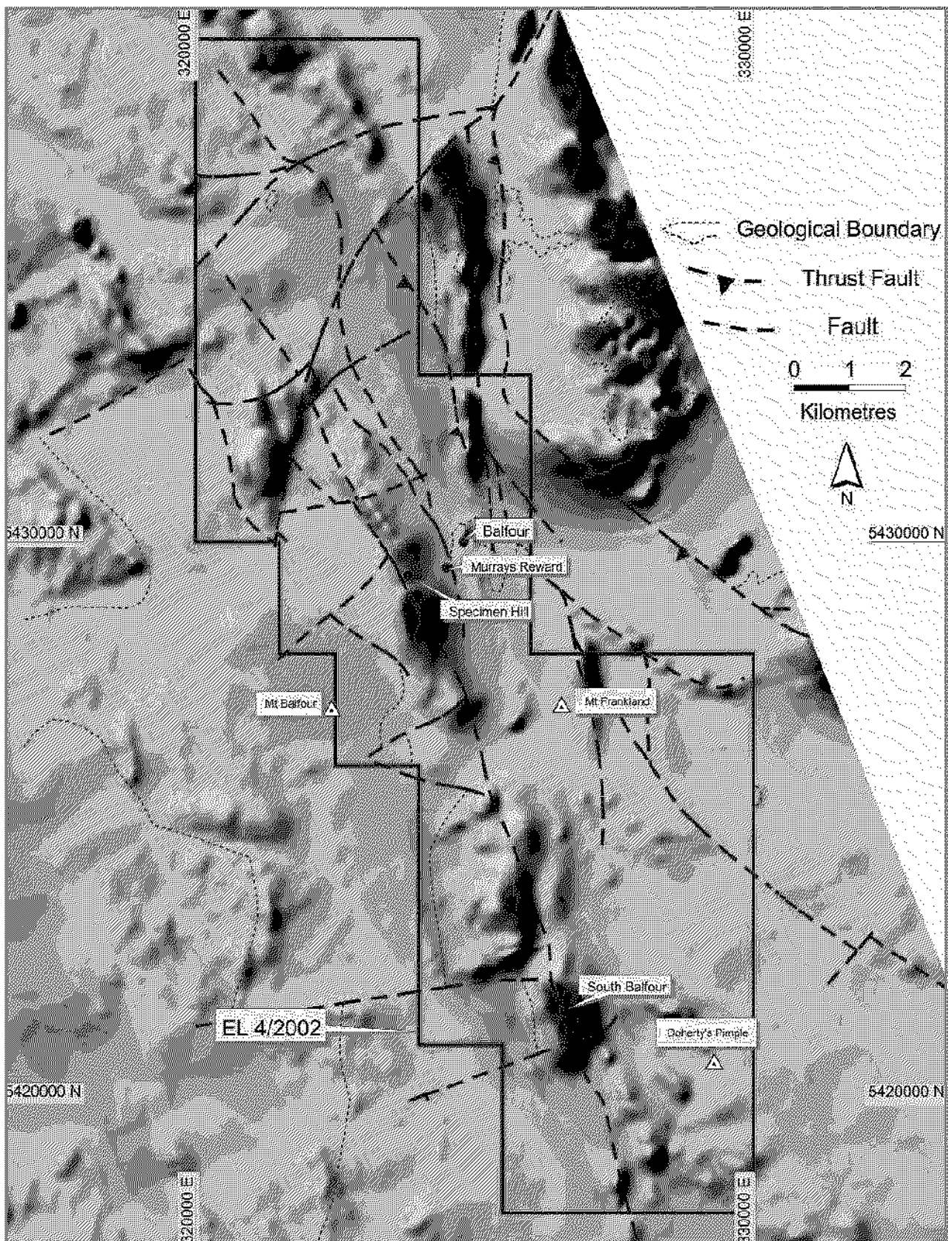


FIGURE 5. BALFOUR - AEROMAGNETICS

Table 1: Jaguar Minerals Ltd's proposed budget for the first two years of the Balfour Project. Year 2 expenditure is subject to the results achieved in Year 1.

Prospect	Activity	Year 1 Expenditure (\$)	Year 2 Expenditure (\$)
Balfour	Data Compilation	30,000	
	Ground Geophysics	60,000	30,000
	Prospect Evaluation	20,000	50,000
	RC Drilling	220,000	450,000
	Down hole EM	20,000	20,000
TOTAL		350,000	550,000

7.0 WILSON RIVER PROJECT

7.1 STRATIGRAPHY

In EL23/2003 Wilson River the Devonian Meredith Granite has intrusive contacts with part of the Early Cambrian, allochthonous suite of ultramafics, sedimentary rocks and basalts (Figures 2, 6). The Early Cambrian rocks in the tenement consist of porphyritic lavas, serpentinised ultramafics, gabbro and minor sedimentary rocks (Everard, 2003). Boninitic compositions characterise the lavas, which include basalt and high magnesium andesite, and interlayered breccia and pillow flows are common. The serpentinised ultramafics are undifferentiated, but elsewhere in the region there are primary associations of layered pyroxenite-dunite and layered dunite-harzburgite.

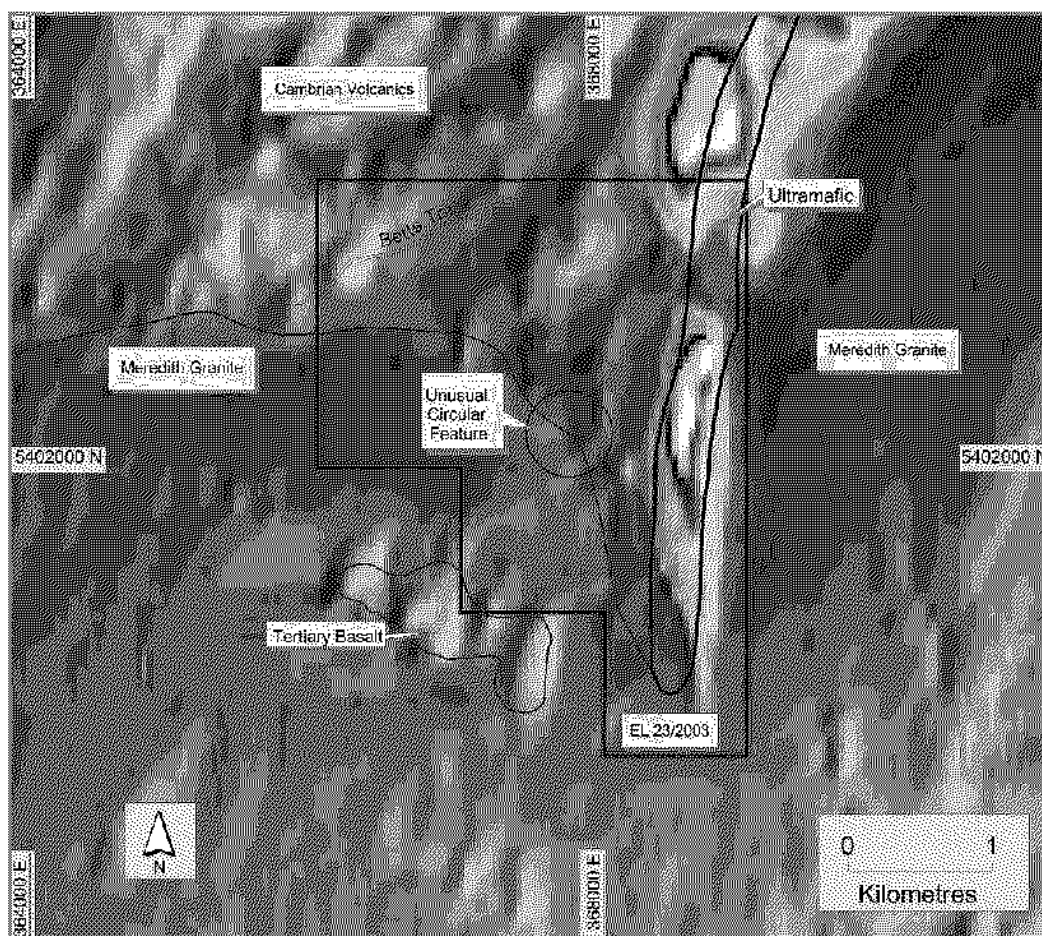


FIGURE 6. WILSON RIVER - GEOLOGY AND MAGNETICS



Two phases of the Meredith Granite are present. A less felsic phase in the east that is called the Wombat Creek phase, and a more felsic phase in the west that makes up a large part of the Meredith Granite outside of EL23/2003. The Wombat Creek phase is an equigranular to sparsely porphyritic, biotite adamellite with minor hornblende, while the western phase consists of very coarse grained, biotite granite with numerous intrusions of porphyritic biotite granite (McClenaghan, in prep.). The Wombat Creek phase is I-type whereas the western, felsic phase is S-type. Quartz-fournaline greisen is common in the felsic phase on a regional basis.

7.2 STRUCTURE AND MINERALISATION

Regional geophysical interpretation indicates that the Meredith Granite dips north beneath the Early Cambrian rocks in EL23/2003 Wilson River (Leaman and Richardson, 2003). There are no historical prospects within the tenement, but the old workings of the Cleveland tin-copper mine (carbonate replacement) are located some 4 km to the north west while the old South Bischoff tin field is located 3 km to the east in the Wombat Creek adamellite. Tin greisen was mined in the South Bischoff field. Scattered, fracture related lead-zinc-silver prospects are present in Early Cambrian rocks a few kilometres to the north.

7.3 PREVIOUS MINERAL EXPLORATION

It appears that the only significant round of previous work in EL23/2003 Wilson River was by Aberfoyle whose focus was tin (Joyce 1980a,b; 1981). The company gridded the area after obtaining elevated tin and zinc values in stream sediments, and after unusual circular features were identified by air photo interpretation (Figure 6). They had also flown a Dighem survey. Apparently results from the grid-based work were not sufficient to encourage further exploration though elevated tin was found in outcropping magnetite (?skarn). Rock and soil samples were analysed for tin, wolfram, copper, lead, zinc, rubidium, strontium, bismuth, molybdenum and arsenic, but not for nickel.

7.4 NEW MINERAL EXPLORATION

The interest in EL23/2003 arises from the similarity of its geological setting to the setting of Allegiance Mining's Avebury deposit (Figure 2). Avebury is in the same allochthonous, Early Cambrian unit as the rocks in EL23/2003 Wilson River, and there is a similar association of ultramafics, volcanics and sediments. Also, Avebury is close to the contact of an I-type, biotite granite/adamellite of Devonian age that was a strong mineralising granite like the Meredith Granite, notably with respect to tin, base metals, magnetite and tourmaline.

The granite at Avebury is part of the Heemskirk Granite and its contact dips beneath the mineralised rocks (Figure 7). The nickel mineralisation is located in the top part of a folded sheet of ultramafic, along the crests and flanks of anticlinal structures. It is believed that fluids emanating from the underlying granite mobilised nickel in the ultramafic and redeposited the metal in its current position. The mineralisation consists of coarse grained pentlandite with variable amounts of magnetite and pyrrhotite, together with minor sphalerite and niccolite. Cobalt enrichments are present in nearby rocks.

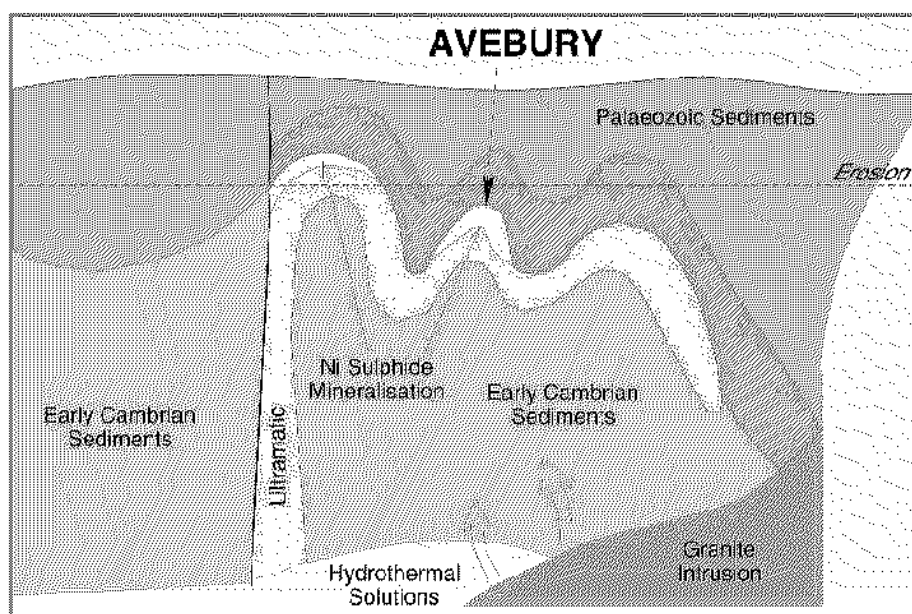


FIGURE 7. AVEBURY SCHEMATIC DIAGRAM



The aim of the new work in EL23/2003 Wilson River will be to investigate the area in terms of its nickel, zinc, arsenic and cobalt geochemistry, particularly around the already established Dighem anomalies. Detailed magnetics will also be of interest because of the magnetite-pyrrhotite association that is a feature of the Avebury mineralisation. The proposed budget for the Wilson River Project (Table 2) will allow new geochemical and geophysical targets to be delineated, and enable drill testing of these targets.

Table 2: Jaguar Minerals Ltd's proposed budget for the first two years of the Wilson River Project. Year 2 expenditure is subject to the results achieved in Year 1.

Prospect	Activity	Year 1 Expenditure (\$)	Year 2 Expenditure (\$)
Wilson River	Data Compilation	10,000	
	Soil Sampling	20,000	
	Logistics	25,000	
	Ground geophysics	30,000	
	RAB Drilling	50,000	50,000
	RC/DD Drilling		60,000
TOTAL		135,000	110,000

8.0 REFERENCES

- Bacon, C. A. 1999. Mineral Exploration Code of Practice (Fourth Edition). Mineral Resources Tasmania: Hobart. ISBN 0 7246 4013 4.
- Collins, P. L. F., Brown, S. G., Dronseika, E. V. and Morland, R. 1989. Mid-Palaeozoic ore deposits. In Burrett, C. F.; Martin, E. L. (eds) *Geology and mineral resources of Tasmania*. Special Publication Geological Society of Australia 15:270-292.
- Dean, J. A. 1992. The Pb isotopic composition of mineralisation from the Balfour prospect, western Tasmania. Sirotope report SR 237. CSIRO, Division of Exploration Geosciences.
- Everard, J. L. 2003. Digital Geological Atlas 1:25,000 Series. Luina, sheet 3640. Tasmanian Geological Survey.
- Everard, J. L., Reed, A. R., Seymour, D. B., Calver, C. R. 2002. Digital Geological Atlas 1:25,000 Series. Dempster, sheet 3243. Tasmanian Geological Survey.
- Everard, J. L., Reed, A. R., Seymour, D. B. 2003. Digital Geological Atlas 1:25,000 Series. Balfour, sheet 3242. Tasmanian Geological Survey.
- Joyce, R. M. 1980a. Meredith Granite project progress report for the six months ending April 20, 1980. Aberfoyle Exploration Pty Ltd; EL16/1978.
- Joyce, R. M. 1980b. Meredith Granite project progress report for the six months ending October 20, 1980. Aberfoyle Exploration Pty Ltd; EL16/1978.
- Joyce, R. M. 1981. Meredith Granite project progress report for the six months ending April 20, 1981. Aberfoyle Exploration Pty Ltd; EL16/1978.
- Leaman, D. E. & Richardson, R. R. 2003. A geophysical model of the major Tasmanian granitoids. Tasmanian Geological Survey Record 2003/11.
- McClenaghan M. P. (in prep.). The geochemistry of Tasmanian Devonian-Carboniferous granites and implications for the composition of their source rocks. Mineral Resources Tasmania.
- McIntyre, M. H. 1973. Mineral exploration in EL16/68 Balfour, north west Tasmania, 1970-1971. ACI Ltd.
- Morrison, K. C., Reed, A. R., Turner, N. J. 2003. Regional map set & geophysical signatures. Western Tasmanian Regional Minerals Program, Devonian Granite Aureoles Project Report No. 1/4. Mineral Resources Tasmania.
- Patterson, G. W. 1996. Review of exploration at Specimen Hill, Balfour, Tasmania. CRA Exploration Pty Ltd.
- Reid, J. 2003. WTRMP helicopter electromagnetic data (HEM). Processing, quality control and interpretation. Mineral Resources Tasmania.
- Russell, S. A. J. & Tier, S. J. 1997a. Third and final report EL4/94 Balfour. Period 3 May 1996 to 11 November 1997. Tasmania, Australia. Rio Tinto Exploration Pty Ltd.
- Russell, S. A. J. & Tier, S. J. 1997b. Fifth and final annual report EL18/92 Mt Frankland. Period 6 October 1996 to 11 November 1997. Burnie SK 55-03. Rio Tinto Exploration Pty Ltd.
- Seymour, D. B. & Calver C. R. 1995. Explanatory notes for the time-space diagram and stratotectonic elements map of Tasmania. Geological Survey of Tasmania Record 1995/01.
- Turner, N. J. 1994. Report on geological mapping and rock chip sampling around The Clump, Murrays Reward and other localities in EL18/92, Balfour district, north western Tasmania. CRA Exploration Pty Ltd.
- Turner, N. J., Reed, A. R., Morrison, K. C. 2003. Devonian granitoids and prospective copper, tin and gold, north western Tasmania. Western Tasmanian Regional Minerals Program, Granite Aureoles Project Report No. 3/4. Mineral Resources Tasmania.
- Ward, L. K. 1911. The Mt Balfour mining field. Geological Survey Bulletin 10. Tasmania Department of Mines.
- Webster, S. 2002. Quantitative interpretation of magnetic and gravity data for the Western Tasmanian Regional Minerals Program, Part 2. Tasmanian Geological Survey Record 2002/15.



RME RANGOTT MINERAL EXPLORATION PTY. LTD.

GEOLOGICAL & EXPLORATION CONSULTANTS

(A.B.N. 36 002 536 825)

TELEPHONE (02) 63 625155
FAX (02) 63 631324
MOBILE 0428 650 761

3 BARRETT STREET
(P.O. BOX 1141)
ORANGE, NSW. 2800

8th March, 2004

The Directors,
Jaguar Minerals Ltd.,
Level 3, 50 Collins Street,
West Perth, WA, 6005.

Dear Sirs,

INDEPENDENT GEOLOGIST'S REPORT ON JAGUAR MINERALS' NSW EXPLORATION PROJECTS

In response to a request by Jaguar Minerals Ltd, this company ("RME") has undertaken a technical assessment of the geological setting, prior exploration and current prospectivity of Jaguar Mineral's Mount David and Springfield project areas, which are located in eastern New South Wales. The results of the assessment are presented in the following report, for inclusion in a Prospectus to be issued in the near future by your Company and to be lodged with the Australian Securities and Investment Commission. The Prospectus is for the raising of \$5M through an Initial Public Offering of 25M fully paid Ordinary Shares in Jaguar Minerals at 20 cents par value, under terms outlined elsewhere in this Prospectus. The Shares are to be listed on the Australian Stock Exchange.

RME and its directors and employees do not have, and have never had, any equity or commercial interest in the NSW properties held by Jaguar Minerals. This report was prepared on a fee-for-service basis only, and was prepared to provide technical information and guidance to persons who are considering participating in the Initial Public Offering, and should not be used for any other purpose. Although both properties are considered to be highly prospective for precious and base metals, and a small gold resource has been defined within the Springfield project area, both are essentially in the earlier stages of exploration, and will require substantial additional exploration work in an effort to discover and prove up economically viable deposits of such metals.

The author of this report, Maxel Franz Rangott, is a graduate of the University of Sydney, and has 35 years experience in exploration for base and precious metals and industrial minerals deposits, and operation and management of small open cut mines, in New South Wales, Victoria, South Australia and Tasmania. Seventeen of those years were spent with two listed Australian companies and in a senior position with one large multinational company. Since early 1987, he has been an independent contract and consulting geologist, and from the late 1980s has worked through RME, of which he is a director. He is a Fellow of the Australian Institute of Mining and Metallurgy, a Member of the Mineral Industry Consultants Association, the Australian Institute of Geoscientists and of the Society of Economic Geologists.



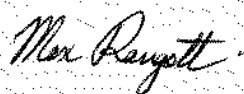
JAGUAR MINERALS LTD

No site visits were carried out by the author in connection with the preparation of this report. However, during the past twenty years he has carried out several brief periods of reconnaissance work in the general area of the original Mount David project area, and several periods of detailed geological work in the Burruga district a short distance south of the project area. During that time he has also made several geological assessment visits to the Springfield Project area, and undertaken exploration reviews of the broader Mudgee-Gulgong-Dunedoo district for a number of large companies. Other RME geologists have also worked on exploration of the Springfield project area in recent years, for previous titleholders International Mining Corporation N.L. and Mrs. M. Phillips.

The regional geological overviews and prospect descriptions and interpretations given in this report, are based on an extensive prior exploration database held by RME, on reports and plans provided to the author by Herald Resources Ltd., and on a wide variety of published government and non-government reports, reviews and theses, and technical papers released by individuals and companies, with some interpretation by the author. Where possible, the information in these sources has been checked for veracity, but it is pointed out that most geological and exploration models in Australia are subject to constant updating and review as new information is gained and concepts evolved.

RME makes no warranty as to the validity or likely continued tenure of Jaguar Mineral's NSW titles; those matters are addressed by another consultant in the Prospectus.

Yours faithfully



M.F. RANGOTT

DIRECTOR



INTRODUCTION

Jaguar Minerals Ltd holds two project areas in strongly prospective areas of the Lachlan Fold Belt in central NSW (see Figure 1) - the Mount David Exploration Licence no. 5242, and the Springfield Exploration Licence no. 5991. These cover mineral deposits ranging in probable age from Ordovician (approximately 440 million years before present) to Recent, with the main exploration focus in each tenement being gold-base metal mineralisation in Ordovician volcanic terranes.

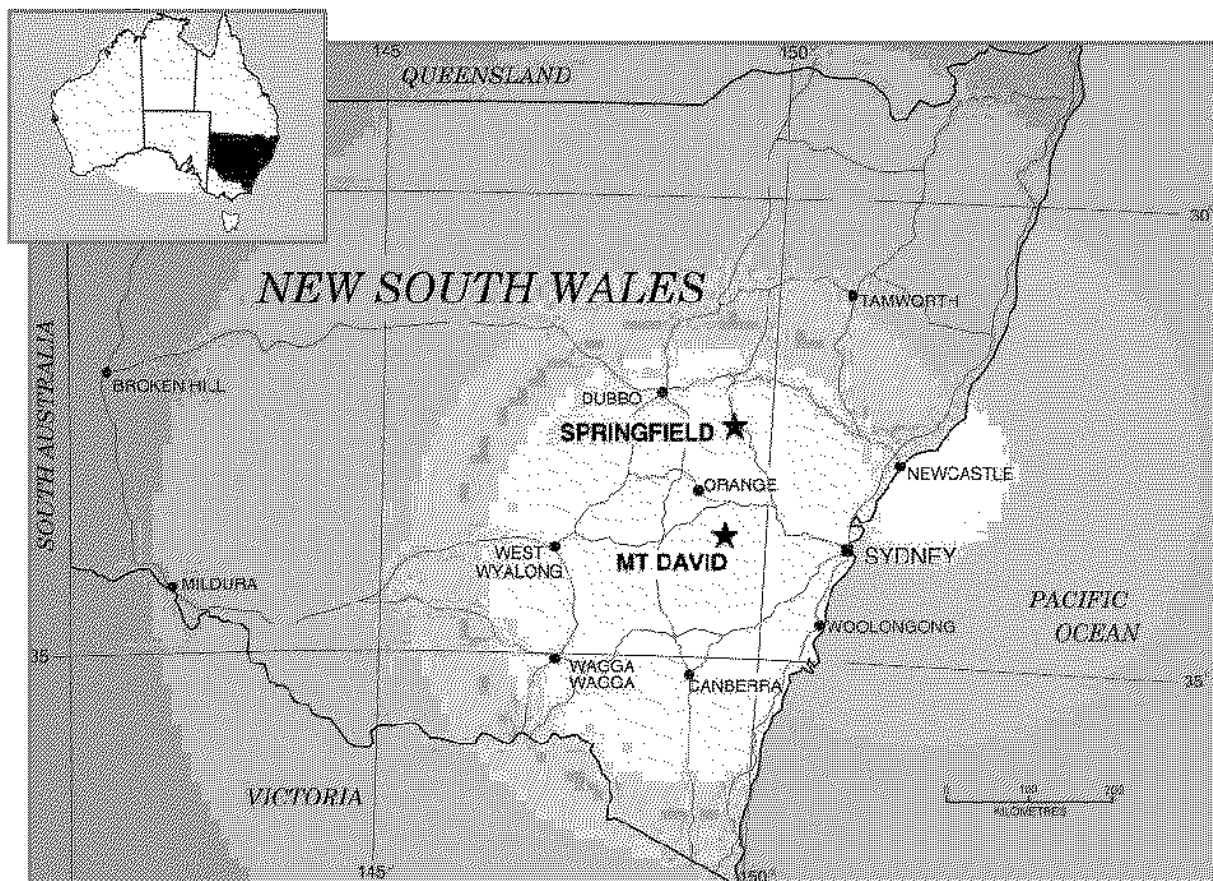


FIGURE 1. N.S.W. PROSPECTS - LOCATION MAP

REGIONAL GEOLOGICAL SETTING OF NSW PROJECT AREAS & MINERALISATION TYPES

The Lachlan Fold Belt in central New South Wales has evolved through a complex geological history, and has been subjected to at least six known magmatic/volcanic events, five of which produced precious-base metal mineralisation. The main geological domains, and significant precious-base metal mineral deposits are shown on Figure 2.



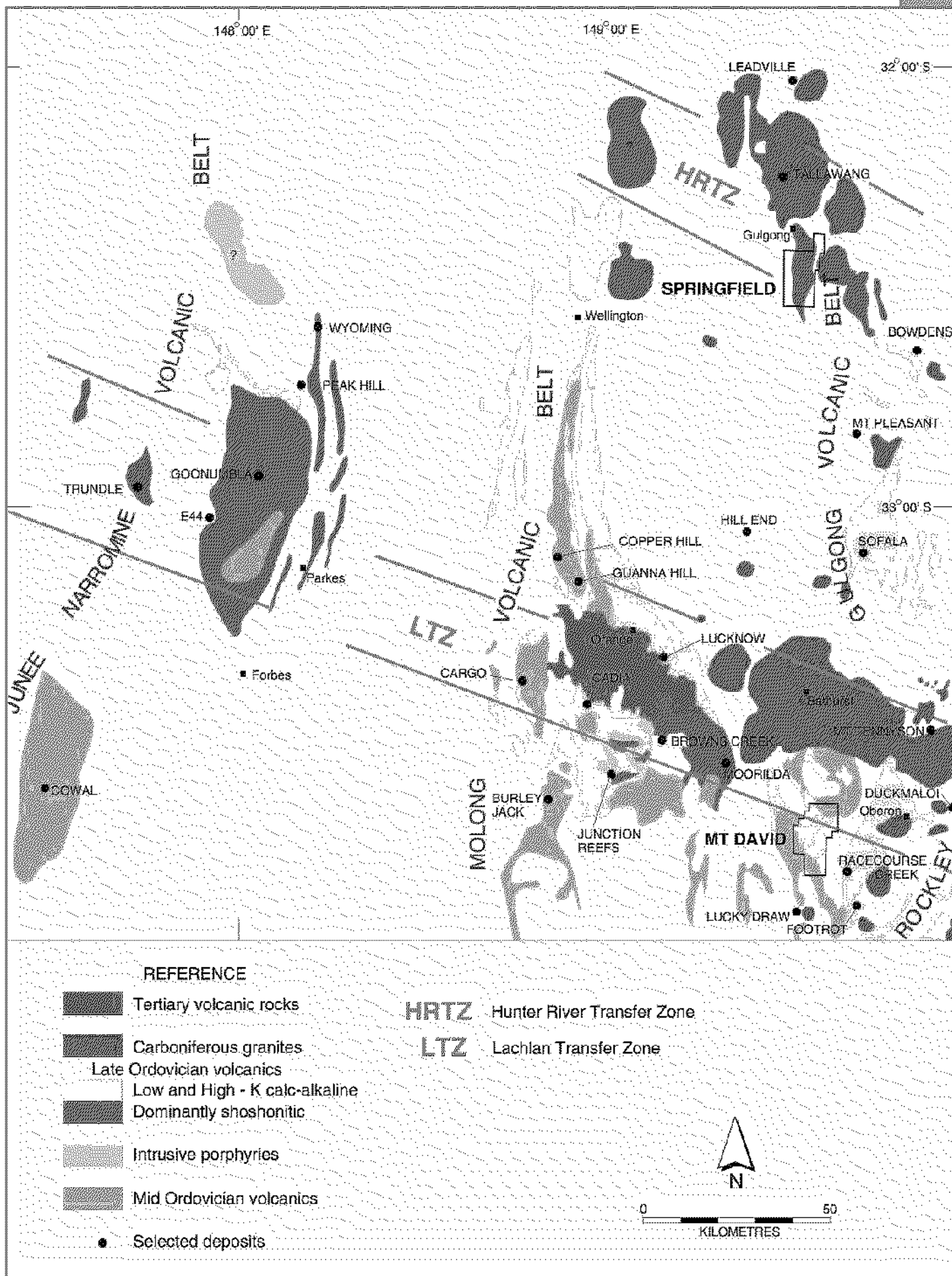


FIGURE 2. N.S.W. ORDOVICIAN PROJECTS - REGIONAL GEOLOGY

The earliest rocks deposited in the eastern half of the area form the Middle Ordovician (2470-456 million years old) Kenilworth Group (Figure 2). They comprise basic volcanics, volcanoclastic sediments and metasediments and associated basic to acid intrusive rocks.

During mid-Ordovician times, a pause in magmatic activity resulted in a widespread unconformity in the depositional sequence before magmatic activity commenced again in the late Ordovician.

From the Late Ordovician and continuing until the earliest Silurian (456-2430 million years ago), deposition of basic to intermediate volcanics, related intrusives, volcanoclastic sediments and more distal sediments, formed a major succession collectively termed the Cabonne Group.

In the western half of the Early Ordovician basic volcanics and sediments were deposited, followed by Middle to Late Ordovician basic volcanics and sediments (of the Goonumbla Volcanics, the Lake Cowal Volcanics and the Kirribilli Formation). The latter group are believed to be generally equivalent to the Kenilworth and Cabonne Group rocks in the east.

All of the Ordovician rocks are now exposed in three approximately north-south trending belts. From west to east, these are the Junee-Narromine Volcanic Belt, the Molong Volcanic Belt, and the Rockley-Gulgong Volcanic Belt. For many years, these three belts were regarded by geologists as three largely unrelated groups of rocks, formed by separate and discrete tectonic and magmatic events. In recent years, however, interpretation of stratigraphic and structural information has resulted in the view that the rocks of all three belts were formed as one geological unit over the same broad period of time, and were subsequently separated by a number of periods of faulting and folding. This interpretation has been reinforced by evidence obtained from very recent seismic and gravity surveys, which have given a deeper insight into the structure of the Earth's crust in the region.

The three magmatic/volcanic belts are now collectively referred to as the Macquarie Volcanic Arc (MVA).

Rock geochemistry, petrological and tectonic studies indicate that the rocks of the MVA are the result of a long-lived subduction zone active from early Ordovician to early Silurian time, whereby a slab of oceanic crust was progressively forced beneath the continental crust, from the east to the west. Heat generated by this process melted and chemically modified mantle material above the slab, which rose to the surface as bodies of magma, and formed an island-Arc chain of volcanoes in the Ordovician ocean, similar to that operating in the Vanuatu island chain in the South Pacific ocean today. Whereas from the 1960s to the 1990s, regional geologists considered that three separate island arcs were formed during the Ordovician, there is now reasonable consensus that all three originally formed as one arc, the MVA.

The mafic to intermediate magmas formed by this process contain low-moderate to high levels of potassium, in petrographic terminology ranging from "low-K calc-alkaline", through "high-K calc-alkaline", to "shoshonitic". Shoshonites are a highly evolved potassium-rich group of rocks, which in many parts of the world (particularly around the Pacific Rim) are the host for valuable copper-gold porphyry and gold-silver epithermal deposits.

The intrusive and volcanic rocks in the easternmost (Rockley-Gulgong) belt of the MVA differ slightly in character from those of the other two belts, having a weaker magnetic signature, and are believed to have been derived from less-oxidised magmas.

Deposition of high-K mafic volcanics continued intermittently in restricted areas until the Early Devonian, (390-410 million years ago). These rocks, the Cuga Burga volcanics and Yeoval Granite, are preserved mainly west and south of the town of Wellington, but for the sake of simplicity, are not shown on Figure 2.

During the Silurian period (434-410 million years ago), and continuing until the end of the early Devonian, extensive marine sediments and acid volcanics were deposited in two broad, north-south oriented rift zones (the Hill End Trough and the Cowra Trough) which first opened during the early Silurian in an extensional tectonic environment. The acid (silica-rich) volcanics deposited in these troughs resulted from the evolution and extrusion of granitic magmas, derived from the melting of silica-rich continental crust, in contrast to the deeper, silica-poor mantle source of the MVA rocks.

During the mid-Devonian and again in the Carboniferous, the two rift zones were subjected to compressional forces from the northeast, resulting in cessation of deposition, and complex folding and faulting of the sediments and volcanics deposited in them.



Further, shallower rifting occurred in limited areas during the middle and late Devonian era (roughly 390 to 354 million years ago), with the extrusion of more evolved acid volcanics, and widespread deposition of terrestrial to very shallow marine sediments in a continental setting.

By the end of the Devonian period, an essentially stable continental crust (craton) had formed in the area. Late magmatic activity, in the Carboniferous (354-295 million years ago), probably associated with the subduction of the New England plate beneath the young continent (from the east-northeast), resulted in the intrusion of a series of granite bodies along the eastern half of the area (See Figure 2). Acid volcanic rocks extruded nearby during the opening of the Sydney Basin (to the east) during the Permian era (295-250 million years ago) may be associated with the conclusion of this magmatic event.

Finally, during the Tertiary Era (66-5 million years ago), widespread volcanic centres extruded basaltic lavas over the continental surface. No precious or base metal mineralisation is associated with this event.

On Figure 2, two west-northwest trending structural corridors, known as the Lachlan and Hunter River Transverse Zones ('LTZ', 'HRTZ'), are shown. These corridors, active from at least the Early Ordovician until the late Tertiary, are the focus of bands of crustal structures which cut the Lachlan Fold Belt fabric at high angles. They are believed to be deep-seated structures that had a significant influence in localising mineralisation.

Within the corridors, faults and joint systems trending parallel to or at low angles to the corridor margins can frequently be mapped at various scales, and in some cases they provide a direct structural control on mineralisation. For example, in the Cadia porphyry district, not only are the major known deposits distributed along the west-northwest trend, but the host intrusive at Cadia Hill, and the enclosed zoned mineralised body, strikes west-northwest and dips steeply to the south-southwest.

In a broader sense, the major Bathurst Granite complex, the Forest Reefs Volcanic Complex and the Canobolas Tertiary Igneous Complex, are all aligned in a west-northwesterly direction, within the Lachlan Transverse zone. As well, most of the occurrences of Ordovician igneous rocks which to date have been recognised as having a shoshonitic character, are localised within the LTZ and HRTZ.

Figure 2 shows that, external to the transverse zone corridors, similar structural patterns are evident, and the same structural controls on intrusives and mineralisation are often evident. For example, a major hydrothermal system and high-sulphidation gold-copper deposit at Peak Hill is localised within a northwesterly trending structural corridor beneath alluvial cover (expressed as a zone of demagnetisation of Ordovician volcanics, evident in aeromagnetic data). A short distance north, it has been observed that some of the high grade mineralisation in the recently discovered Wyoming group of deposits is similarly aligned to this northwesterly trend. However, the major localisation effects occur within a specific corridor, which in time became known as the LTZ.

A wide variety of mineralisation styles and ages are known within the area covered by Figure 2, and most types have a long history of exploitation. The deposit styles relevant to Jaguar's project areas are discussed briefly below:-

ORDOVICIAN AGE DEPOSITS: The two largest mining camps, Cadia and Goonumbula, each include a number of porphyry-style deposits, in which the mineralisation has been dated as late Ordovician in age.

The seven Cadia deposits which have been economically assessed to date by Newcrest Mining Ltd., have a pre-mining resource of more than 585 tonnes of gold and 2.35 million tonnes of copper. Three deposits are currently being exploited by Newcrest's Cadia Valley Operations (CVO): Cadia Hill (352 million tonnes at 0.63g/t Au and 0.16% Cu), Cadia Ridgeway (54 million tonnes at 2.5g/t Au and 0.77% Cu) and Cadia Quarry (70 million tonnes at 0.40g/t Au and 0.21% Cu). Additional resources are currently being assessed by CVO. In mid 2003, they included Cadia East (300 million tonnes at 0.46g/t Au, and 0.37% Cu), and Cadia Far East (130 million tonnes at 1.3g/t Au and 0.41% Cu). These occur in shoshonitic monzonitic stocks, within the shoshonitic, mafic Forest Reef Volcanics, and the ore mineralisation is associated with potassic alteration of those rocks.

In the Goonumbula district, a large number of relatively small intrusions of shoshonitic quartz monzonite have been drilled and evaluated. Four of these were found to be of sufficient size and grade to be mined: Endeavour (E) 22, 26N, 27 and 48. E22 and E27 have been mined out, E26N is currently commencing a second phase of production, and E48 is being assessed for future production. Collectively, these deposits are known as the Northparkes Mine.

The reserve at the Northparkes Mine was quoted in June 1997, as 81.6 million tonnes at 1.2% Cu and 0.5g/t Au, included in a much larger geological resource.



One hundred kilometres to the southwest of the Northparkes Mine, a large gold resource has been outlined for the E42 deposit in the Cowal Project, by Barrick Gold Corporation and previous owners. The E42 deposit is believed to have formed during the Late Ordovician, and is regarded as a "porphyry-related" deposit, one of a number of gold ± copper bodies in the Lake Cowal Volcanic Complex. The E42 resource currently stands at 68.9 million tonnes at 1.3g/t Au, and construction of the gold mine is scheduled to commence late in 2003.

The porphyry copper-gold deposits at Copper Hill and Cargo were formed during the late Ordovician, in dacitic (calc-alkaline) intrusives within Middle Ordovician volcanics. Both have been subjected to intense exploration by a variety of companies over the past thirty years, but the resources established to date at each are sub-economic.

Exploration of other exploration targets within the MVA, in particular at the Trundle, Racecourse Creek, Footrot, Guanna Hill, Moorilda and Burley Jack prospects, has provided encouraging results, but no established resources to date.

Associated with some of the porphyry mineralised systems are copper-gold bearing skarn bodies, formed by the hydrothermal alteration of carbonate-rich rocks. The most significant of these are Big Cadia, located between the Cadia Hill and Ridgeway Mines, (30 million tonne pre-resource at 0.4g/t Au and 0.5% Cu), and the E44 skarn located 17kms southwest of the Northparkes Mine, where a resource of 2.3 million tonnes at 3.29g/t Au has been established.

Significant gold mineralisation has also been mined from a number of arsenic-rich skarn bodies in the Junction Reefs district south of Orange, which are inferred to have formed during the Late Ordovician. Production recorded here during the early twentieth century was 120,000 tonnes at 9.65g/t Au, and between 1988 and 1993, Climax Mining Ltd. mined 2.456 million tonnes at 2.84g/t from open cuts in three separate skarn bodies.

Although the Junction Reefs orebodies are regarded as typical distal gold skarns, and are associated with a suite of Ordovician intermediate intrusive rocks, they are not part of an identified porphyry system.

At Peak Hill, high-grade gold mineralisation was originally mined from an oxidised high-sulphidation epithermal deposit in the Late Ordovician Goonumbla Volcanics. The mineralisation has an inferred Late Ordovician age. During the late 1990s, Alkane Exploration Ltd. mined 4.88 million tonnes at 1.56g/t Au from an open cut in the oxide material. An indicated and inferred resource of 11.27 million tonnes at 1.29g/t gold has been established in sulphide mineralisation beneath the open pit.

Fourteen kilometres north of the Peak Hill Gold Mine, Alkane has discovered widespread gold mineralisation in and around a series of porphyry dykes in the Goonumbla Volcanics. Recent drilling has established a 500,000 ounce resource, which should justify mining and trucking to the Peak Hill site for treatment.

At Lucknow, 9 kilometres southeast of Orange, small, very high-grade quartz-carbonate-sulphide veins were mined from the contact zone between Late Ordovician mafic volcanics, and a serpentinite body (of probable similar age), from 1882 to 1936. A total production of 16.19 tonnes of gold is recorded.

SILURIAN AGE DEPOSITS: Significant gold production has taken place at the Browns Creek Gold Mine, located 27 kilometres south-southeast of Orange, between 1871 and the closure of modern mining operations (after a catastrophic water inflow) in December, 1999. An estimated original global resource of approximately 4.3 million tonnes at 4.7g/t Au, with significant copper credits, had largely been mined at the time of closure.

The gold-copper mineralisation was hosted by skarned Late Ordovician age limestones and basic volcanics adjoining a Silurian age granodiorite stock, but was believed to be fault-controlled. The age of the mineralisation is inferred to be Silurian or younger.

DEVONIAN AGE DEPOSITS: At Tallowang, north of Gulgong, a number of small magnetite skarns are developed at the eastern margin of the Rockley-Gulgong Volcanic Belt, close to the western margin of a Carboniferous granite stock (the Gulgong Granite). However, between the skarn bodies and the Gulgong Granite a narrow body of older (Devonian age) granite is situated and evidence points to a genesis associated with the Devonian granite. One of the bodies is the subject of mining of high-grade magnetite for use in coal washeries.

CARBONIFEROUS AGE DEPOSITS: As can be seen on Figure 2, there are numerous bodies of (Mid to Late) Carboniferous age granites in the eastern half of the area depicted. The largest body of granite shown, surrounding the City of Bathurst, is known as the Bathurst Batholith, which is mainly situated within the designated boundaries of the LTZ. A second major grouping of Carboniferous granite bodies is exposed around the town of



Gulgong, within the HRTZ. Between and beyond these transverse zones, there are numerous smaller granite plutons, and many of those are also dispersed in west-northwest trending bands across the terrane.

Numerous small mineral deposits are associated with the granite bodies, and many have been mined in the past. All are believed to be various types of skarns, formed by substantial hydrothermal alteration of older iron or carbonate-rich sediments or reactive mafic volcanic rocks adjacent to the crystallising magma bodies.

The most economically significant of these was the Lucky Draw gold deposit southwest of Oberon, which was mined very profitably during the early 1990s by Renison Goldfields Consolidated, and had a recoverable reserve of 1.48 million tonnes at 3.53g/t gold. A number of smaller deposits were discovered nearby, but have not been mined to date. All occur in contact-metamorphosed and hydrothermally altered quartz-rich and iron-aluminum-rich sediments and volcanics of the Triangle Formation, which is part of the Middle Ordovician Kenilworth Group, close to its contact with the older (mid Ordovician) sediments of the Adamimby Group. The host rocks have been intruded by the Carboniferous Burruga Granite.

The mineralisation is a sulphur-poor gold-bismuth-tellurium association, which also contains variable but significant amounts of molybdenum, arsenic and minor silver.

Numerous small molybdenum-rich skarns have been mined in the past along the margins of the Bathurst Batholith, the largest being the Mt. Tennyson deposit, where minor amounts of tungsten, copper and gold also occur in the garnet-rich rock. To the south, a number of small bismuth-tungsten-molybdenum skarn bodies have been exploited along the eastern contact of the Duckmaloi stock, and minor gold mineralisation is associated with these.

At Mount Pleasant, situated on the boundary between the Rockley-Gulgong Volcanic Belt and the Hill End Trough, CSR Ltd. outlined a small porphyry molybdenum-tungsten deposit (32 million tonnes at 0.074% MoS₂) during the early 1980s. The resource outlined is part of a larger mineralised system, developed within and around a potassically and phyllically altered microadamellite stock in Silurian sediments.

At Leadville, north of Gulgong, sub-economic (but locally high-grade) zinc-lead ± copper and silver deposits in the Late Silurian Dungereee Volcanics have been explored as VHMS targets. The Dungereee Volcanics include rhyolite and dacite lavas, volcanoclastics, shales, volcanic sandstones, conglomerates and limestones, and they are intruded by the Carboniferous Gulgong Granite and Leadville Monzonite. Recent re-evaluation of geological data has produced strong evidence that the sulphide lenses are part of skarn bodies, formed during intrusion and crystallisation of the Carboniferous magmas.

As well as skarn deposits, another style of mineralisation is believed to have formed during the Kanimblan Orogeny in the Early Carboniferous, and was of major economic significance during the second half of the nineteenth century. These were the quartz-vein hosted gold deposits of the Hill End - Tambaroora, Sofala and various smaller goldfields, which occurred in Silurian and Devonian sediments of the Hill End Trough, and locally in Ordovician Volcanics. The Hill End - Tambaroora field alone had a recorded production of 22 tonnes of gold, from both hard rock and alluvial deposits. Small-scale underground mining operations have recently recommenced at Hill End.

PERMIAN AGE DEPOSITS: Close to the eastern margin of the Rockley-Gulgong section of the Macquarie Arc, an extensive band of acid volcanics which were deposited in terrestrial to shallow marine conditions has been mapped (not shown on Figure 2), dipping gently to the northeast. This unit is known as the Rylstone Volcanics. The volcanics unconformably overlie all other geological units in the region, and are one of the lowermost units of the Sydney Basin, which overlapped parts of the Macquarie Volcanic Arc and the Hill End Trough, from the east.

The Rylstone Volcanics are believed to span an age from very late Carboniferous to Early Permian (2300-280 million years ago). Two deposits of low-sulphidation epithermal silver-lead-zinc mineralisation have been discovered in this unit, between Lue and Rylstone (the Bowdens and Coomber prospects). The Bowdens prospect is by far the larger, with Indicated and Inferred Resources of 18.8 million tonnes at 99g/t silver (3.2oz/t), 0.32% lead and 0.37% zinc, for total contained silver of 60 million ounces. A more recent resource figure is 59 million tonnes at 43.8g/t silver, 0.22% lead, 0.31% zinc (total 83 million ounces of silver).

Within the eastern part of the Hill End Trough, and along the Rockley-Gulgong Volcanic Belt (but north of the Bathurst Batholith), a number of palaeochannels in the basal Permian conglomerates of the Sydney Basin contain gold, and these (or more recent alluvial deposits derived from them) have locally been worked at small scales.



SPRINGFIELD PROJECT

TENURE

The Springfield project area is held under Exploration Licence no. 5991, which is centred 12 kilometres south-southeast of the historic mining town of Gulgong, and 14 kilometres north-northwest of the regional centre of Mudgee. EL 5991 was granted to Herald Resources Ltd. on 12th September 2002, as the sole proprietor which Jaguar has recently acquired in December 2003. The licence area is comprised of 48 graticular units (approximately 139km²) and the licence is current until 11th September, 2004.

Full details of the tenure are provided elsewhere in this prospectus.

GEOLOGY, GEOPHYSICS AND KNOWN MINERALISATION

The Palaeozoic bedrock within the boundaries of EL 5991 is dominated by late Ordovician mafic volcanics, volcanoclastics, sediments and intrusives, and Silurian acid volcanics and sediments, with subordinate Devonian sediments and intrusives, Permian cover sediments, and Tertiary to Recent alluvium.

The Ordovician rocks are the north-easternmost exposure of the Macquarie Volcanic Arc, whereas the Silurian sequences include parts of both the Capertee High (a platform sequence of shallow marine to shoreline sediments and volcanics draped on the MVA) and the Hill End Trough rift zone (marine sediments and volcanics). The Devonian rocks are interpreted as marginal platform sediments. The Permian sediments are associated with the initial opening of the Sydney Basin rift.

Bedrock in the licence area was subjected to a major deformation event during the early Devonian, resulting in development of a set of stacked, west-dipping thrust slices and linking faults, such that the area now occupied by EL 5991 has been termed the Cooyal Thrust Sheet.

The MVA within the licence area is represented by the Burrannah Formation (θch) of the late Ordovician Cabonne Group. The formation is comprised mainly of mafic volcanoclastics, with local primary mafic volcanics and lavas, intrusives, and minor distal (fine-grained) sediments and downslope-transported pods of limestone. Most of the rocks are strongly potassic, and they are regarded as typical Cabonne Group shoshonites.

The Burrannah rocks give a characteristic red signature on radiometric images, whereas their magnetic response is subdued. Interpretation of aeromagnetic and structural data has resulted in subdivision of the formation into two main magnetic packages - a lower package of vent to near-vent lavas and agglomerates with a moderate to high magnetic signature, and an upper package of volcanic sandstones, intrusions and distal sediments which is generally weakly magnetic.

Within the licence area (see Figure 3), six units of the Burrannah Formation have been mapped:-

- θchs - volcanoclastic sandstone and mudstone
- θchb - volcanoclastic breccia
- θchm - mudstone
- θchv - latite, andesite, and basalt (lavas)
- θchd - medium to coarse-grained monzodiorite (intrusives)
- θchl - limestone (transported blocks)



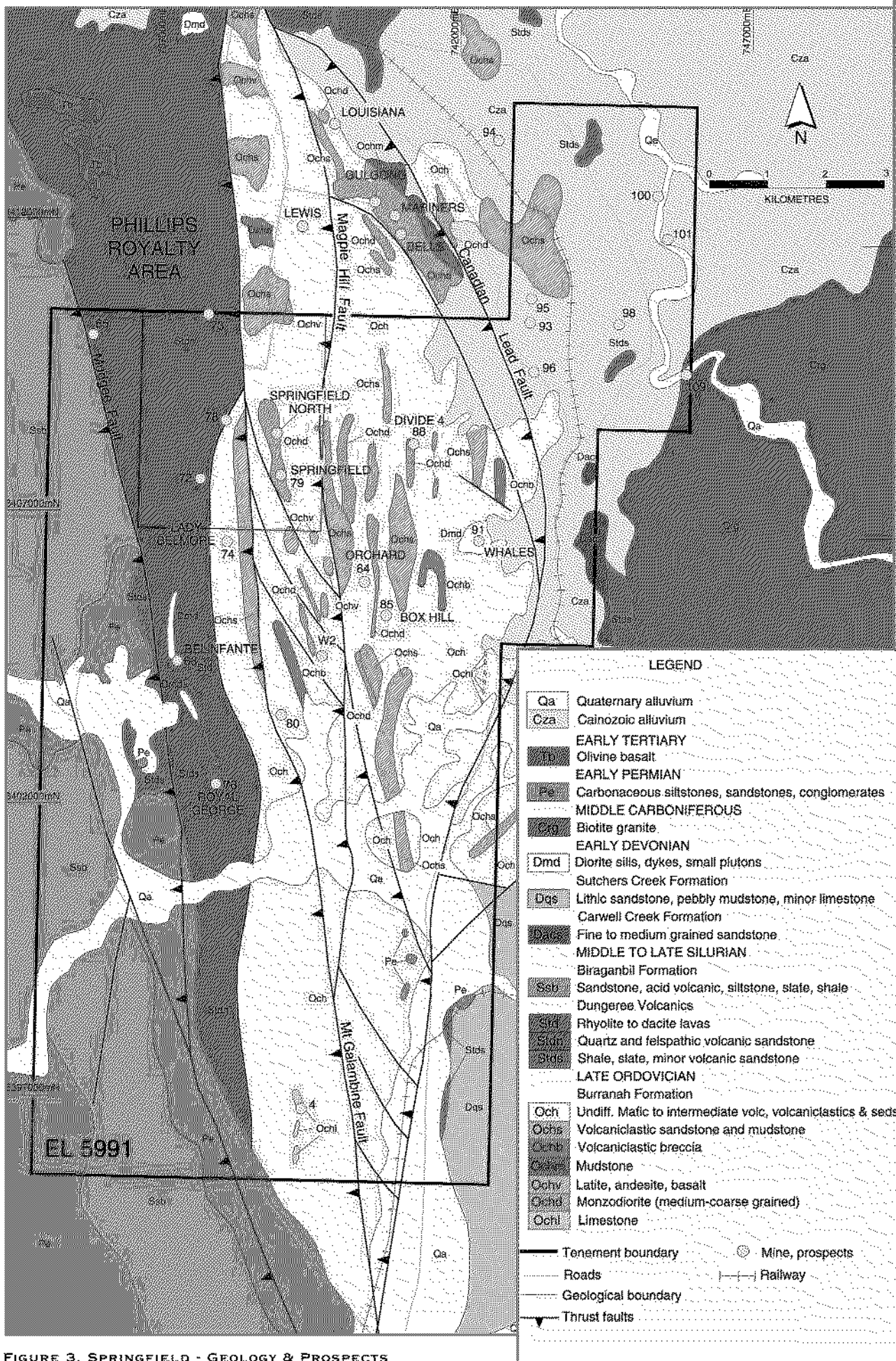


FIGURE 3. SPRINGFIELD - GEOLOGY & PROSPECTS

Medium to coarse grained intrusions of monzodiorite and monzonite to syenite (Øchd) are relatively common within the Burranah Formation. The intrusive bodies range up to 3 kilometres in length by 600 to 700 metres wide, and are elongate parallel to the strike of the country rock. They are compositionally similar to the volcanics and are interpreted to be comagmatic.

To the east and west of the Burranah Formation, the late Silurian Dungeree Volcanics (Std) of the Tannabutta Group are the remnants of a former platform sequence which was developed over the MVA. These are comprised of rhyolite to dacite lavas, and rare latite to trachyte lavas. As well, individual units mapped within the licence area include Stdn, quartz and felspathic volcanic sandstone and minor shale, which predominates; Stds, shale, slate and minor volcanic sandstone; and Stdl, limestone and limestone breccia.

Further west, the late Silurian Biraganbil Formation (Ssb), which is part of the Chesleigh Group, represents the eastern margin of the Hill End Trough, and is a deep-water (continental slope) facies comprised of sandstone with an acid volcanic component, siltstone, slate and shale. The Biraganbil Formation and the Dungeree Volcanics are separated by the west-dipping Mudgee Fault.

From the early Devonian, sedimentation on the Capertee High continued, with shallow marine to subaerial deposition of the Carwell Creek Formation (Dacs) of the Kandos Group (fine to medium-grained and locally kaolinific sandstone).

Towards the end of the early Devonian, the Queens Pinch Group was deposited along the western slopes and base of slope of the Capertee High. The group includes the units of the Ingleburn Formation (Dqi), dacite and andesite lava, mudstone, conglomerate, and quartz sandstone; the Sutchers Creek Formation (Dqs), lithic sandstone, pebbly mudstone and minor limestone, and a limestone conglomerate and block member (Dqsl) of that formation. The Queens Pinch Group is transitional westwards into strata of the Hill End Trough.

Throughout the latest Early Devonian to the late Middle Devonian, the 'Tabberabberan Orogeny' terminated deposition in the region and caused uplift, folding and faulting of all of the strata deposited prior to that event.

During the early Devonian, a number of small bodies of diorite (Dm, Dmd) were intruded into the sequence.

During the early Carboniferous, a major phase of deformation (associated with the subduction of the New England Plate to the northeast) took place, with some metamorphism of the rocks, and the resultant conversion of this part of the Lachlan Fold Belt into a stable craton. This event is known as the Kanimblan Orogeny, and it caused most of the strong folding and faulting now evident in the Capertee High, the Hill End Trough and the Cooyal Thrust Sheet. Most of the structurally-controlled gold deposits in the Hill End, Sofala and Mudgee-Gulgong areas are believed to have been formed during this event.

The Middle Carboniferous saw the intrusion of three granitic plutons, the Gulgong Granite, the Ulan Granite and the Home Rule Granite (Crg), a quartz monzonite. All three granites are discordant, unfoliated, post-deformation I-type, biotite granites which were intruded at high crustal levels.

During the late Carboniferous to early Permian, opening of a new rift basin to the east of the licence area commenced, and this subsequently developed into the major Sydney-Gunnedah Basin. In the Gulgong-Mudgee district, the basal sediments of the basin, Pe (carbonaceous siltstones, sandstones, conglomerates, lenses of coal and rare glacial varves) have been mapped in the west and southwestern parts of the licence area. As the area of the MVA (Burranah Formation) was probably a more elevated, subaerial ridge at the time, those sediments may not have been deposited completely across the licence area.

In the Gulgong-Mudgee area, it is known that the basal (channel-fill) conglomerates in the Permian frequently contain low-grade alluvial gold.

During the early Tertiary period (66-35 million years ago), the eastern Lachlan Fold Belt was subjected to some uplifting, and the coincident onset of a very wet climate resulted in the extensive deposits of valley fill gravels, sands and lacustrine clays in the previously eroded valley systems. In the Springfield area, numerous alluvial 'deep lead' deposits of these early Tertiary sediments have been found in Tertiary palaeochannels.

By the mid-Tertiary the climate became drier, the streams less energetic, and the deposits less prolific. The onset of drier conditions coincided with a period of intraplate volcanism (from approximately 38 to 10 million years ago), with the extrusion of basalt lavas (which tended to flow for long distances down river valleys) over broad areas. In many cases, the basalt flows cap the early Tertiary deep leads, and are in turn often overlain by finer later Tertiary sediments. In a few places, the Tertiary basalts (Tb) are found at the present surface (see Figure 3).

The early Tertiary leads carried significant gold, and as many of the leads have their headwaters in the Burranah Formation terrain (see Figure 4), it is probable that most of the alluvial gold was derived from concentrations in the late Ordovician rocks.



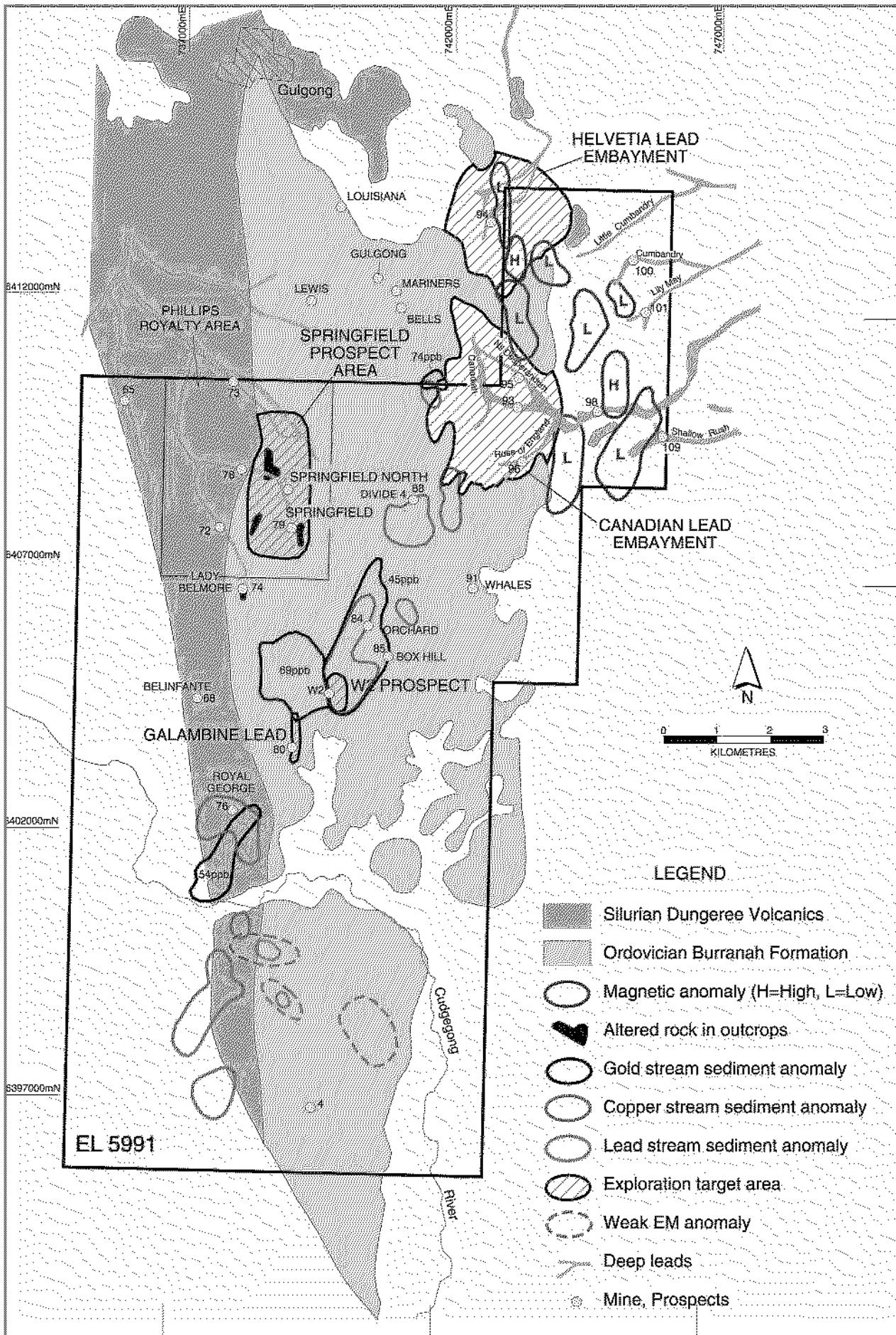


FIGURE 4. SPRINGFIELD EXPLORATION SUMMARY MAP

Between 1870 and 1927 the Gulgong Gold Field produced an estimated 1 million ounces of gold (the official recorded production was 555,000 ounces). It was the alluvial deep lead deposits that supplied most of the gold produced throughout the area, but some primary deposits also made significant contributions to the total gold production. A total of fourteen significant primary gold occurrences are known in the Mudgee-Gulgong district, however, very little production information is available for these. Nine of these occurrences lie in the Burranah Formation, two within Dungereee Volcanics and three within Early Devonian diorite intrusions.

Within the area of EL 5991, known mineral deposits include alluvial gold leads, hardrock (reef and disseminated) gold $\pm$ copper deposits, a small antimony deposit, and clay deposits. The locations of the various deposits are shown on Figure 3.

A number of the gold-productive alluvial leads lie partly within the licence area, and the known heads of most of those also fall within the EL 5991 boundaries. These include the Magpie (no. 73) Springfield Gully (no. 78), Rapps Gully (no. 72) and Fords Creek (no. 65) Leads in the northwestern sector of the area, and the Helvetia (no. 94), Morrisseys Paddock, Cumbandry (no. 100), Little Cumbandry, Lily May (no. 101), Shallow Rush (no. 109) and Canadian group of leads, in the northeastern sector. A smaller lead, the Galambine Lead (no. 80) was also worked in the central part of the licence area.

The Canadian group was collectively one of the major producers of the Gulgong Gold Field, and includes the Canadian (no. 93), Rose of England (no. 96), Rose of Australia, Nil Desperandum (no. 95) and Lower Paddock (no. 98) Leads. The upper sections of this group of leads lie within a broad embayment or depression in the pre-Tertiary and present day land surfaces, which has been infilled with early to late Tertiary to Recent sediments.

The genesis of this embayment is not clear, but it may have significant implications for the future search for the source of the alluvial gold mined from the leads in the embayment. The embayment may have developed by preferential erosion of altered bedrock, by the presence of rock-types in the bedrock which are more susceptible to erosion, or from the effects of local downfaulting of the Palaeozoic sequence.

Numerous very old mining reports and some more recent summaries refer to the abundance of limestone in the "slatey" bedrock forming the base of the old alluvial channels of the Canadian Lead, and of large boulders of limestone in the wash. Boulderly limestone subcrops (and major limestone boulders) resulted in the tortuous channel course, and large caves were also reported in the limestone bedrock. The caves were infilled with puggy clay, gravels and boulders, and often contained fossilised fruit and seed pods and the bones of the extinct large marsupial Diprotodon. In the cavernous sections, the alluvial gravels frequently carried significant gold over very substantial vertical intervals, but they were also often significant aquifers.

The presence of alluvial gold in irregular potholes and caverns, fine gold locked up in puggy clay, the twisting nature of the main channel, and frequent high water inflows made delineation and mining of the alluvials very difficult, and for various reasons, extraction was incomplete over lengths of the channel systems. As a result, the total gold inventory for those leads is unknown.

Part of the courses of the Helvetia and Morrisseys Paddock Leads, also ran over bedrock of cavernous limestone.

The limestone reported in the floors of these leads may have been transported blocks within the Burranah Formation, or a large system of shoreline limestone reefs within that formation, or a series of reefs in the Dungereee Volcanics or the Sutchers Creek Formation, concealed beneath the Tertiary cover. The weight of evidence points to them being part of the Burranah Formation.

Possible hardrock gold sources can be identified for the gold in a number of the leads within the licence area - the Springfield gold prospect for the Springfield Lead, an area of altered Burranah Formation rocks at Springfield North as one source for the Magpie Lead, and the Belmore Reef for the Rapps Gully Lead. No obvious sources have been identified for the Fords Creek, Helvetia and Canadian group of Leads. Limestone bedrock is evidently widespread beneath the Canadian group and part of the Helvetia-Morrisseys Paddock leads. A large amount of alluvial gold appears to have been derived from the vicinity of the Canadian Lead, and given the presence of the Home Rule Granite only 2-3 kilometres to the southeast, low-temperature hydrothermal replacement of carbonate horizons, or epithermal or mesothermal veining within the limestone, are possible sources of the gold. Unfortunately, the old records provide no technical descriptions of the nature of the limestone bedrock. However, the carbonate bedrock constitutes a worthwhile exploration target.

The more significant hardrock prospects located within the boundaries of EL 5991 are described below. Only the Springfield Deposit has an established gold resource.



SPRINGFIELD GOLD DEPOSIT (NO. 79)

The Springfield deposit lies within the Burranah Formation, and is located about 10 kilometres south of Gulgong, adjacent to the upper reaches of the historic Springfield deep lead. The deposit was first mentioned in a report by Endeavour Resources Limited (1981). There are no production records available for the deposit, but like most of the primary deposits in the district, production was probably small with high grades. The recently estimated inferred resource is 1.05 million tonnes at 1.4g/t gold.

At the surface, the Springfield deposit is expressed as a series of collapsed shafts located on two north-northwesterly trending parallel quartz veins about 50 metres apart. The quartz veins have a thickness of about 30cm and are located within a north-south elongate monzonite-syenite intrusive, which varies from 75 to at least 105 metres wide. The monzodiorite intrudes crystal lithic tuffs and volcanoclastic siltstones. Brecciation and shearing are locally developed along the western contact. The eastern contact of the intrusive is obscured by alluvium.

Alteration is variable throughout the deposit but is generally propylitic (chlorite, albite, epidote and carbonate) to phyllic (sericite) and mostly confined to the monzodiorite. Arsenopyrite and pyrite are the dominant sulphides with minor chalcopyrite and sphalerite. Near-surface alteration in the eastern or footwall side of the intrusive is more intense than in the western or hangingwall side which is largely unaltered. The density of quartz veining also increases towards the east and becomes a stockwork system on the footwall side.

Fine gold occurs as coatings on arsenopyrite which, in many cases, surrounds the pyrite. Gold also occurs in solid solution or as free gold within the pyrite or arsenopyrite. The sulphides and gold occur in stockwork veinlets and disseminations in the altered monzonite/syenite.

Drilling of the deposit by Newcrest Mining Ltd. and Millie Phillips indicates that the intrusive body is west-dipping (see Figure 5).

To date, 144 holes have been drilled into the Springfield and Springfield North prospects by Endeavour Resources, IMC, Sabminco, Newcrest and Millie Phillips, for a total of 5,758.6 metres (average depth $\approx$ 40 metres per hole). The deepest hole was 249.1 metres in length.

The Springfield deposit is located within a zone of higher strain between the Mount Galambine Fault and the Magpie Hill Fault. These faults define a north-south trending zone up to 1.5 kilometres wide that has been subjected to dextral strike-slip deformation.

The character of the mineralisation at the Springfield deposit is consistent with mesothermal vein-style mineralisation controlled by brittle deformation of a structurally competent body, i.e. the monzonite-syenite intrusive.

DIVIDE 4 GOLD PROSPECT (NO. 88)

Divide 4 is located 2.5 kilometres east-northeast of the Springfield deposit and is also associated with an elongate 'syenite' intrusion within the Burranah Formation. Old workings include a number of very shallow pits on a small, poorly outcropping intrusive 'syenite' with the locus of old diggings lying adjacent to the intrusive contact.

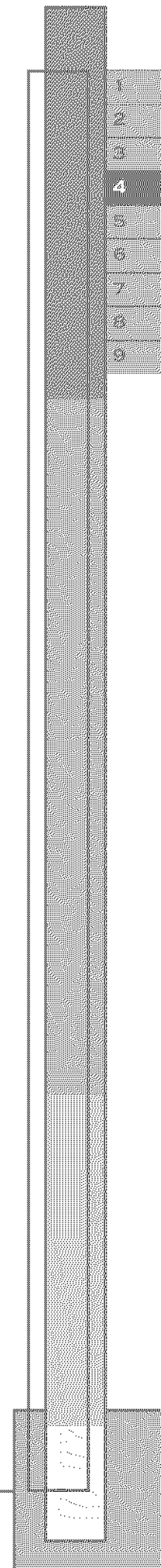
Gold mineralisation is hosted by strongly altered 'syenite' with locally massive quartz veining. The 'syenite' contains an abundance of coarse polygonal hematite pseudomorphs after pyrite. The quartz occurs in two forms: a massive milky white quartz with large quartz crystal intergrowths; and, narrow (<5cm) veins with coarse pyrite and hematite pseudomorphs concentrated near the vein margins. Visible gold was encountered in the former quartz habit.

Drilling has been completed at this prospect by Newcrest and Millie Phillips with a best intersection of 1 metre @ 1.63g/t gold from 21 metres depth.

LADY BELMORE GOLD MINE (NO. 74)

Lady Belmore is located about 1.5 kilometres southwest of the Springfield deposit. The mineralisation is associated with narrow veins of massive quartz in felsic volcanics, near the western contact of an elongate silicic syenite/monzonite intrusive within the Burranah Formation. The quartz veins dip toward the east and appear to be widest in the immediate vicinity of the old workings, which include a $\pm$ 20 metre deep main shaft.

Results of 1.09 and 1.40g/t Au were obtained in one 5 metres composite sample from each of the first two percussion holes drilled across the old workings. No significant quartz veining or gold values were detected in any of the subsequent seven holes, suggesting that the gold mineralisation associated with the Lady Belmore diggings has limited width and strike extent.



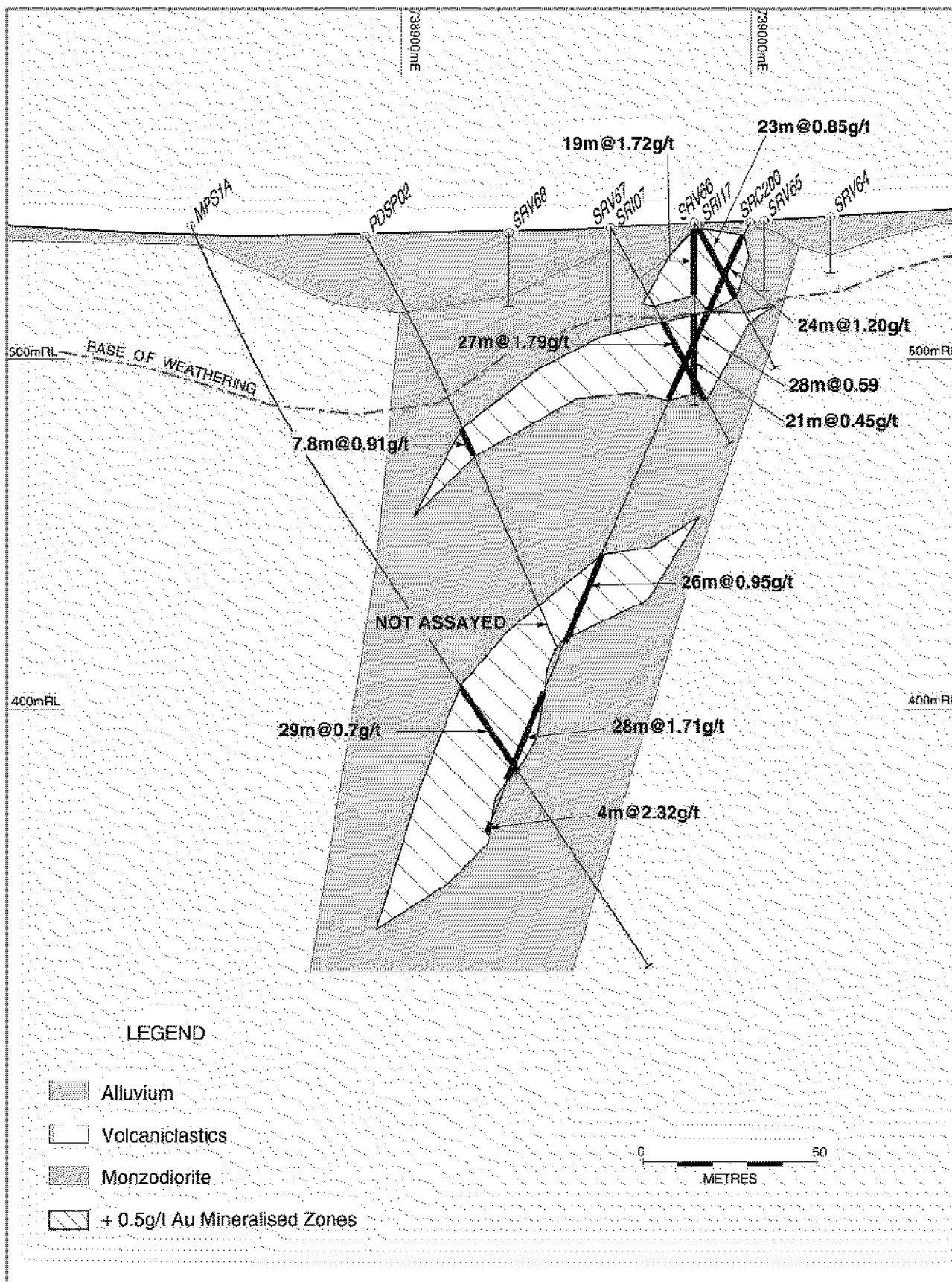


FIGURE 5. SPRINGFIELD PROSPECT - CROSS SECTION 6407550N

ORCHARD PROSPECT (NO. 84)

At the Orchard Prospect there are three small pits which trend north-northwesterly over a strike length of 150 metres within buffaceous sandstone in the Burranah Formation. There is little evidence to suggest that the deposit was worked to any considerable depth. The rocks show evidence of minor shearing and weak brecciation. Sericite and carbonate alteration are common and malachite and azurite occur along fractures and joint planes. Gossanous rocks near the pits are highly siliceous with rare inclusions of chalcopyrite. The gossan material returned maximum rock chip assay results of 10.3% copper, 3,100ppm lead, 2,400ppm zinc, 0.4g/t gold, 11ppm silver and 1,180ppm arsenic.

Scattered drillholes at Orchard were drilled by Endeavour Resources N.L., with only 5 holes completed for a total of 506 metres. The best intersection obtained was 0.3ppm gold over 3 metres at Orchard West. The main area of old workings does not appear to have been tested by drilling.

BOX HILL PROSPECT (NO. 85)

The Box Hill Prospect is located 3.0 kilometres southeast of the Springfield Gold Deposit. It is a 450 metres long, northeast-trending zone of altered coherent volcanic rocks of latite composition in the Burranah Formation. The alteration is developed over a width of about 150 metres and is confined to the steeply west dipping unit of latite. Moderate to weak carbonate alteration, silicification and veining are present throughout the zone with two sub-parallel zones of intense alteration developed over widths of 10 metres within the latite. Weak mineralisation (0.4g/t gold, 130ppm arsenic, 95ppm copper) is associated with the altered latite. The eastern zone of alteration is associated with a very narrow, fine-grained monzonite/syenite intrusion.

Drilling at Box Hill was carried out by Newcrest and Millie Phillips - 14 holes for a total of 256.4 metres. Anomalous values were obtained in one of the Newcrest holes, with the highest assay being 1.19g/t gold over 1 metre, from 5 metres depth.

ROYAL GEORGE DEPOSIT (NO. 76)

The Royal George deposit is located about 5 kilometres south-southeast of the Springfield Deposit, within the Dungere Volcanics. It occurs about 700 metres west of the contact between the Dungere Volcanics and the Burranah Formation, and is confined to a 100 metre thick coherent rhyodacite unit. The deposit was worked from 1870 to 1899 and had several high grade shoots that graded from 92 to 122g/t gold. Average ore grade and total production figures are not available.

The deposit is comprised of three tabular parallel quartz veins up to 0.5 metres thick trending at 060° magnetic and spaced 70 metres and 120 metres apart. The central vein appears to have been the most productive and has a total of five shafts sunk along its length. All veins dip to the southeast at angles between 40° and 60°. Vein material from the dumps located on the central line of workings has a laminated appearance and occasionally exhibits crystal-lined vugs. Sulphides present include chalcopyrite, galena, pyrite and arsenopyrite.

Mesothermal-vein style mineralisation at the Royal George deposit has developed as tension veins confined to the structurally more competent rhyodacitic unit within the Dungere Volcanics.

No drilling has ever been reported for this prospect.

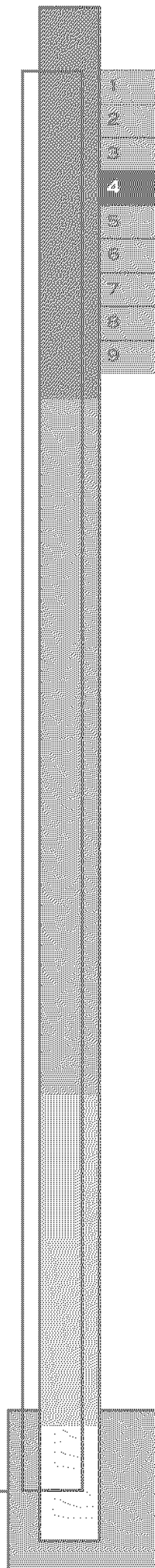
WHALES PROSPECT (NO. 91)

The Whales Prospect is hosted in a small, circular, non-magnetic, early Devonian diorite that intrudes a mixed volcanic and volcanoclastic sequence of the Burranah Formation.

At the prospect, there are a number of collapsed shafts aligned in a northerly direction which are associated with pervasive silica and carbonate alteration of the diorite, and quartz-diorite breccias. Arsenopyrite, pyrite and galena occur in narrow chloritic zones adjacent to the quartz veins. The eastern side of the diorite intrusive is transected by several northeast-trending faults.

The Whales deposit is localised in the diorite body between two northwest trending faults.

Prior explorer Endeavour Resources completed one 110 metre hole at Whales. No significant mineralisation was intersected, although only 3 samples were collected from near the base of the hole. The hole was testing a major Induced Polarisation anomaly recorded under a quartz reef, however, no quartz veins or large zones of alteration were intersected in the hole. The reef may dip to the east, or pinch out at depth.



BELINFANTE PROSPECT (NO. 68)

The Belinfante deposit is located 3.5 kilometres southwest of the Springfield deposit, within a west-dipping sequence of the Dungere Volcanics and in the footwall of the Mudjee fault. The prospect occurs within an elongate north-south Devonian diorite intrusive (Dmd on Figure 3) that is concordant with the host volcanics. The central area of the intrusive is covered with alluvium leaving northern and southern areas of outcrop. Numerous old workings are located within the diorite body, clustered toward the southern end of the northern outcrop area.

Alteration of the diorite is characterised by pervasive carbonate development, with lesser silicification and disseminated pyrite. The most intense alteration occurs on the western side of the diorite in the area of the old workings and is accompanied by quartz-carbonate-pyrite stockworks.

At the Belinfante prospect the diorite intrusive has been the preferred lithology for alteration and mineralisation. A strong competency contrast exists between the diorite and the enclosing volcanoclastic lithologies of the Dungere volcanics. The location of the stockwork veining is consistent with brittle deformation of the diorite and fluid movement into this area during movement on the Mudjee Fault and the formation of the footwall syncline.

Newcrest carried out shallow RAB drilling (40 vertical holes) over the alluvium-covered section of the diorite, but only one hole gave weakly anomalous gold values. The area of old gold workings has not been drill tested.

Minor mineral occurrences within the licence area include several old workings developed for hardrock gold, an antimony deposit, gemstone occurrences, a clay deposit, and various construction materials which have been quarried.

In the southernmost block of the licence area, a small gold occurrence, Main Axis Reef (no. 4), is shown on Figure 3, as occurring either within or adjacent to a limestone lens in the Burranah Formation. No details of this interesting apparent association (between gold and limestone) are readily available.

10 kilometres south-southwest of Gulgong, several very small breccia veins containing antimony sulphide and oxide, and quartz, occur in fractured sandstone and slate of the Silurian Biraganbil Formation, at the head of Fords Creek (deposit no. 65).

PRIOR EXPLORATION

As well as a long history of prospecting and local mining, the area covered by Exploration Licence no. 5991 has been subjected to a reasonably long period of modern exploration, for gold and base metals.

Eleven exploration licences have previously covered most, or parts of, the area of EL 5991, and in most cases, several different companies worked on the same licences in succession.

During 1970-1972, Glendale Explorations NL and Eastmet Minerals NL explored EL 364, apparently for volcanogenic massive sulphide base metal deposits. EL 364 covered almost the entire area now covered by EL 5991.

Glendale initially carried out a stream sediment survey of the EL, with analysis of the samples for copper, lead, zinc, molybdenum and occasionally antimony, but not gold. The survey outlined a number of low-order copper, lead and zinc anomalies (see Figure 4).

Eastmet commissioned an airborne VLF electromagnetic survey which produced some weak or ambiguous conductors. One of these coincided with part of the Orchard Prospect, but after initial field inspections, the companies considered that none of the geophysical or geochemical anomalies warranted follow up exploration work.

During the early 1970s, Metals Exploration Ltd. (MEL) held EL 612, which covered parts of the area now covered by the southern block of EL 5991. In joint venture with MEL, Australian Anglo American Ltd. flew a Barringer Input airborne electromagnetic survey over EL 612, which covered all of the current southern block of EL 5991. Within that area, several conductive zones were outlined by the survey, including a substantial north-northwesterly trending four to six channel anomaly close to the western boundary of the current licence area. This zone corresponds closely to the recently-mapped band of flat-lying Permian sediments (Pe) in that area, and the anomaly is believed to be due to the presence of moderately saline groundwater in permeable sediments within that stratigraphic unit.



A similar but weaker conductive zone coincides with the band of Sutchers Creek Formation (Dqs) on the eastern margin of the block. However, a more localised 4 and 5 channel anomaly was outlined about 2 kilometres northeast of deposit no. 4 (see Figure 4), and appears to be associated with one or several northwest-trending link faults in the Ordovician Burranah Formation. Several smaller conductors lie on or close to the Burranah Formation-Dungere Volcanics contact.

In 1980, ELs 1391 and 1435 were granted to Base Mines NL, who entered into a farmin arrangement with Endeavour Resources Ltd, to explore them. The licences covered all but the very southernmost part of the area now covered by EL 5991.

Endeavour's exploration work was directed at the discovery of volcanogenic massive sulphide base metal deposits with precious metal credits, and the results of their programme showed that this was not an appropriate target for the geological environment. However, their approach was thorough and comprehensive, and generated high quality geological data on many of the prospect areas within EL 5991.

Endeavour carried out Induced Polarisation surveying at the Orchard prospect, and drilling at the Springfield prospect (2 pre-collared diamond holes), at the Orchard/ Orchard West prospects (5 open percussion holes) and at the Whales Prospect (1 pre-collared diamond hole). Of these, only the Springfield holes gave significant metal values, with 2.25ppm gold from 76.0 to 80.0 metres and 1.39ppm gold from 100.5 to 104.5 metres being intersected in hole PDSP-1; and 2.11ppm gold from 64.5 to 66.5 metres, 2.03ppm gold from 79.6 to 82.6 metres and 4.78ppm gold from 99.0 to 100.5 metres in hole PDSP-2. These intersections were made in a strongly altered syenitic intrusive rock.

As part of their regional and prospect mapping, Endeavour commissioned petrological studies on a large number of rock specimens. Probable epithermal veining was described in a number of specimens from the Orchard and Whales prospects.

Endeavour recognised that the elongate intrusive bodies in the Burranah Formation were not related to the Gulgong Granite (as earlier mapping had concluded) and were probably much older than the Carboniferous. They concluded that the gold $\pm$ base metals mineralisation at the various prospects was structurally controlled veining (not VMS-style) in the monzonite-syenite intrusives and epithermal in nature, and that the area had potential for porphyry-style mineralisation.

Although Endeavour considered that their extensive programme was essentially a reconnaissance phase, apparently neither Base nor Endeavour carried out any follow-up exploration.

In 1988, International Mining Corporation NL, (IMC) a company chaired by Sydney entrepreneur Millie Phillips, took up EL 2893 over much of the area now covered by EL 5991. After carrying out some preliminary exploration work, a joint venture arrangement was entered into with Sabminco N.L., to explore the licence.

Sabminco undertook a regional photogeological study, reconnaissance sampling of old workings, and a comprehensive programme of stream sediment sampling over the Burranah Formation, Dungere Volcanics and the western margin of the Home Rule Granite. This programme delineated a number of drainage cells with elevated gold and/or base metal values in the sediments. Many of the anomalous cells included known old workings or more-recently identified prospects.

The two highest-level anomalies were in a 1.7 x 1.2 kilometre drainage cell centred 1.9 kilometres southeast of the Lady Belmore workings (deposit no. 74) and peaking at 69ppb gold, and a 2.0 x 0.5 kilometre cell centred 5.0 kilometres south of the Lady Belmore (and extending north from the Cudgegong River) peaking at 54ppb gold. An old working (not shown on Figures 3 or 4) is recorded in the first cell, and the Royal George deposit is situated external to (just north of) the second cell.

An extensive drainage cell, with gold values peaking at 45ppb adjoins the 69ppb cell to the east. This cell includes the W2 prospect.

A small drainage cell, detected by one sample which reported 74ppb gold, falls on the western margin of the Canadian Lead area, and on or close to the northern boundary of EL 5991. This small gully drains an area of Burranah Formation.



Sabminco followed up seven anomalous cells which had not previously been tested, by carrying out gridding and soil sampling. Only one of these grids produced a soil anomaly which they considered to be significant (+20ppb gold), and termed the W2 prospect. Limited RAB drilling over part of this grid gave low gold values (maximum 50ppb).

Sabminco then undertook RAB drilling over the Springfield prospect, which outlined a 300 metre long zone with +1.0ppm gold values in weathered altered syenite. They subsequently withdrew from the joint venture.

Recognising significant potential at the Springfield prospect, IMC drilled 59 percussion holes and one diamond hole into the prospect, outlining a small resource. They also undertook pre-feasibility investigations on mining and treating the deposit, and limited metallurgical (column leach) test work. The results of the metallurgical work suggest that at least part of the mineralisation is refractory, although fine grinding increased the recoveries to 70-80%.

As the resource was sub-economic at the time, IMC sought a joint venture partner.

In 1990 Newmont Australia Ltd (which shortly afterwards merged with BHP Gold to become Newcrest Mining Ltd) entered into a joint venture on EL 2893. Newmont saw the area as having potential for the discovery of porphyry gold ± copper deposits, with the known mineralisation in the district possibly representing structurally-controlled, (?)remobilised expressions of larger hydrothermal systems.

Newcrest carried out ground magnetic surveying over the Springfield prospect and drilled seven deep reverse-circulation percussion holes beneath the resource and fourteen open RAB holes to check for northerly extensions. Although the mineralised intrusive was shown to continue to the north beneath alluvial cover, they considered that the gold grades obtained were too low to justify further exploration of that body.

Newcrest then carried out more regional exploration of the licence area, by flying a detailed aeromagnetic/radiometric survey over it, and 1:10,000 scale geological mapping of the western part of the licence area. They also carried out detailed mapping and soil sampling of a number of prospect areas, and drilling at several prospects. This included shallow aircore drilling at Springfield North (approximately 200-1,000 metres north along strike from Springfield) which delineated extensions to the altered intrusive (bottom-hole samples, however, generally gave low gold values); at the Belinfante prospect where aircore drilling gave low gold values; at the Divide 4 prospect where aircore drilling gave a best intersection of 30 metres at 0.32ppm gold; and an open percussion hole at the Box Hill prospect, which reported only 10 metres at 0.35ppm gold.

Newcrest concluded that the licence area was unlikely to host the size deposit they were seeking, and withdrew from the joint venture in 1991.

In the area now covered by the northeastern block of EL 5991, Newcrest's aeromagnetic data outlined a number of significant anomalies, mainly lows, and almost all falling over non-outcrop areas (see Figure 4). At least one of these appears to be a contact effect of the adjoining Home Rule Granite, and may be a response to a large body of metasomatic disseminated pyrrhotite or magnetite at depth. Many of the anomalies are situated adjacent to or close to the heads of the mined alluvial leads, suggesting possible relationships to hardrock gold sources for the leads.

Further investigation of these magnetic features is warranted.

Following the withdrawal of Newcrest, IMC allowed the title to lapse, but subsequently took out Exploration Licence no. 4778, over a smaller area than EL 2893. At that time IMC was attempting to re-list on the Australian Stock Exchange. It was not successful, so due to a shortage of funds for exploration, EL 4778 was allowed to lapse.

In late 1996, Exploration Licence no. 5116, which covered the main prospects in the Springfield area, was granted to Mrs. Millie Phillips, and in April, 1997, was replaced by Exploration Licence no. 5272, over a similar area.

Initial exploration work by Mrs. Phillips included the imaging of the merged Discovery 2000 and Newcrest aeromagnetic data and the interpretation of that data, a review of past exploration results, and selection of targets for follow up exploration.

Early in the tenure of EL 5272, geological mapping, rock chip and soil sampling was carried out at the Orchard, Divide 4 and Hillview prospects. Shallow reverse circulation percussion drilling was undertaken over the northern end of the altered monzodiorite at Divide 4 (6 holes for 72 metres), and at Hillview (to test a magnetic high and flanking low adjacent to the Home Rule Granite in the northeastern block of EL 5991) involving six holes for 264 metres total.



The Divide 4 drillholes all intersected low gold grades (0.15ppm and higher) over moderate intervals, with the best intersection being 12 metres at 0.62ppm. The Hillview holes intersected sediments (and locally, a sericitised, medium-grained latitic volcanic) of the Dungereee Volcanics. Shales encountered in the holes were frequently strongly pyritic. Magnetic susceptibility values of the drill chips were generally low, indicating that the magnetic target bodies were not reached by drilling.

Outcrops of medium to coarse-grained Burrannah Formation volcanics were found in the area of a prominent aeromagnetic low at the head of the Little Cumbandry Lead. However, as the landowner was in the process of establishing a major new vineyard at the site, access could not be gained to carry out ground magnetic surveying and drilling.

To follow up work conducted by Newcrest at the Box Hill prospect, a traverse of shallow open percussion holes was drilled across locally strongly altered Burrannah Formation volcanics and intrusives (11 holes, total 226 metres). Three metre composite samples gave a maximum gold value of only 78ppb.

At the Springfield prospect, Newcrest had earlier drilled a 190 metres angled RC percussion hole (no. SRC-200) collared near the old main shaft, from east to west across the intrusive body. Chip samples from most of the hole returned anomalous gold, with a peak value of 5.12ppm from 162 to 164 metres depth.

Mrs. Phillips drilled a 250 metre, angled, pre-collared core hole (DDH MPS-1A) on the same section but from west to east, to give a scissor-section of the deeper part of the deposit. Fire assays of split core samples gave a mean of 0.65ppm gold from 135 to 182 metres down hole (47 metres intersection), with a peak value of 3.66ppm gold over 1.08 metres. NAA check analyses of a small number of the sample pulps gave on average 7% higher gold values.

Petrological study of specimens of core from the mineralised zone identified the host rocks as syenite and monzo-syenite in composition, locally brecciated and generally strongly altered (albite-sericite-chlorite-carbonate-actinolite), with abundant veining (epidote-carbonate $\pm$ chlorite $\pm$ quartz, with minor prehnite and allanite), with locally abundant arsenopyrite and minor sphalerite. Fuchsite alteration is also noticeable in sections of the core. These assemblages approximate to propylitic alteration.

The drill section for the two holes suggests that the better grade mineralisation (at around 150 metres depth) is located close to the centre, or just east of the centre of the intrusive body, in contrast to observations (surface and near-surface) that the main mineralised zone is focussed along the eastern margin of the intrusive. It is possible that there are a number of en-echelon mineralised zones within the body, with limited depth extents. This possibility is well illustrated in Figure 5, the section including the drill holes referred to above.

In terms of host rock, alteration assemblages, and vein mineralogy and style, the Springfield deposit is very similar to Alkane Exploration's Wyoming prospect near Tomingley, which is also hosted within and adjacent to a narrow intrusive body. Alkane have defined at Wyoming a (mostly measured) mineral resource of 6.38 million tonnes at 2.43g/t gold (498,000 ounces), at a 0.75g/t cutoff.

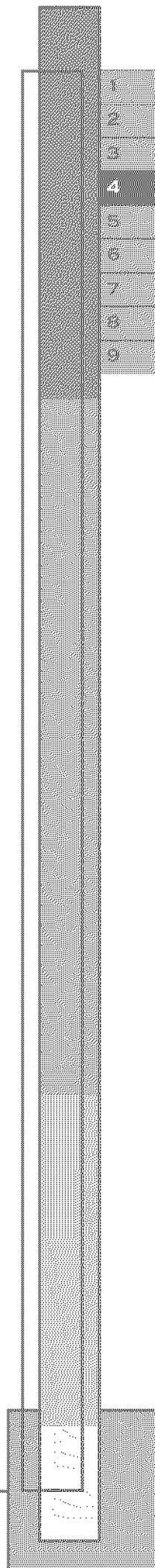
At Wyoming, a boost to the gold inventory is given by several high grade mineralised structures, which cut the main mineralised porphyry at high angles. These structures are quite narrow (2-10 metres wide) and difficult to detect under alluvial cover, and initially to target for drilling.

As cross-cutting structures have been interpreted in the various intrusive bodies within the EL 5991 licence area, consideration should be given to recognising and specifically targeting possible cross-cutting higher grade zones at the Springfield and Springfield North prospects.

Mrs. Phillips also carried out evaluation of a number of subsidiary target areas within the licence (W2, Whales, Magpie Hill and Mt. Galambine), by geological inspections, rock chip and soil sampling, and mapping. Analytical results and the size of the alteration zones encountered gave little encouragement. At the Whales prospect, a rock chip sample of buck quartz and included country rock, taken from the dump of old workings in Devonian diorite, gave 46.1ppm gold. The workings were developed on narrow, northwest-trending fractures in the diorite, with very limited alteration haloes around the veins. This mineralisation appears to have very limited size potential.

EL 5272 was subsequently reduced in size, then allowed to lapse, in favour of an application by Herald Resources Ltd., which was granted as EL 5991.

After the granting of EL 5991, Herald concluded a Royalty Agreement with Mrs. Phillips, for a 11.6 square kilometre area surrounding the Springfield and Springfield North prospects and compiled a comprehensive digital database of prior exploration data and a digital geological model of the Springfield gold deposit.



Herald also compiled and assessed the drillhole geology and assay data of the Springfield prospect, to quantify the resource. The result of this work, is a global Inferred Resource estimated (at a lower cut-off grade of 1.0g/t gold), of 1.05 million tonnes at 1.4g/t gold, containing 47,000 ounces of gold. These resources were estimated according to the JORC code, by a Competent Person as defined by the JORC code.

PERCEIVED PROSPECTIVITY

The most significant exploration potential within EL 5991 is to outline a larger gold resource in the monzonite-syenite hosted Springfield-Springfield North mineralised zone, and possible satellitic resources in some of the other mineralised intrusives. These deposits are now accepted to have formed in brittle-fracture zones within the intrusive bodies, as a result of ductility contrasts with the surrounding Burranah Formation rocks, during an orogenic (deformational) event. The mineralisation is believed to have been deposited from metamorphic-hydrothermal fluids during the Kanimblan Orogeny (early Carboniferous), or possibly during opening of the Sydney-Gunnedah Basin during the late Carboniferous to early Permian.

Mineralisation at the Springfield prospect has many similarities to that at the Wyoming prospect (Wyoming-1, 2, 3) near Tomingley, where recent exploration has partly outlined a significant gold resource, and caused a tight exploration land situation in the Forbes-Narromine belt of Ordovician volcanics and sediments. The Wyoming mineralisation has itself been likened to deposits in the very productive Abitibi Gold Province in Quebec.

It is therefore considered that exploration of EL 5991 could outline a gold deposit of similar magnitude to the Wyoming deposit, particularly within the "Springfield Prospect Area" shown on Figure 4. A large part of the host intrusive body in that area has either not been tested by drilling or only by shallow geochemical drilling, and most of the intrusive is concealed by alluvium or soil. Geological mapping by Newcrest Mining in 1990 outlined extensive areas of alteration of the country rock (shown schematically on Figure 4) surrounding the covered areas.

The Springfield Prospect area is therefore strongly prospective for blind bedrock gold mineralisation, and only a small part of that area has been tested by deeper drilling to date.

Within the Canadian Lead and Helvetia Lead embayments, apparently extensive areas of limestone bedrock are indicated by old mining records. Bedrock sources for the gold historically recovered from these old drainage basins have never been discovered. A number of possibilities exist for bedrock gold sources within the embayments, including hydrothermal replacement deposits in impure carbonate horizons associated with the limestones, and fracture systems in zones of ductility contrast around lenses of massive limestone in a volcanoclastic "slatey" country rock.

Possible remaining deposits of gold-bearing alluvium in the Tertiary sediments of the embayments are not a viable exploration target. However, the possible bedrock sources of the gold are a very worthwhile target, and warrant a careful exploration programme on those parts of the embayment areas which lie within EL 5991. Investigation of the bedrock beneath the Galambine Lead is also desirable.

To the east of the Canadian Lead embayment, and across the Helvetia Lead embayment, a series of magnetic anomalies (mostly lows) were defined by company and government aeromagnetic surveying. These appear to be related to the intrusion of the Carboniferous Home Rule Granite. Only perfunctory drilling to determine the source of these anomalies has been carried out.

In the Palmerville Fault area in north Queensland, where the large Red Dome gold deposit was mined during the 1990s, discrete negative magnetic anomalies are associated with pyrrhotite-bearing skarn bodies (some mineralised with base metals and gold) formed during intrusion of a Permian-Carboniferous rhyolite porphyry. The polarity of the earth's magnetic field was reversed during part of that time, resulting in negative magnetic anomalies over pyrrhotite bodies. This phenomenon has also been noted close to Carboniferous granite bodies in the Lachlan Fold Belt, notably at Burruga, south of the Mt. David EL.

It is therefore considered that the magnetic lows developed in the northeastern corner of EL 5991 warrant investigation for possible skarn bodies, where access can be gained.

Also shown on Figure 4, are the outlines of drainage cells which gave anomalous gold, copper and lead values during stream sediment sampling by prior explorers. Follow up exploration work specifically on these anomalous areas has apparently been very limited, and careful geological inspections with rock chip sampling, are warranted within those areas.



The southernmost gold and lead anomalies extend across Ordovician, Devonian and Permian age rocks, suggesting that if they are valid anomalies, they are related to mineralisation formed at least as recently as the Permian. The silver-lead-zinc epithermal mineralisation at the Bowdens deposit, 35 kilometres to the southeast, occurs in the Permian Rylstone Volcanics. It is therefore considered that low-key exploration for epithermal base and precious metals mineralisation is warranted in the southern half of EL 5991, subject to re-sampling to validate these historical geochemical features.

Two of the lead anomalies are coincident with weak electromagnetic conductors, detected by Metals Exploration/Australian Anglo American's Barringer Input survey. The electromagnetic anomalies do not appear to have been investigated and their source explained.

PROPOSED EXPLORATION PROGRAMME AND BUDGET

Jaguar Minerals has proposed a comprehensive exploration programme and budget, for the first two years of their tenure of Exploration Licence no. 5991.

At the Springfield-Springfield North prospect area, soil sampling is planned over the shallow-cover area south along strike from the outlined resource area, to search for near-surface possible repetitions to or extensions of the gold resource mineralisation.

Infill and extension RAB and reverse circulation percussion drilling is planned within the resource area, and through the alluvium covered area to the north (including the Springfield North prospect), and zones of hydrothermal alteration of the country rock, previously mapped by Newcrest Mining.

Soil sampling to follow up a previously-outlined soil gold anomaly at the W2 prospect, will be followed by reverse circulation percussion drilling to test gold-in-soil anomalies.

After assessment of the aeromagnetic data for the area of the Canadian and Helvefia Lead embayments, reverse circulation percussion drilling will be carried out across each, to test the concealed bedrock in interpreted source areas. In addition to gold and indicator element analyses of bedrock chips, the chips from selected intervals will be petrologically examined. It is expected that to isolate bedrock sources for the alluvial gold will be an exacting and painstaking task.

To initially evaluate sundry geochemical, magnetic and electromagnetic anomalies within the licence area, assessment geological mapping, rock chip and soil sampling, petrological work, and RAB and reverse circulation percussion drilling (including drill-testing of selected negative magnetic anomalies), is planned.

Follow-up RAB and percussion drilling, to further test targets upgraded during the first year of exploration, is planned during the second year of Jaguar's tenure.

The budget for the first two years of exploration of the licence area by Jaguar, is summarised below:

Prospect	Activity	Year 1 Expenditure (\$)	Year 2 Expenditure (\$)
Springfield	Soil Sampling	10,000	
	RAB Drilling	40,000	25,000
	RC Drilling	60,000	100,000
W2	Soil Sampling	10,000	
	RC Drilling	40,000	50,000
Deep Lead Bedrock	RC Drilling	60,000	50,000
Other Prospects	Evaluation	20,000	10,000
	Soil Sampling	5,000	10,000
	RAB/RC Drilling	45,000	50,000
TOTAL		290,000	295,000

It is considered that the proposed programme and budget allocations, are appropriate to the targets to be investigated, and their geological settings.



MOUNT DAVID PROJECT

TENURE

The Mount David project area is held under Exploration Licence 5242 (1992 Act), granted to Michelago Resources N.L. on 25th February, 1997. Herald Resources became the sole owner of EL 5242 in 2000 and has recently sold it to Jaguar Minerals Ltd in December 2003. The licence area is comprised of 57 graticular units (approximately 163km²) and is current until 27th June, 2005.

Full details of the tenure are provided by the title consultants elsewhere in this prospectus.

GEOLOGY, GEOPHYSICS AND KNOWN MINERALISATION

Bedrock beneath the area covered by EL 5242 is dominated by mid and late Ordovician mafic to ultramafic volcanics, volcanoclastics and metasediments, which are frequently overlain by Silurian sediments and volcanics, Devonian sediments and acid volcanics, and Tertiary river gravels and lavas. Recent re-mapping of the area by the Geological Survey of NSW has produced the summary geology depicted in Figure 6, which in detail is quite complex.

Along the western and southwestern margin of the licence area, the Triangle Formation (Θkt) of the Middle Ordovician Kenilworth Group is exposed. This formation is comprised of mafic volcanoclastic sandstone, metabasalt, slate, phyllite, schist, siliceous carbonaceous slate, chert, quartzite and sandstone. It was the host to the 170,000oz Lucky Draw gold deposit, located 7 kilometres south of the EL boundary.

A small area in the extreme southwestern corner of the EL 5242 area is underlain by the Middle Ordovician Adaminaby Formation (Θac), which outcrops over very large areas further to the south. It is comprised mainly of variably deformed quartz sandstone and carbonaceous slate.

Most of the licence area is underlain by the Rockley Volcanics, a formation of the Late Ordovician age Cabonne Group. Regionally, the Rockley Volcanics conformably overlie the Triangle Formation, although along the western side of EL 5242, the two formations are in faulted contact. Within the licence area, two units of the Rockley Volcanics are present:

Unit Θcru is the basal unit of the broad structure known as the Rockley Syncline, the southern closure of which is present within EL 5242, and is comprised of ultramafic to mafic lavas, agglomerates and (?)tuffs which were originally peridotites/wehrlites, limburgites and basalts. Those rocks are now variably altered, and were mapped as serpentinised peridotite, tremolite-chlorite rock, talc schist, and talc-chlorite-carbonate schist. The unit is strongly magnetic (except where it has been altered), giving an intense red (high) signature on aeromagnetic images, arcing around the southwestern, western and northern parts of the licence area.

Unit Θcrs, generally comprises the upper (younger) sections of the Rockley Volcanics, consists of volcanic sandstone and siltstone and mafic schist (originally both proximal primary volcanics and more distal pyroclastics), and mostly shoshonitic in composition. However, strong foliation and metamorphism usually make it very difficult to distinguish proximal volcanics from distal ones in the field. These rocks are usually only weakly to moderately magnetic, and so are difficult to identify on magnetic images, with their response often being swamped by the effects of other units.

Whole rock geochemistry work on Θcru rocks sampled further south in the Burruga area suggest that they should be classified as boninites, although this term is not commonly used these days. In many parts of the world, boninites are associated with significant gold mineralisation.

10 kilometres southeast of EL 5242, in the area of the Footrot Prospect, the Rockley Volcanics are intruded by a Late Ordovician monzonite body, in what is interpreted as a local volcanic centre. A major volcanic centre is interpreted to have existed to the west of the EL area, now eroded away, because primary (proximal) volcanic rocks give way progressively to volcanoclastic (distal) rocks from west to east across the licence area.

The Rockley Volcanics are unconformably overlain by the Middle to Late Silurian Campbell's Formation (Src) of the Mumbil Group, and the two formations are locally in faulted contact. Typically, the formation comprises siltstones overlain by interbedded slate and fine to coarse grained feldspathic metasandstone. Along the eastern margin of the licence area, the formation forms the lowermost unit of the Native Dog Syncline. Smaller outliers of the formation have been mapped in the central-north and central-south parts of the licence area. The southern



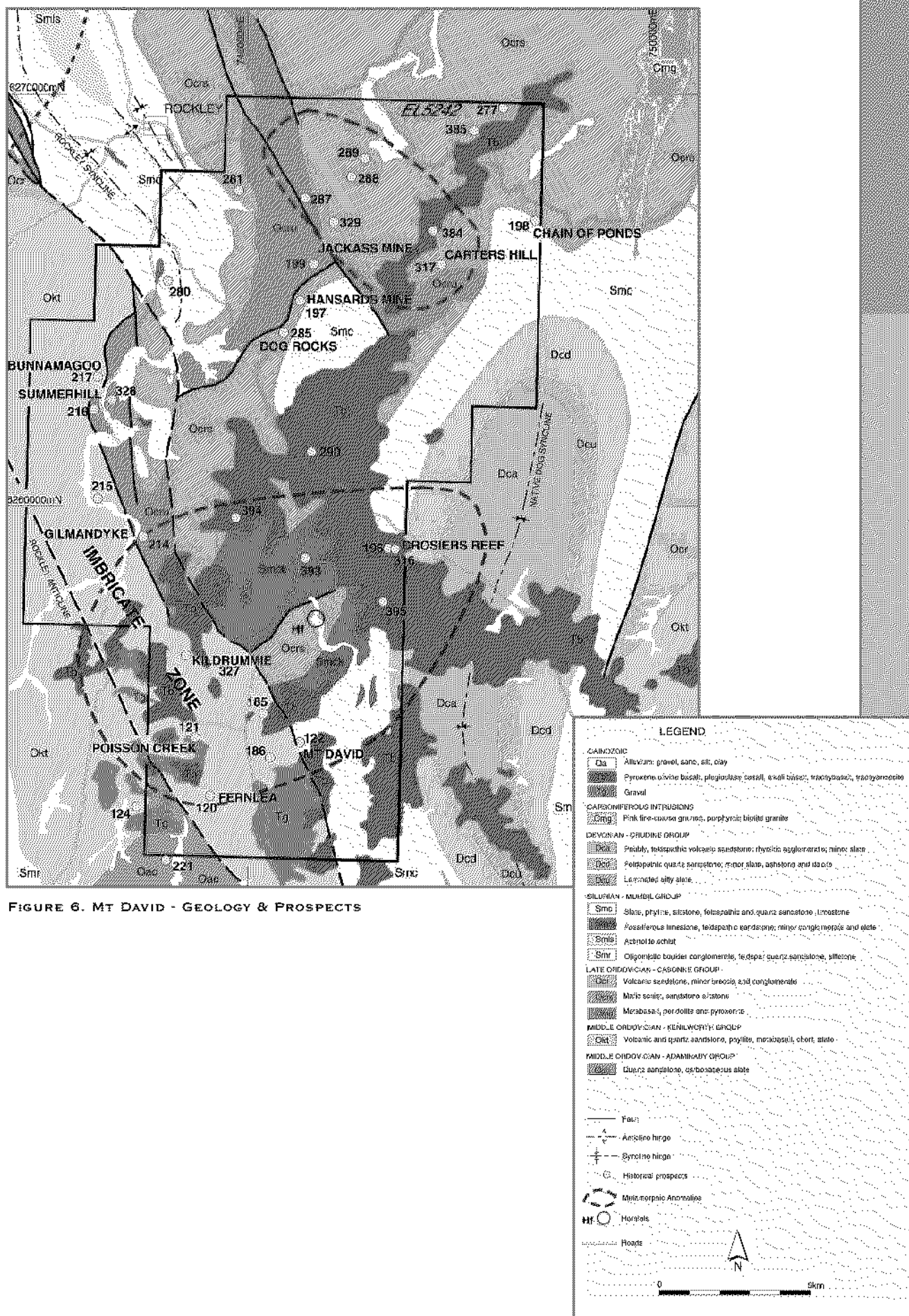


FIGURE 6. MT DAVID - GEOLOGY & PROSPECTS

exposure is of a carbonate-rich part of the formation, known as the Kildrummie Limestone Member (Smck, bright blue on Figure 6). This member is comprised of fossiliferous limestone and marl (impure limestone). Aeromagnetic image data shows that only some horizons with the Campbell's Formation are weakly magnetic, and suggests that both of these outliers are underlain by the Rockley Volcanics θ cru unit at relatively shallow depth.

A small part of the eastern extremities of the EL covers the central part of the Native Dog Syncline, occupied by the early Devonian Crudine Group, specifically the Dunchurch Formation (Dcd, feldspathic quartz sandstone with minor slate, ashstone and dacite), the Buckburruga Slate (Dcu, laminated silty slate), and (extremely localised within EL 5242) the Adderly Formation (Dca, pebbly volcanic sandstone, rhyolitic agglomerate, minor slate). The Crudine Group conformably overlies the Campbell's Formation.

A major erosional break in the sequence then took place, until the deposition of fluvial gravels and lavas during late Tertiary times (15-22 million years ago). The lavas (Tb) are mainly basalts and basanites, and are believed to have originally covered much of the area of EL 5242, but subsequent erosion may have removed part, leaving the thicker accumulations in valleys in the Tertiary land surface. This has resulted in the sinuous pattern of Tb exposures on Figure 6. The lavas probably flowed from a volcanic centre in higher country 8-10 kilometres east of the licence area.

The gravels (Tg) were deposited in valley terraces across the landscape prior to the extrusion of the lavas, which covered and protected them until they became exposed by erosion in recent times. The gavel are mostly composed of rounded pebbles of white vein quartz and grey quartzite, with minor fine gravel, sand and clay. The rounding of these very resistant materials shows that they were deposited by very rigorous stream systems during a period of very wet climatic conditions.

As part of the programme of geological re-mapping of the Bathurst 1:250,000 sheet area, the Department of Mineral Resources' specialist petrologist reviewed the Department's petrological descriptions of its very large historic collection of thin sections of rocks from the sheet area. The review resulted in a database of metamorphic mineral assemblages for the sheet area, and from that, he isolated assemblages that were unexpected or contrary to what could be expected in particular geological settings. Where there were a significant number of unusual assemblages scattered across a particular area, he outlined that area as metamorphically anomalous, and individual specimens that were particularly unusual, were highlighted as point anomalies.

Two of the anomalous zones are located within the area of EL 5242. One anomalous point (Hf) is also shown (see Figure 6).

The broad zone in the southern half of the area is a clay-carbonate-epidote-sericite-chlorite-albite assemblage, which superimposed on the higher metamorphic grade assemblage (actinolite-biotite) prevailing in this region, is interpreted as probably due to a retrograde metamorphic process. At its centre is a point sample hornfels assemblage (Hf). These two anomalies suggest that an igneous intrusive body could be present at shallow depth beneath the centre of the anomalous zone. A second, similar anomalous assemblage was outlined in the northern half of the EL area. This also suggests a zone of retrograde metamorphism associated with intrusion and crystallisation of a magma body.

The two anomalous zones are similar size to a number of currently exposed Carboniferous granite bodies in the Oberon-Rockley district. Given that those bodies are distributed along west-northwesterly trends with a crude periodicity to the distribution, it seems likely that both anomalous metamorphic zones are responses to Carboniferous granite stocks at shallow depths.

Public domain (Discovery 2000) aeromagnetic data will be very useful in interpreting geology and defining exploration targets. Examination of a colour image of the Total Magnetic Intensity of the Earth's field for the general area of the licence (Figure 7), clearly shows the arcuate band of θ cru rocks as a zone of intense magnetic highs. However, several unexplained variations are evident:-

- (i) in the narrow sliver of this unit, as mapped in the westernmost part of the licence, a 3 x 1 kilometre area reports as magnetically flat (locally trending to lows), which indicates either that magnetite in this rock unit has been destroyed by strong alteration, or that lithologies in the area were not mapped correctly.



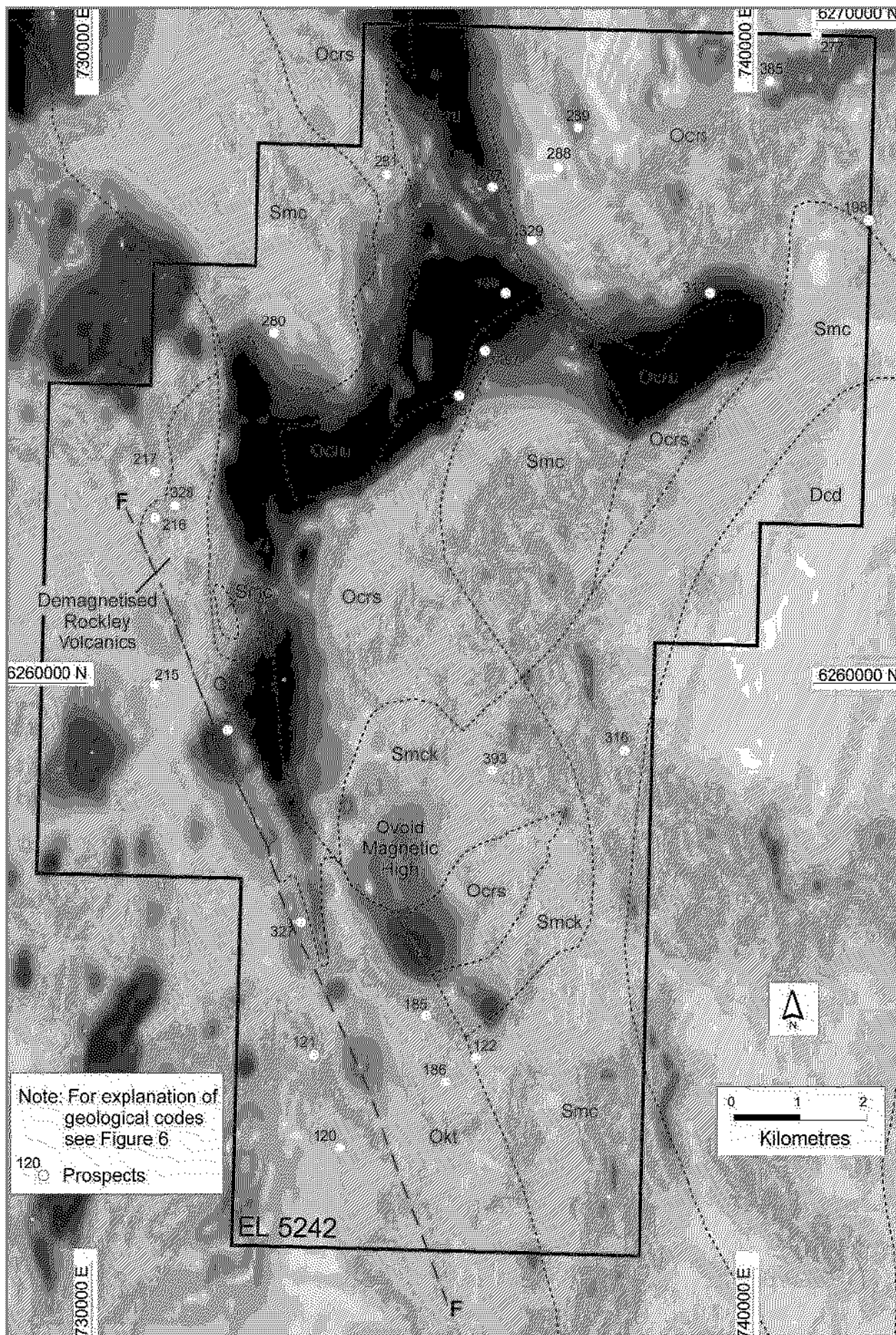


FIGURE 7. MT DAVID - AEROMAGNETIC IMAGE

(ii) in the southern block of the licence area, a strong, ovoid 3.5 x 1.5 kilometre magnetic high exists, elongate in a northwesterly direction. This high plots over the outlier of Smck limey rocks and the window of θ cru volcanics, just to the west of the hornfels metamorphic anomaly (Hf). The high obviously reflects magnetic rocks lying at relatively shallow depths beneath low-magnetic surface exposures - either a faulted segment of the θ cru unit, or a magnetic intrusive body.

Radiometric images of the licence area show complex patterns of anomalies (most apparently related to broad lithological/stratigraphic features). Detailed discussions of these are beyond the scope of this summary, but three discrete features stand out for comment (see Figure 8):-

- (i) a 4.0 x 2.5 multichannel anomaly (but dominantly potassium) is developed over the Smck/ θ cru exposure and the ovoid magnetic high/low feature referred to above, and may reflect weak alteration of subcropping θ cru and Smck rocks above a deeper intrusive body.
- (ii) a 2.0 x 0.8 kilometre ovoid magnetic low, lying along the north-northwesterly trending fault 700 metres east of the Poisson Creek workings (no. 121). A weak potassium high coincides with part of this low. The magnetic low may reflect a large body of hydrothermal pyrrhotite at depth.
- (iii) an intense potassium high on the magnetic low trend (fault structure) described in (ii), on the southern boundary of EL 5242.

Consulting Geophysicist Steven Collins of Arctan Services Pty. Ltd. reviewed the D. 2000 airborne geophysical data for Michelago Resources, and listed a number of discrete, coincident magnetic lows/potassium highs for follow-up. He also drew attention to the presence of large aeromagnetic negative anomalies in the old Burruga Copper Mine area, 12-14 kilometres south-southwest of EL 5242. Those lows have been partly drill-tested and found to be due to stockworks of hydrothermal pyrrhotite, with minor amounts of base metals and gold. Hence, significant magnetic negatives in the area of EL 5242 are also attractive drilling targets.

Within the licence area, at least thirty mineral deposits or occurrences are known, and most have been subjected to small-scale exploitation in the past. Approximately two thirds of these are hosted by Ordovician rocks (see Figure 6).

Within the Triangle Formation, old gold workings are situated on narrow quartz veins within talc-chlorite-carbonate altered clastic sediments in the southern extremity of the licence area at the Fernlea prospect (no. 120), and narrow quartz veins also are exposed in a similar geological setting, nearby at the Poisson Creek workings (no. 121). At deposit no. 185, minor workings opened up a quartz vein for gold and at no. 186, one pit was developed on a north-northwest trending quartz vein.

Seven kilometres to the northwest, an old shaft opened up copper showings in what is loosely described as "a vein", in siltstones, tuff and andesitic lava, at the Lucky Hit Mine (no. 215). Three kilometres further north, more substantial workings at the old Bunnamagoo Mine (no. 217) opened up siliceous, pyritic copper mineralisation in metasediments (with "intrusive diorite") in what may be VHMS-style mineralisation. In the southernmost block of the licence area, the Kildrummie Gold Mine (no. 327) is described as a vein-style gold deposit, with associated base metal mineralisation.

Deposits nos. 120, 121, 185, 186 and 327, are all located within the outlines of the southern metamorphic anomaly.

The θ cru mafic/ultramafic unit of the Rockley Volcanics also hosts a number of copper and gold workings. At deposit no. 199, the Jackass Mine, a high-grade vein of copper sulphides and carbonates produced a small amount of copper, and no. 214, the Gilmadyke Gold Mine, produced over 1,000 ounces of gold between 1985 and 1900, from what was described as a "disseminated" deposit. Three kilometres to the north-northwest, the Summerhill Copper Mine (no. 216) produced 55 tonnes of copper from several shafts developed on veins in "altered andesite", between 1847 and 1901. The veins were aligned oblique to the strike of the andesites, indicating that they were not formed at the time of deposition of the rocks.

At deposit no. 287, located within the northern metamorphic anomaly and close to a significant northwest-trending fault, copper-silver mineralisation occurs in a pyritic quartz vein. At deposit no. 328, (?) quartz veins in schist contain minor copper and gold.



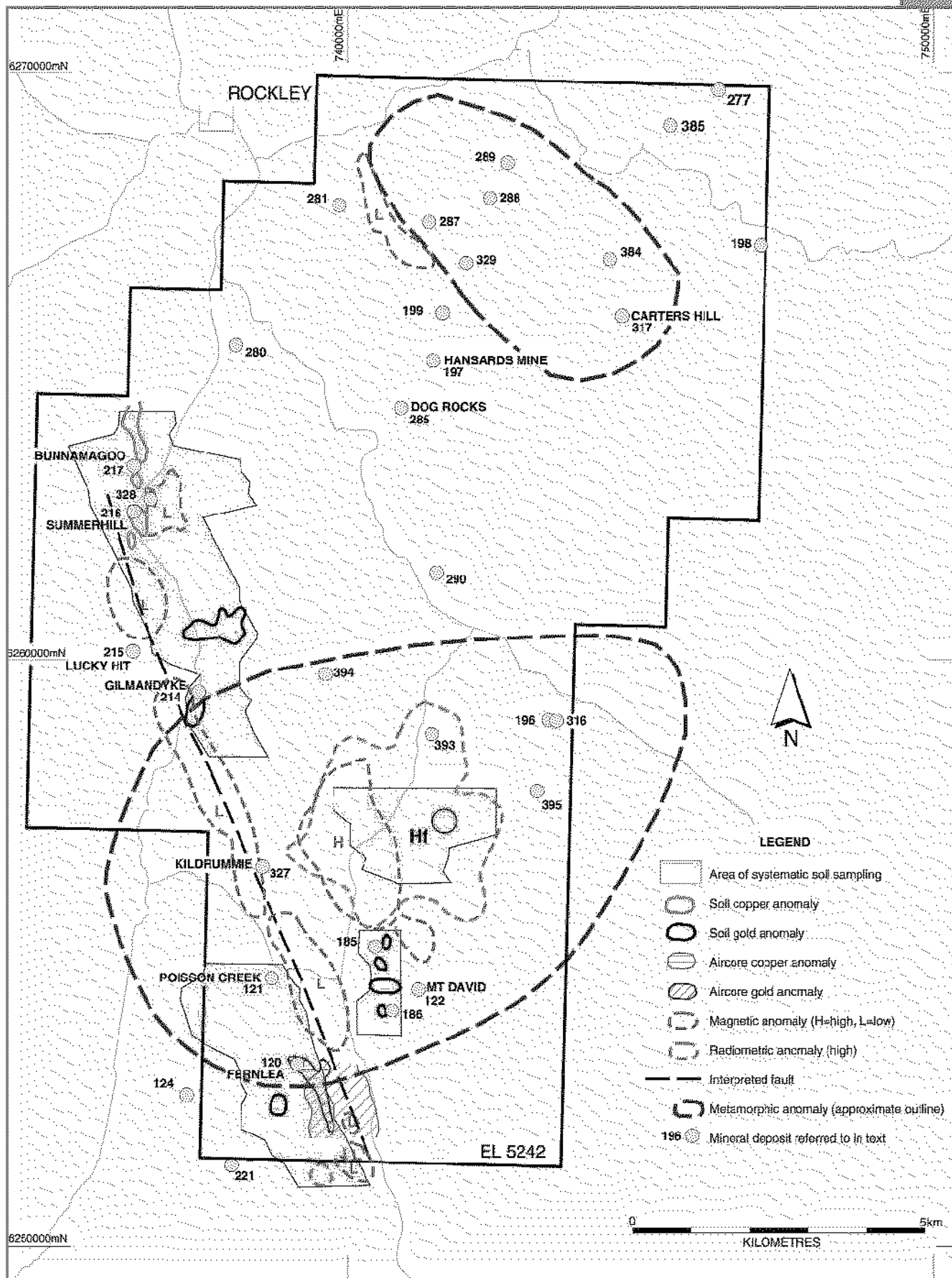


FIGURE 8. MT DAVID PROJECT - EXPLORATION SUMMARY MAP

Within the 0crs unit of the Rockley Volcanics, at deposit no. 197 (Hansard's Mine), shafts were developed on veins in andesite and serpentinite for a minor production of gold, and at no. 198 (the Chain of Ponds Mine) copper was produced from "several parallel lodes" in intermediate volcanics. At no. 277, gold and copper were reported in old workings, whilst in the general area of no. 281, small quartz veins in volcanics and metasediments carried copper and zinc (the Rockley Farm Prospect and Rangers Mine).

At no. 285, the Dog Rocks Prospect, a deposit of "residual iron oxide" minerals developed over serpentinised ultramafics and metasediments, reportedly carried copper and gold. At Carters Hill Gold Mine (no. 317), 232 ounces of gold was produced from quartz-base metal sulphide veins in sheared intermediate volcanics and metasediments.

At deposit no. 329, the (?)Black Mountain Mine, copper, silver and base metals were found in silicified metasediments and volcanoclastics, and a very small production was recorded in 1899. At no. 385, gold mineralisation was recorded in old reports, but no details are available.

Four deposits are recorded in Campbell's Formation (Smc) rocks. No. 122, the Mt. David Gold Mine, was the largest producer within the licence area. Recorded production was 27,091 ounces of gold from 62,000 tonnes of ore (sulphidic felsic tuff with anomalous arsenic and antimony), with workings developed over a 366 metres northwesterly strike length and to a depth of 176 metres. The prospect is situated within the southern metamorphic anomaly, and close to the northwest-trending faulted contact between the Triangle Formation and the Campbell's Formation.

In the northwestern sector of the licence area, old copper workings are reported (no. 280), whilst at no. 316 (Crosier's Reef), quartz veins in altered siltstones (exposed in a window in Tertiary basalt cover) were exploited for a small production of gold.

One deposit, no. 393, is recorded from the Kildrummie Member (Smck) of the Campbell's Formation. This is a residual manganese and iron oxide deposit, developed over "calcareous slates", within the southern metamorphic anomaly. No other information is available, but the style and location of the deposit (in a limestone belt) is intriguing. It could be a (?)Tertiary age, fault-related, groundwater-discharge lateritic deposit developed over limey metasediments, or a very weathered cap to hydrothermally altered carbonate rock, i.e. a very weathered skarn or carbonate-replacement body. In historical data, the Lucky Draw Gold Deposit was recorded as a (?)residual iron deposit developed over hornfelsed bedrock.

Deposits shown in Tertiary basalt (Tb) covered areas (nos. 196, 290, 384, 394 and 395) all exploited alluvial gold hosted in Tertiary age gravels occurring under basalt lava flows. Recorded production figures for most of these (if they can be relied upon) were mostly low; the Swallows Nest Mine (no. 290) and the Main Ridge Mines (no. 384) were credited with 783 and 501 ounces of gold respectively. No production figures are available for the other deposits.

Alluvial gold deposits nos. 288 and 289 are sited in contemporary drainageways, and so could be of Recent age, but possibly reworked from Tertiary alluvium.

PREVIOUS EXPLORATION (SEE FIGURE 8)

Company exploration in the region which includes EL 5242 dates back to the late 1960s, but significant exploration within and immediately around the licence area dates from the early 1980s, and was mainly carried out by four companies, Gold Fields Exploration Pty. Ltd. (part of the Renison Goldfields group of companies), Billiton Australia, Dominion Mining Ltd., and North Limited. Dominion carried out exploration on Billiton's titles, under a joint venture agreement with them, and North farmed in to an exploration licence held by Michelago Resources N.L.

After carrying out a programme of exploration, North withdrew from their agreement with Michelago, and Herald Resources subsequently entered a joint venture with Michelago over the Mount David exploration licence. The NSW Department of Mineral Resources issued a "Mabo Replacement" exploration licence in lieu of the original one, and when Michelago ceased being a mineral explorer, Herald purchased their remaining equity in the title, giving them 100% ownership. After drilling a number of target areas along the eastern side of the original licence area, Herald recently relinquished that part of the title.

After the discovery of the Lucky Draw gold deposit near Burruga in 1985, the Renison Goldfields Consolidated group ("RGC") applied for a number of exploration licences over a broad area surrounding the site, focussing on



areas with mapped Ordovician stratigraphy. Their exploration target was medium to large tonnage, moderate grade gold deposits, with a bias towards the Lucky Draw style of mineralisation. This deposit was characterised by distinctive metamorphic mineral assemblages, dominantly garnet-gedrite-chlorite and biotite-quartz-andalusite-cordierite-staurolite.

RGC held Exploration Licence no. 2231 (over most of the current area of EL 5242), and carried out stream sediment sampling, geological mapping and rock chip sampling, airborne magnetic and radiometric surveying, and reverse circulation percussion drilling and diamond drilling of selected targets.

Stream sediment samples were collected at a density of 2-3 samples per square kilometre, and were analysed for gold, base metals and pathfinder elements. A number of gold anomalies, with coincident elevated antimony and locally elevated arsenic levels, were identified, mostly in areas where there were old workings. The anomalous areas were followed up by geological mapping and rock chip sampling.

Much of the area now covered by EL 5242, was mapped by RGC at 1:10,000 scale, (where they could obtain access) and a large number of rock chip samples were analysed for gold and base metals. Forty five of those samples gave gold values greater than 1.0g/t, and most of those were from the Mt. David Mine area (deposit no. 122 on Figure 6).

At the Mt. David Mine area, gold mineralisation is widespread within a coarse-grained felspathic volcanoclastic sandstone, which is locally strongly altered. Rock chip sampling of old mine dumps, and some outcrops, gave strongly anomalous gold values from the more altered rock (27 samples gave greater than 1.0g/t; the highest value, 52g/t, came from a volcanoclastic rock cut by ribbon quartz veining).

Surface trenches were sampled and showed the presence of broad zones of anomalous gold (up to 84 metres at 0.38g/t gold). Ten short reverse circulation percussion and five diamond holes were drilled. Many of these did not reach their target depths due to either entering old underground workings, or to a combination of deep weathering and high water flows in the mineralised rock. Loss of sample returns rendered some of the drillholes totally ineffective.

The gold intersections achieved were perceived to be too low-grade or too narrow for their company to justify further work, with best intersections of 16.0 metres at 0.81g/t in a percussion hole, and 1.57 metres at 2.68g/t in a diamond hole. As a result RGC did not carry out further work at Mt. David.

RGC followed up a stream sediment gold anomaly which was apparently sourced by mineralisation at the old Crosiers Reef workings (deposit no. 316). A small open cut at this site exposes numerous quartz veins (1 to 100cm thick) in haematite-sericite altered siltstones of the Campbell's Formation. Rock chip sampling established the presence of anomalous gold in both the quartz veins and the host rock. Five reverse circulation percussion holes (84-108 metres in length) were drilled, giving a best intersection of 4 metres at 3.45g/t gold, with no follow up work carried out.

They also carried out extensive rock chip sampling of old workings and host rock exposures over a 150 x 120 metre area at the Carters Hill Gold Mine (deposit no. 317). Spotty gold values up to 15g/t were obtained, from both quartz-calcite-siderite-base metal sulphide veins and the sericite schist host rock.

The vein mineral assemblage at Carters Hill is similar to that at the Lucknow mines near Orange (which were prolific high-grade gold producers), although the host rock is different. However, RGC concluded that the mineralised zones were narrow and unlikely to host a significant deposit. As a result, they did not carry out any drilling there.

Rock chip sampling and mapping was also carried out in several areas along what is now the western side of EL 5242. At the Gilmandyke Mine (deposit no. 214) and at the nearby Gilmandyke East Prospect (where Platina Developments had, in 1971, outlined a broad low order soil copper anomaly developed over shales and fine tuffs), rock chip sampling gave only weakly anomalous gold values. Three kilometres to the north-northwest, at the Summerhill Copper Mine (no. 216), samples of altered andesite (Rockley Volcanics) gave up to 8.45% copper and 52g/t silver, whereas pyritic quartz-veined schist and volcanics gave low gold values.

At the nearby Bunnamagoo Mine (no. 217), Jododex Australia Pty. Ltd. had in 1980 outlined an induced Polarisation anomaly over a zone of pyritic, siliceous rhyolite, chert and agglomerate (Triangle Formation) cut by quartz veining, with an associated moderate copper-lead-zinc anomaly in the soils. Samples of gossanous quartz breccia and veining, collected by RGC from mine dumps, gave maxima of 3.75% copper and 1.80g/t gold. However, lead, zinc and arsenic values in samples from these workings and at Summerhill, were low.



North of the Dog Rocks Prospect (no. 285), RGC attempted to follow up three stream sediment anomalies. Access to one drainage cell was denied, and at the other two, only weak base metal values were obtained from rock samples of siltstones, tuffs, and lavas of the Campbell's Formation, although it is not clear how comprehensive this follow-up work was. They also carried out mapping and rock chip sampling at Hansards Mine (no. 197), Kildrummie Mine (no. 327) and the Dog Rocks Prospect, without obtaining significant metal values.

After failing to locate Lucky Draw type mineral assemblages or indications of substantial near-surface gold mineralisation, RGC relinquished EL 2231. They had, however, recorded a number of garnet-rich volcanic rocks in the Triangle Formation and Rockley Volcanics in the Bunnamagoo and Gilmandyke areas. Further investigation of these exposures, with petrological evaluation of the metamorphic/ alteration assemblages present, to check for similarities to Lucky Draw style assemblages, is warranted.

Within the area of EL 5242, Billiton Australia (the Metals Division of The Shell Company of Australia Ltd.), carried out soil sampling and RAB and RC percussion drilling (10 holes) at the Mt. David Mine site. The data from the soil sampling was of little use, due to widespread contamination of soils by mine dump material. The drilling was hampered by poor returns caused by deep weathering and by the premature termination of one hole (MD 007) in old workings after returning 8 metres at 0.53g/t gold. Due to these results, Billiton conducted no further work at this prospect.

Billiton also carried out exploration at two other sites (Burrows and Bushy Park), which straddle the southwestern boundary of EL 5242.

At the Burrows Prospect (no. 221) the feature of interest was a weak magnetic low in Adaminaby Group metasediments. Surface geochemical work produced only some weakly anomalous arsenic values. Two RC percussion holes were drilled and both were terminated prematurely due to drilling difficulties, with the best intersection being 2 metres at 0.18g/t gold. This prospect area is part of the Fernlea Prospect which was later worked on by other parties.

At Bushy Park (no. 124), an aeromagnetic low developed over Triangle Formation rocks was subjected to soil sampling, which gave erratic anomalies up to 0.58ppm gold and 161ppm arsenic. Billiton concluded that the gold values were derived from remnant Tertiary alluvial gravels (Tg), which have been mapped in the area, and the arsenic may have been sourced from altered mafic volcanic horizons within the metasediments. This prospect area is probably an extension of the Poisson Creek prospect area.

Billiton's detailed stream sediment sampling also outlined a number of small drainage cells within the area of EL 5242, many of which appear to have not been followed up to date. At the time, most of these were attributed to alluvial gold occurring in Tertiary gravels lying beneath and around widespread remnants of Tertiary basalt.

Dominion Mining Ltd. farmed in to exploration licence nos. 2547 and 2711 held by Billiton Australia and explored them under a joint venture agreement. Dominion's main exploration target was Lucky Draw style gold deposits.

Dominion undertook stream sediment, rock chip, and soil sampling and geological checking of possible target areas, within the ELs. The stream sediment geochemistry confirmed the presence of coincident gold-arsenic-antimony anomalies in the eastern parts of the EL areas (basically, the areas of mapped Ordovician rocks within EL 5242) but did not locate any indications of Lucky Draw style mineralisation. The absence of outcropping I-type Carboniferous granite bodies was cited as a downgrading factor.

Dominion's regional work, however, lead them to follow up a number of geochemical anomalies, two of which lay within the area now covered by the southern part of EL 5242, Fernlea and Poisson Creek.

The Fernlea Prospect surrounds the old Fernlea gold workings and Dominion collected a large number of composite soil samples on their grid, and had 120 of them analysed. The analyses outlined a ± 200 metre long anomaly (peaking at 39ppb gold) associated with the old Fernlea workings, in Triangle Formation rocks, which was not closed off to the south, and a second smaller group of anomalies (peaking at 83ppb gold, with elevated arsenic and antimony levels) are associated with outcrops of altered Rockley Volcanics (0cru).

The Poisson Creek Prospect, located one kilometre to the northwest, is essentially a northern extension of the Fernlea Prospect, and is situated on the contact between the Triangle Formation and the Rockley Volcanics. Soil sampling there was conducted to follow up a 144ppb stream sediment gold anomaly. Analysis of 40 composite soil samples produced one spot high - 28ppb gold over basalt of the Rockley Volcanics.



At a late stage in their work, Dominion applied for an exploration licence over the old Gilmandyke Mine area (no. 214), to follow up a D.2000 radiometric anomaly and to check ultramafic rocks in the Rockley Volcanics for platinum-group metal mineralisation. Ground surveying confirmed the location of the radiometric anomaly. Rock chip sampling failed to show any significant PGM or pathfinder element values, but a soil sampling programme (26 samples analysed) produced two spot gold anomalies (6 and 57ppb) with elevated arsenic and antimony values, within the outlines of the radiometric feature, close to the old mine workings.

Of possible significance is that RGC mapped an outcrop of garnet-rich intermediate volcanics in this area.

Reconnaissance geochemical sampling within the broader application area (only 8 stream sediment and 11 rock chip samples) did not produce any elevated gold, platinum or palladium values.

Under their farm-in agreement with Michelago Resources N.L., North Limited interpreted the available aeromagnetic data, and investigated numerous stream sediment anomalies which had been generated by previous explorers. No analytical results are available for the sampling they carried out during these activities.

North carried out several programmes of vertical aircore drilling. Seventeen holes were drilled at Gilmandyke but failed to obtain significant metal values. 95 vertical holes were drilled in the district to test aeromagnetic features coinciding with stream sediment anomalies, but no significantly anomalous values were obtained.

63 holes were drilled 500-1,500 metres east of the old Fernlea workings, and they outlined a 1,000 metres by 100-400 metres zone of weakly anomalous gold values (maximum 341ppb) in weathered bedrock, which remains open to the north. Poor drilling conditions again hampered work. The anomalous values were interpreted to be associated with minor pyritic quartz veining within quartz-biotite schist and carbonaceous shale. The anomalous zone trends parallel to the fault structure defined by aeromagnetics, and lies about 500 metres west of it.

In the area of the Bunnamagoo Mine, North drilled seven vertical aircore holes, along the structural trend, and did not obtain anomalous values. A shallow RC percussion hole drilled 200 metres northeast of the Bunnamagoo Mine did not intersect any significant mineralisation, but the hole was apparently terminated prematurely due to poor ground conditions.

A programme of 200 metre by 100 metre spaced soil sampling, using a hand auger and totalling 51 sample points, was carried out mainly to the north of the Bunnamagoo Mine. This programme outlined a 800 metre long, north-trending >100ppm copper anomaly, with a peak value of 498ppm.

North considered that the results achieved did not meet their objectives, and so withdrew from the joint venture.

Herald Resources Ltd. entered into a joint venture agreement to explore EL 5242. They undertook limited rock chip sampling, and a major soil sampling programme (total 4,681 samples) along two trends - an eastern structural corridor within which numerous old workings are situated, and a western structural corridor (generally, the imbricate zone on Figure 6) between the Bunnamagoo Mine (no. 217) and through the Fernlea Prospect (no. 120), to beyond the present southern boundary of EL 5242. The sampling did not cover the magnetic/radiometric features mentioned as lying east of Poisson Creek and southeast of Fernlea. A more limited grid of samples (termed the Riverview prospect) was collected from near the centre of the southern metamorphic anomaly, and a smaller grid was sampled immediately west of the Mt. David workings.

A programme of RAB and RC percussion drilling was undertaken to test soil gold anomalies and known mineralisation along the eastern structural corridor. However, the drilling results suggested that the gold mineralisation has very limited strike and depth development. The consequence of this was that Herald relinquished title over the eastern structural corridor, to focus on the western target areas.

The soil sampling in the western structural corridor outlined scattered areas of significantly anomalous gold and copper values.

An irregular, roughly 800 metres by 500 metres area of spotty gold values peaking at 280ppb was generated one kilometre north of the Gilmandyke Mine (no. 214), within an area of strongly magnetic θ cru mafic volcanics. A smaller, spotty gold anomaly lies immediately south of the Gilmandyke Mine.



In the Fernlea area, two small gold anomalies peak at 104ppb. In this prospect area, several low-order copper anomalies were also generated. The sampling at Riverview produced widespread, spotty, low-order gold anomalies, and more coherent low-order copper anomalies.

Near Mt. David, the sampling produced an apparent east-west striking gold anomaly peaking at 820ppb on the boundary of the village. Contamination from old workings may mean that some of the higher values are spurious. Several +100ppb spot highs were also produced to the north and south.

In the Summerhill Mine area, a small group of copper anomalies peaking at 1,395ppm (where one of Herald's rock chip samples returned +8,000ppm copper) was outlined together with lower order spot highs to the south, and north to just north of the Bunnamagoo Mine. Together with North's anomalous soil values, these values outline an irregular north-south trending 2,200 metre by about 300 metre soil copper anomaly, which is not closed off to the north.

PERCEIVED PROSPECTIVITY (SEE FIGURE 8)

Gold and copper mineralisation occurrences are widespread within the area of EL 5242, mostly within Ordovician rocks and the western imbricate zone. There are also widespread occurrences of gold in perched Tertiary gravels, but possible substantial local bedrock sources for this reworked gold have not been found to date (apart from the mineralisation at Mt. David), so other sources may exist nearby. In most prospect areas within the licence, exploratory drilling has been desultory, and shallow, in part due to difficult ground conditions for percussion drilling.

The Mt. David Mine area has a history of small production, from an altered and veined host rock unit which has the potential to host substantial tonnages of mineralisation. Depending upon the structure and geometry of the host horizon, there may be potential for delineating more extensive zones of (non-outcropping) mineralisation at shallow depths over broader areas than the presently known exposures. To investigate this potential would require reinterpretation of the host rock sequence at the old mine (drill records and stored drill core will provide valuable information), petrographic studies of the host rock to determine if it is a felspathic sediment or a felsic sill, and consideration of using the Induced Polarisation ground geophysical technique to attempt to locate blind extensions of the pyritic host rock well beyond the limits of the old workings. Percussion drilling, with cored tails, would be required to test target areas delineated by the initial geological and geophysical programme.

In the Summerhill-Bunnamagoo area of the western imbricate zone, patchy and locally strongly anomalous copper mineralisation is developed in both the mafic/ultramafic θ cru unit of the Rockley Volcanics, and the sediments and volcanoclastics of the Triangle Formation. The copper mineralisation appears to be fracture-hosted, short strike length, (?)mesothermal veining developed in a high-strain zone. However, the aeromagnetic data suggests that the Rockleys Volcanics in this area are strongly and pervasively altered. There is a possibility that the alteration is associated with an Ordovician porphyry alteration cell developed at depth, with the copper mineralisation structurally remobilised to higher levels and now exposed at the surface.

In this area, RGC reported a number of outcrops with garnet-rich rocks. These could represent either a high pressure and high temperature metamorphic assemblage in a high-strain zone, pockets of distal, porphyry-associated skarn, or variations on Carboniferous Lucky Draw style skarn assemblages. Petrological studies, and rock chip sampling (to gain more indicator-element data) may help to resolve the nature of these rocks, and re-define an exploration target.

In the Fernlea-Poisson Creek area, a significant north-northwesterly trending fault is evident in the aeromagnetic data. Along this structure are some more obvious ovoid negative magnetic anomalies and potassium highs. Most of the exploration work carried out to date has been done immediately to the west of the structure and the magnetic and radiometric anomalies, and various explorers have outlined scattered soil gold and copper anomalies. North Ltd. outlined an extensive, north-northwest trending gold anomaly with shallow drilling into the regolith. This anomaly warrants testing by deeper drilling, and a programme of aircore drilling should be carried out to investigate the magnetic and radiometric anomalies.

The southern metamorphic anomaly appears to be underlain by a body of strongly magnetic rock (possibly an intrusive body) at relatively shallow depth. The source of the anomaly is overlain by weakly magnetic θ cru rocks and non-magnetic Kildrummie Member limestones and marls. The (?)intrusive body below this near-surface sequence could be either Ordovician or Carboniferous in age.



Soil sampling by Herald over part of the anomaly area, gave widespread low-order copper anomalies and very scattered weak gold anomalies. This could indicate weak hydrothermal effects from a post-Kildrummie age (Carboniferous) hydrothermal system at depth. The presence of a manganese-rich oxide deposit within the area may be compatible with skarn or low-sulphidation epithermal mineralisation.

At Carters Hill, spotty gold values (and some higher grades) were obtained from rock chip sampling. The reported vein mineral assemblage resembles that recorded in the bonanza Lucknow gold workings. Petrographical work is warranted to further investigate this association, followed by geochemical sampling to define target zones, and deeper drilling to follow up anomalous zones generated.

At Crosiers Reef, rock chip sampling by RGC showed that gold values occur in both the quartz veins, and the host altered siltstones. They drilled five RC percussion holes, one of which intersected 4 metres at 3.45g/t gold. This significant intersection was not followed up at depth, or along strike.

At Dog Rocks North, a (?) residual iron oxide deposit, with reputed gold and copper values, developed over mafic/ultramafic rocks, needs closer investigation. A series of coincident magnetic and radiometric anomalies selected by Arctan Services also warrants rapid ground checking.

PROPOSED EXPLORATION PROGRAMME & BUDGET

Jaguar Minerals have proposed a programme to further evaluate the Mt. David Gold Mine area, the Crosiers Reef and Carters Hill Gold Mines, the Fernlea Gold Prospect, the Bunnamagoo Mine - Summer Hill Mine area, and to assess a number of other prospects which are at earlier stages of investigation.

Under the programme, to undertake a broader assessment of the Mt. David Gold Mine area, prior explorers' drill core will be re-logged and the mine area and surroundings re-mapped. The objectives of this work are to determine the style, timing and controls on the gold mineralisation, and the nature and three-dimensional structure of the host rock unit(s). Petrological studies of core and surface rock samples should provide guidance in meeting these objectives.

A consultant geophysicist's advice will be sought on the effectiveness of carrying out an Induced Polarisation survey over the broader Mt. David area, to map out the extent of the target rock and alteration mineral assemblage. If the consultant recommends proceeding, the survey will be undertaken, to generate new drilling targets. Combination reverse circulation and core drilling will be necessary, in the light of poor ground conditions which rendered most of the prior drilling programmes ineffective.

Geological mapping of the Crosier's Reef Gold Mine area is planned, to more effectively site percussion drill holes, and in particular to follow up a four metres at 3.45g/t gold intersection by Renison. At the Carters Hill Gold Mine, a geological re-assessment of the veining and mineral assemblages, and structural controls, including limited petrological studies is planned, prior to siting of drillholes.

At the Fernlea Gold Prospect, the known RAB gold geochemical anomaly will be evaluated at greater depth in the weathered profile, by drilling of deeper, angled holes, using a more powerful drilling rig than that previously used.

In the Bunnamagoo-Summer Hill area, widespread copper mineralisation will be investigated by geological mapping and RAB and reverse circulation percussion drilling. The significance of reported garnet-bearing rocks will be evaluated by localised mapping and petrological studies.

A number of less advanced geological, geophysical and geochemical targets within the licence area will be investigated by geological inspections, rock chip sampling, petrological studies, and RAB and percussion drilling, to generate targets for more intensive work.

During the second year of the programme, follow-up drilling will be undertaken, to test any confirmed promising targets.



The budget for the first two years of exploration of Exploration Licence no. 5242, is summarised below:-

Prospect	Activity	Year 1 Expenditure (\$)	Year 2 Expenditure (\$)
Mt. David Gold Mine	Mapping	20,000	
	Geophysicist	5,000	
	IP Survey	40,000	
	RC Drilling	50,000	70,000
Crosiers Reef Gold Mine	Mapping	10,000	
	RC Drilling	40,000	50,000
Carters Hill Gold mine	Evaluation	5,000	
	RC Drilling	15,000	30,000
Fernlea Gold	RAB/RC Drilling	40,000	50,000
Bunnamagoo Copper	Evaluation	10,000	
	RAB/RC Drilling	40,000	50,000
Other Prospects	Evaluation	15,000	
	RAB/RC Drilling	25,000	50,000
TOTAL		315,000	300,000

It is considered that the proposed programme and budget allocations are appropriate to the targets to be investigated.

TOTAL NSW PROJECTS BUDGET

For the first two years of Jaguar's exploration, the proposed budgets for the two NSW projects, on exploration licences nos. 5242 and 5991, total \$1,360,000, made up as follows:-

Prospect	Year 1 Expenditure (\$)	Year 2 Expenditure (\$)	Total Expenditure (\$)
Springfield	290,000	295,000	585,000
Mt. David	315,000	300,000	615,000
TOTAL	605,000	595,000	1,200,000



LIST OF REFERENCES

- Bacon, C. A. 1999. Mineral Exploration Code of Practice (Fourth Edition). Mineral Resources Tasmania: Hobart. ISBN 0 7246 4013 4.
- Anon, 1982. EL1339 Oberon, Report to Mines Department for six months period to 25th September, 1982, for Jododex Australia Pty Ltd. GS1982/500.
- Arundell, M. C., 1991. EL2749 "Walbrook". Tenth and final six monthly report to NSW Department of Mineral Resources, 8 January, 1991 to 31 July, 1991, for Renison Exploration. GS1991/257.
- Ashley, P.M., Willott, B.R., 1997. Zinc-lead skarn deposits at Leadville, NSW, Australia, and their distinction from volcanic-hosted massive sulphides, *Mineralium Deposita* (1997) no. 32, pp.16-33.
- Borton, D.J., 1987. First exploration progress report to NSW Department of Mineral Resources, EL2646 "Brisbane Valley", Oberon District, NSW, for period 8/8/86 to 7/2/87, for Billiton Australia. GS1987/107.
- Borton, D.J., 1987. First exploration progress report to NSW Department of Mineral Resources, EL2711 "Mt David", Burruga District, NSW, for period 27/10/86 to 26/4/87, for Billiton Australia. GS1987/106.
- Buchhorn, D.A., 1972, for Glendale Explorations N.L. Report on Geological Investigation of EL364, Gulgong NSW.
- Collins, S., (Arctan Services Pty Ltd), 1998. Interpretation of Airborne Magnetic and Radiometric data, Rockley/Cow Flat/Burruga area, for Michelago Resources N.L.
- Cross, S.J., 1973. The Lucknow-Orange Ultramafic Belt and Associated Gold Deposits, thesis submitted as part of requirement for B.A. (Hons.) degree at Macquarie University.
- Endeavour Resources Ltd, 1981. EL1391 and 1435 "Gulgong Project", Progress report to NSW Department of Mineral Resources, for the six month period ended October 1981. GS1981/495.
- Gibbs, D.R., 1989. Fifth exploration progress report to NSW Department of Mineral Resources, EL2711, "Mt David", Burruga District, NSW, for period 27/10/88 to 26/4/89, for Billiton Australia. GS1989/262.
- Glasson, M., 1988. for Sabminco N.L. EL2893 "Wilbertree Project" Six monthly report to NSW Department of Mineral Resources, for the period 17 January 1988 to 16 July 1988. GS1988/010.
- Glasson, M. and Ciccarelli, J., 1988. for Sabminco N.L. EL2893 "Wilbertree Project" Six monthly report to NSW Department of Mineral Resources, for the six month period ending 16 January 1989. GS1988/010.
- Glen, R.A., Walshe, J.L., Barron, L.M and Watkins, J.J., 1997. New Model for Copper-Gold deposits in Ordovician Volcanics, in MINFO no 56, pp.4-6, NSW Department of Mineral Resources.
- Glen, R.A., 1998. Tectonic development of the Lachlan Orogen: A Framework for Mineral Exploration, Australian Institute of Geoscientists Bulletin no. 23, pp. 1-7.
- Greenaway, L. S., 1999, for Herald Resources Ltd. Mount David Project, ELs 5207, 5242, 5472, Annual Report to the NSW Department of Mineral Resources, for the Period 3rd May, 1998, to 2nd May, 1999.
- Greenaway, L. S., 2000, for Herald Resources Ltd. Mount David Project, ELs 5207, 5242, 5472, Annual Report to the NSW Department of Mineral Resources, for the Period 3rd May, 1999, to 2nd May, 2000.
- Harper, L.F., 1920. The Lucknow Gold Field, Mineral Resources series no. 30, the Geological Survey of the NSW Department of Mines.
- Hawley, D.L. (Geoplan Resource Planning), 1990. Feasibility Study for Springfield Gold Project, EL2893, report for International Mining Corporation N.L. The data within this report is included in GS1990/147.
- Holliday, J.R., Wilson, A.J., Blevin, P.L., Tedder, I.J., Dunham, P.D., Pfizner, M., 2002. Porphyry gold-copper mineralisation in the Cadia district, eastern Lachlan Fold Belt, NSW, and its relationship to shoshonitic magmatism. *Mineralium Deposita* (2002) no. 37, pp.100-116.
- Holliday, J. 1991. for Newmont Australia Ltd. EL2893 "Gulgong", Report to NSW Department of Mineral Resources, for six month period ended 16 January 1991. GS1990/147.
- Hunter, M.J. 1984. Exploration Licenses 2230, 2231, 2232. First six monthly report to NSW Department of Mineral Resources, to 22 November 1984, for Gold Fields Exploration. GS1984/400.
- Jones, L.J., 1940. The Gulgong Gold Field, Mineral Resources series no. 38, the Geological Survey of the NSW Department of Mines.
- Kirkpatrick, B. L., 2002, for Herald Resources Ltd. Mount David Project, ELs 5207 and 5242, Annual Report to the NSW Department of Mineral Resources, for the Period 3rd May, 2001, to 2nd May, 2002.
- Kirkpatrick, B. L., 2003. Springfield Project EL 5991. Mineral Resources Estimation, Internal report for Herald Resources Ltd.



- Kirkpatrick, B. L., 2003, for Herald Resources Ltd. Mount David Project ELs 5207 and 5242, Annual Report to the NSW Department of Mineral Resources, for the Period 3rd May, 2002, to 27th June, 2003.
- Kirkpatrick, B. L., 2003, for Herald Resources Ltd. Springfield Project, EL 5991, Annual Report to the NSW Department of Mineral Resources, for the Period 12th September, 2002, to 11th September, 2003.
- Meakin, N.S., Morgan, E.J., 1999 for the National Geoscience Mapping Accord, Dubbo 1:250 000 Geological Sheet Explanatory Notes.
- Newcrest Mining Ltd., 2003. Concise Annual Report for 2003.
- Norun, E., 2001, for Herald Resources Ltd. Mount David Project ELs 5207 and 5242, Annual Report to the NSW Department of Mineral Resources, for the Period 3rd May, 2000, to 2nd May, 2001.
- Norun, E., 2000, for Herald Resources Ltd, Mount David Project, internal Report. Overview of Previous Work and Mineralisation (modified in 2003 by B. L. Kirkpatrick).
- Pearson, D. 1991 for Newcrest Mining Ltd. EL2893 Gulgong, Report to NSW Department of Mineral Resources, for six month period ended 15 July 1991. GS1991/241.
- Pearson, D., 1991, for Newcrest Mining Ltd. EL2893 Gulgong, Report to NSW Department of Mineral Resources, for period 15 July 1991 to 30 November 1992. GS1991/241.
- Pogson, D.J., Watkins, J.J., 1998 for the National Geoscience Mapping Accord, 1998. Bathurst 1:250 000 Geological Sheet Explanatory Notes.
- Pringle, I.J., Elliot, J., 1998. Bowdens silver-lead-zinc deposit, Mudgee, in Geology of Australian and Papua New Guinea Mineral Deposits (Eds. D.A. Berkman and D.H. MacKenzie), pp.627-634, (The Australasian Institute of Mining and Metallurgy: Melbourne).
- Rangott Mineral Exploration Pty Ltd. 1996 for International Mining Corporation N.L. EL4778 "Gulgong" First annual and final exploration progress report to NSW Department of Mineral Resources, for the period 2 February 1995 to 1 February 1996.
- Re, M., 1991. EL2231 "Dog Rocks" Orange District. Fourteenth and Final Report to NSW Department of Mineral Resources, for Renison Exploration. GS1991/231
- Suppel, D.W., Barnes, R.G. and Scheibner, E., 1998. The Palaeozoic in NSW - geology and mineral resources, AGSO Journal of Geology and Geophysics, 17(3), pp.87-105.
- Vandenberg, A.H.M., 1999. Timing of Orogenic Events in the Lachlan Orogen, Australian Journal of Earth Sciences 1999 (no. 46), pp. 691-701.
- Vicary, M.J., 1983 for CSR Limited. EL1312 "Mt Pleasant" Final Report to NSW Department of Mineral Resources. GS1983/403.
- Wake, B. and Harley, R., 1992. EL2711 "Mt David", NSW, Annual Report to NSW Department of Mineral Resources for the period ending 10 March 1992 and Final Report, for Dominion Mining Ltd. GS1992/135.
- Wake, B. A. 1993. EL4212 "Gilmandyke". Annual Report to NSW Department of Mineral Resources for the period ending March 1993 and Final Report, for Dominion Mining Ltd. GS1993/156.
- Wyborn, D., 1992. The Tectonic Significance of Ordovician Magmatism in the Eastern Lachlan Fold Belt, in Tectonophysics, 214(1992) pp. 177-192.
- Young, M.R. (Rangott Mineral Exploration Pty Ltd) 1997 for International Mining Corporation N.L. EL5116 "Home Rule". Prior Exploration Data Review, Compilation and Recommendations for further work.
- Young, M.R. (Rangott Mineral Resources, Exploration Pty Ltd) 1997 for Mrs M. Phillips. EL5272 "Home Rule". First Annual Report to NSW Department of Mineral Resources, for the period 20 September 1996 to 19 September 1997. GS1998/084.
- Young, M.R. (Rangott Mineral Exploration Pty Ltd) 1998 for Mrs M. Phillips. EL5272 "Home Rule". Second Annual Exploration Progress Report to NSW Department of Mineral Resources, for the period 20 September 1997 to 19 September 1998. GS1999/072.
- Young, M.R. (Rangott Mineral Exploration Pty Ltd) 1999 for Mrs M. Phillips. EL5272 "Home Rule". Third Annual Exploration Progress Report to NSW Department of Mineral Resources, for the period 20 September 1998 to 19 September 1999. GS2000/093.
- Young, M.R. (Rangott Mineral Department of Exploration Pty Ltd) 2000 for Mrs M. Phillips. EL5272 "Home Rule". Fourth Annual Exploration Progress Report to NSW Mineral Resources, for the period 20 September 1999 to 19 September 2000. GS2002/091.



MARTIN RESOURCE CONSULTANTS

Natural Resource Analysts

Managing Director: Dr. Brian Martin F.Aus.I.M.M.

33 Waroonga Road
Nedlands, W. Australia 6009
Mobile 040 724 5761
Fax (08) 9386 9617
(A/H (08) 9386 4342)

Email: calday@hotmail.com

2 March 2004

The Directors
Jaguar Minerals Ltd
Level 3, 50 Colin St
WEST PERTH WA 6872

Dear Sirs,

Independent Geologist's Report

I refer to your letter of appointment, dated 20 January 2004, in which you requested that Martin Resource Consultants ('MRC') prepare an Independent Geologist's Report on the Kintore Project tenements, north of Coolgardie, Western Australia, for inclusion in a Prospectus to be issued by your Company to raise \$5 million.

The report requested is attached and has been prepared in accordance with the current requirements of both the Australian Securities Investments Commission and the Australian Stock Exchange. It has also been prepared in accordance with the Valmin Code that is binding on Members and Fellows of the Australasian Institute of Mining and Metallurgy (Aus.I.M.M.). The author of this report, Dr Brian Martin, is a Fellow of the Aus I.M.M. with over 30 years experience in the mining and resources industry, and has produced a considerable number of such independent reports.

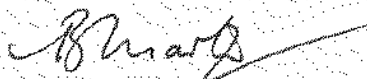
A field review of the tenements was conducted in late October of this year. Most of the geological information for this report was supplied by the Company and by Mr Pavlinovich, a vendor to the float. Additional technical information was obtained from sources shown in the References, and from the authors personal knowledge of the general area. Considerable care was taken to ensure that the technical/geological information used was as reliable, accurate and materially complete as can be reasonably ascertained.

The Solicitor's Report independently addresses the legal aspects of the tenements in this Prospectus, which are, for the purpose of this report, taken as satisfactory. This report does not address matters relating to any current or future native title claims or to environmental aspects of mining and exploration, which are not within the competence of the author.

Neither the author, nor his consulting company, has any material interest in the tenements or the Company. A professional fee will be paid for this report, but such a fee is not contingent upon its conclusions, or upon the success of the proposed listing.

A final draft of this report was provided to the Company so that any material errors could be corrected and any factual omission identified. No such errors or factual omissions were identified that would alter the descriptions or opinions on prospectivity of the tenements at the date of this letter.

Yours faithfully,



Brian Martin
Ph.D., F.AusIMM

Calday Grange Pty. Ltd.
ABN 73 068 331 251



JAGUAR MINERALS LTD

WEST AUSTRALIAN PROJECT

INTRODUCTION

This report has been commissioned by Jaguar Minerals Limited for inclusion in its prospectus dated on or around 7 April 2004 for the proposed issue by Jaguar of up to 25,000,000 shares (and 12,500,000 free attaching options, exercisable at 20 cents each, on or before 30 September 2008) to be issued at 20 cents each. Oversubscriptions of up to 2,500,000 shares (and 1,250,000 free attaching options) may be issued to raise an additional \$500,000.

The project area of 725 hectares is situated in the Kunanalling District of the Coolgardie Mineral Field in the Archaean Yilgarn Craton of the Eastern Goldfields of Western Australia (See Figure 1). The area is located 45km northwest of Kalgoorlie and 43km north of Coolgardie and can be accessed from the well graded Coolgardie North Road, that links Coolgardie to Ora Banda, and within the area by gravel bushtracks. It can also be accessed via the Jaurdie Hills Road that runs into the Coolgardie North Road.

The leases cover the northern contact of the post tectonic granitoid (the "Kintore Tonalite") with an Archaean sequence of metabasalts (greenstone). This area comprised the historic Kintore Mining Centre ("KMC") which produced gold from three sources: gold from quartz reefs in the granitoid; Tertiary palaeochannel "alluvials" in the granitoid (the "cement deposits"); and from sheet alluvials. Small quantities of gold were also won from a number of small mines, such as Hands Across the Sea, which exploited both gold-in-quartz in the schistose greenstone of the granitoid contact area, and gold in underlying granitoid.

The KMC had its heyday from 1897-1907. The cement leases were the most productive and most easily worked as the ground was soft. During the 10 year heyday these cement leases officially (from records) produced 20,034 oz of gold from 30,605 tonnes for an average recovered grade of 20.36g/t Au. Reef leases during the heyday period produced less gold but at higher average grades - 7,375oz of gold from 8,238 tonnes of crushed ore (average of 27.8g/t Au recovered). Several reefs recovered over 9oz gold per tonne (e.g. Samartia), but from small tonnages (30-60 tonnes).

The cement leases were lower grade - the best being the Ormuz lease with a recovered grade of 29.7g/t Au from almost 50,000 tonnes, and the Sugarloaf at 78.5g/t Au (2.5oz/tonne), from 500 tonnes. Later work (1907-1918) on the cement leases produced another (recorded) 20,000oz of gold. Reef gold was also exploited in the Sugarloaf leases and elsewhere during this period, and continues to this day. Accurate records to the present are not available, but reef gold at 1-2oz per tonne is still won from the Sugarloaf area in occasional batches of 100-400 tonnes of ore.

The aim of the project is to delineate large zones of lower grade (2-3g/t) mineralisation that may be more continuous and hence bulk mineable. Greenstone belt "granites" or "granitoids" (granite-like rocks), around the world that contain gold are most often mafic granodiorites, more accurately called tonalites. The close proximity of basaltic greenstones appears critical to gold distribution as gold is hydrothermally mobilised from the basaltic greenstones into the fractures and joint systems of the solidifying (and cooling) intrusive tonalites. Tonalites, because of their significant content of mafic ferromagnesian minerals such as biotite mica and amphibole, have a considerably greater temperature range of crystallisation than granites, and are intruded at much higher temperatures. The higher temperatures provide more energy to drive the circulating aqueous fluids that both leach out and deposit gold along temperature gradients in permeable channels such as faults and joints, and in partially crystallised magma. The Kintore Tonalite has many similar characteristics with the Sesombi-type greenstone belt gold bearing tonalites of Zimbabwe which have produced almost 10% of Zimbabwe's historic gold.

TENEMENTS

The project consists of seven tenements covering 725.15 hectares of which three are Prospecting Licences covering 449 hectares (P16/1544, 1545 and 1546) and were 100% owned by Goldfan Ltd, a wholly owned subsidiary of Herald Resources Limited ("Herald"), and have now been assigned to Jaguar Minerals Ltd. Refer to Table 1.



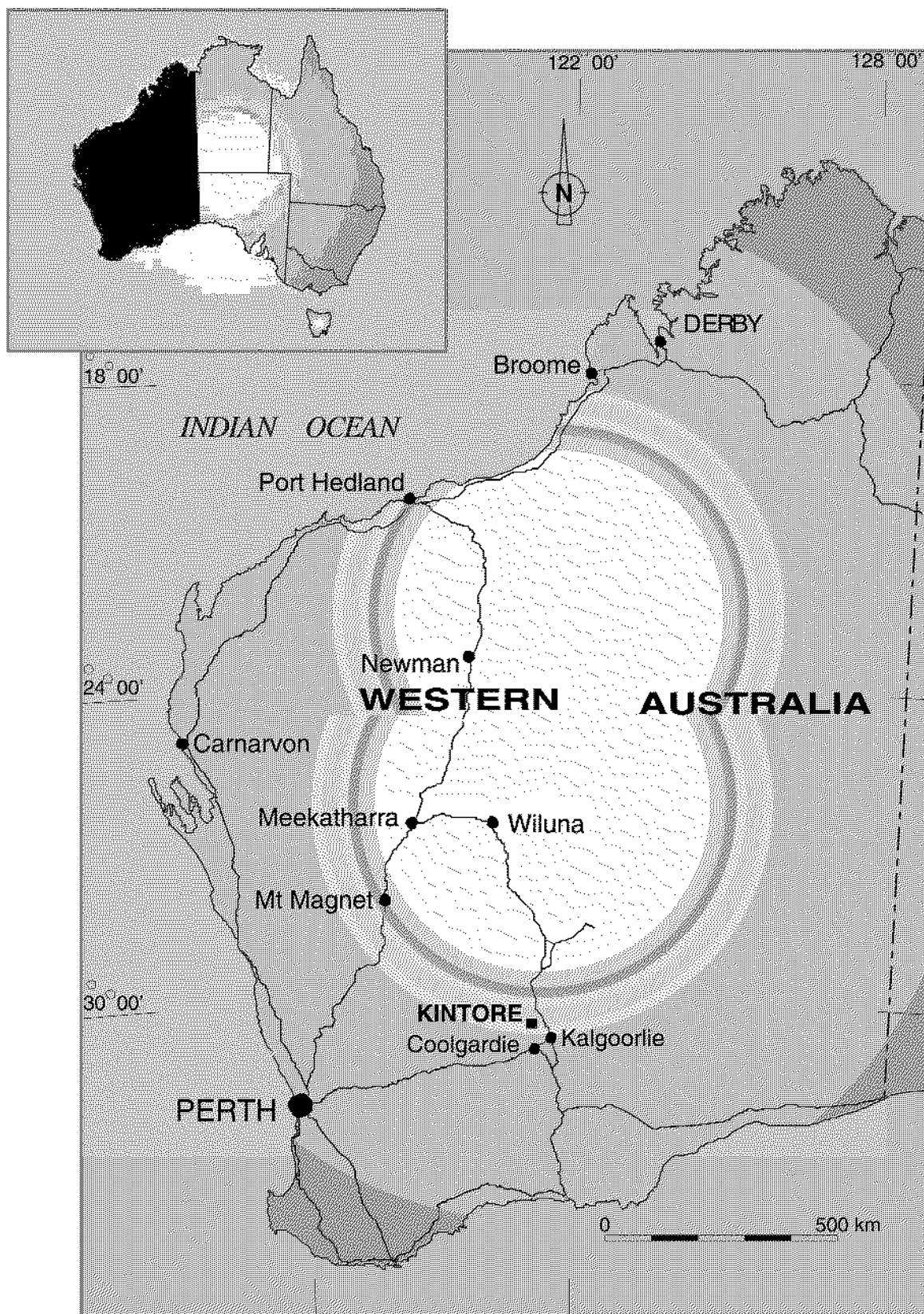


FIGURE 1. W.A. LOCATION MAP

TABLE 1
KINTORE TENEMENT SCHEDULE

Tenement	Holder	Grant Date	Area (ha)
P16/1544*	Goldfan Ltd	10/11/92	123.000
P16/1545*	Goldfan Ltd	10/11/92	171.000
P16/1546*	Goldfan Ltd	10/11/92	155.000
P16/1866*	K M Pavlinovich	22/04/97	116.250
M16/16	K M Pavlinovich	06/01/85	17.040
M16/215	K M Pavlinovich	13/09/94	133.200
M16/444	K M Pavlinovich	08/05/01	9.661
Total			725.151

* Subject to mining lease applications

The remaining four tenements comprise three Mining Leases (M16/16, M16/215, M16/444), and a Prospecting Licence (P16/1866) over which Jaguar holds option agreements with Mr Kevin Pavlinovich. The detailed conditions of the Option Agreements are given in the Solicitor's Report. In brief the exercise price for each of the tenements, except M16/444, is 200,000 shares in this IPO (or an agreed cash equivalent if the IPO is not successful). The exercise price on M16/444 is \$100,000. In addition, a production royalty is payable to Mr Pavlinovich of \$1 per tonne of ore with a recovered grade greater than 2g/t Au but less than 10g/t Au, and \$3 per tonne ore with a grade equal or greater than 10g/t Au. Mr Pavlinovich is also entitled to certain annual payments on retained but unexercised options over his tenements.

Mr Pavlinovich's tenements cover an area of 276 hectares.

REGIONAL GEOLOGICAL SETTING

The Yilgarn Craton hosts the Coolgardie Greenstone Belt into which the largely undeformed Kintore Tonalite has been intruded along the eastern margin of the Kuanalling Shear - a major NW-SE trending shear zone (see Figure 2). The greenstone belt comprises high Mg-basalts, gabbro and ultramafics. Shale units often occur between basalt flows indicating erosional periods between flows.

The tonalite is approximately 4km long and 2km wide, and in its northern part forms a moderate depression into which modern drainage flows along structural weaknesses, and in which gold rich Tertiary "cement deposits" formed along river drainages.

The northern part of the tonalite dips gently below greenstone ridges and a line of small historic shafts have been sunk through the greenstone into the underlying tonalite, with gold being found in both rock types. Limited drilling suggests that the contact zone at depth is considerably sheared, and that this area needs more drilling to enable a careful structural analysis to be made of the extent of the shearing and if the zone has been a major conduit to gold bearing solutions. There is some field and aeromagnetic evidence to suggest that the northern contact zone at depth may coincide, and/or intersect, with ENE trending extensional faults that are offset by NNW-NW trending shears probably associated with the major Kuanalling shear zone to the west. If these conjectures are confirmed by detailed underground mapping, the northern contact zone becomes a much larger exploration target, which could extend beyond M16/215 into P16/1866, and the Kuanalling shear zone.

The NW-SE trending Kuanalling shear zone maintains its broad zone southeast through Kuanalling, some 10km SE of Kintore, continuing SE until terminated by a series of cross faults. Kuanalling has produced over 100,000oz of gold from veined quartz in mafics, and has remaining resources estimated at 112,000oz gold (2.2 Mt @ 1.6g/t Au).

Some 10km to the east of the Kuanalling shear is the Zuleika shear zone which hosts +1 million ounce gold deposits at Kundana and Ghost Crab.



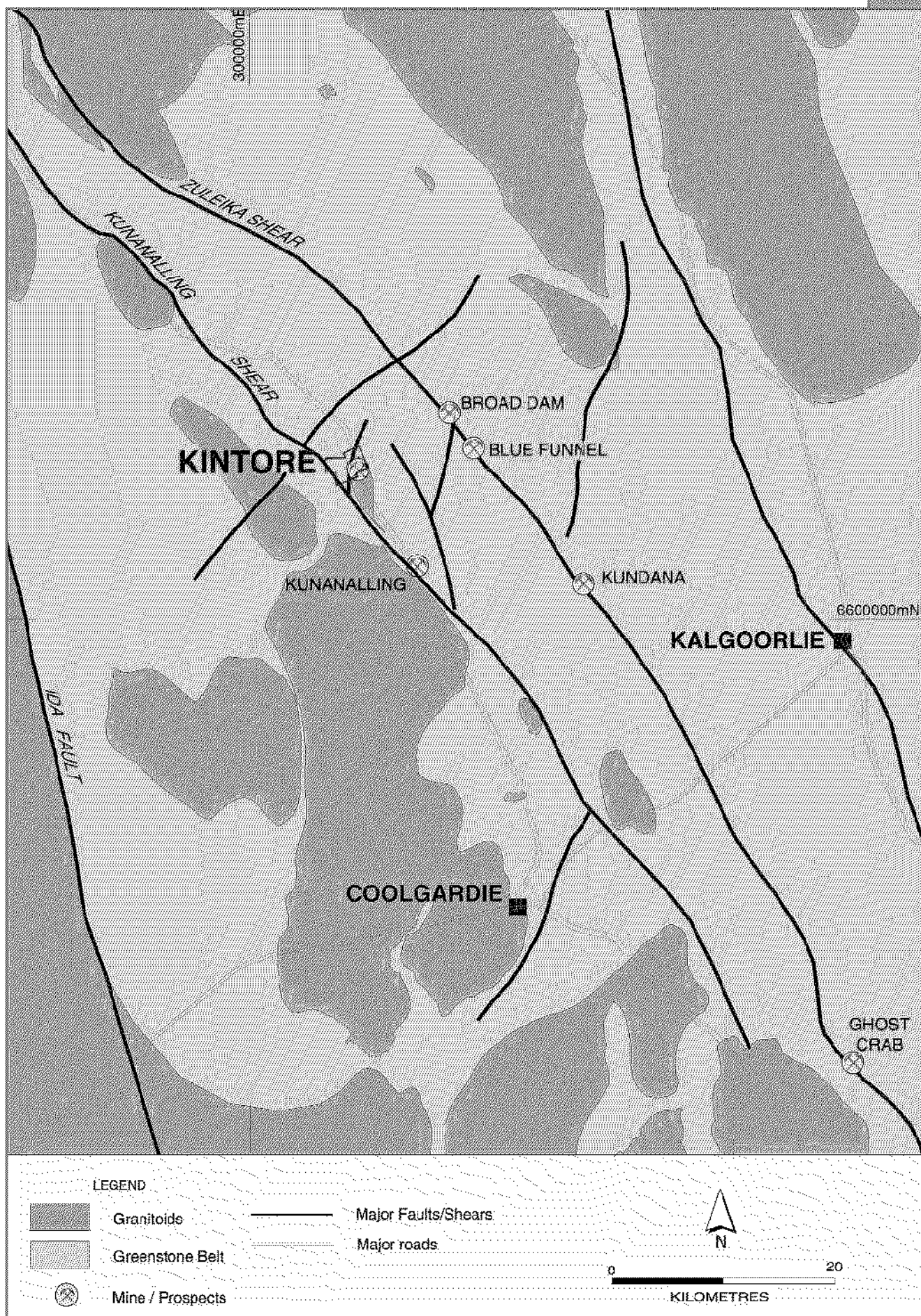


FIGURE 2. KINTORE - REGIONAL GEOLOGY

TENEMENT GEOLOGY AND GOLD MINERALISATION (SEE FIGURE 3)

Most recorded historic gold production came from M16/444 and M16/16, a combined area of 26.7 hectares. This area, together with the northern portion of M16/215, has also been the focus of most modern exploration and production. The most productive reef area to date has been the "Micks Lode Zone", also known historically as "Sugarloaf" (in reference to the "sugary" or granular nature of the finely recrystallised vein quartz). This extends ENE through the old Sugarloaf GML (16/1163), now M16/444, to M16/16. This is also the area with the best gold results from modern drilling (RAB, RC and diamond).

The historic Sugarloaf gold bearing quartz reefs appear to have been largely mined along 45o- 50o southerly dipping ENE (055 -60o magnetic) trending extensional faults/fractures in the tonalites. Field examination of the fracture sets exposed in old workings all follow the same major fault orientations. A second set of more widely spaced (less dense) fracture veins appear to trend NNW (345o magnetic). Some of these appear to be small scale (mm to cm) which are often indicated by the presence of chlorite and/or pyrite on the shear planes. These shear veins may be offset in a quasi en echelon fashion which may reflect regional NNW shearing effects of major movements along the Kunanalling shear zone to the west. It is not clear whether the NNW structures act as controlling features in the gold mineralisation or whether they simply structurally offset blocks of the main ENE gold bearing vein set. These NNW shear fractures also dip at approximately 50o, but east.

The historic ENE trending "cement deposits" although the most productive in the past, are now largely worked out and are not relevant to proposed exploration. Field observations in channel drainage sections provide evidence of gold in decomposing tonalite. It has also been historically recorded that the richest gold occurred in the centre of the channels some 1-1.5 metres directly above, and grading into, the decomposing tonalite (saprolite). The gold rich zone was typically 70-80cm thick, over a total section of 2.7-4.6 metres thickness, and consisted of kaolin clay and small quartz particles ("grit") which was evidently the sugary recrystallised quartz released from the quartz veins in the weathering tonalite. Significantly lateritic ironstone gravels are not seen in sectional outcrop as part of the cement deposit profile. The cement deposits can therefore be presumed to either pre-date the ferruginous laterite cap, or be contemporaneous with it.

The above observations strongly suggest firstly that the gold and quartz grit in the kaolin "cement" was mostly if not entirely in situ and not transported (i.e. not predominantly alluvial). Secondly, weathering was deepest and most complete along ENE major zones of weakness in the granite that were exploited by the drainage.

Weathering (oxidation) in the tonalite is fairly consistent to 60-65 metres depth with occasional oxidation as deep as 75 metres. Deep oxidation is commonly associated with gold mineralisation (in zones of structural weakness that provide pathways to oxidising and gold bearing fluids).

The gold prospective northern contact between tonalite and greenstone presents a melange of rock types sliced up through shearing - tonalite, porphyries, gabbro, dolerite, basalt and shale.

Tertiary alluvial sediments have been identified over large areas of the southern and eastern portions of the tenement block making surface sampling ineffective in these areas. The laterite profile over the tonalite consists on average of 2-3 metres of iron oxide (goethite) coated pisolite (gravels) overlying up to 30 metres of kaolin and silcrete.

In the period 1986-9 grid based mapping was undertaken over the entire lease area at a scale of 1:500 (50m x 50m). Mapping included all pits and costeans, shafts, drill hole locations, and geological outcrop, and pisolitic laterite deposits. The pisolite laterite is usually mineralised from surface to kaolinised and weathered granite contact. Gold can occur in iron-silica rich nodules at the base of the lateritic profile. Where mineralised quartz veins intersect the tonalite surface they are often exploited by the weathering process and form "laterite roots" into the tonalite. The "roots" can only be revealed by stripping the laterite in pits or costeans, which was undoubtedly a method used by the early reef miners.

A low level (20 metre ferrane clearance) aeromagnetic survey was flown over the tenements in 1997 and interpreted by Southern Geoscience Consultants in 1998. The main geological inferences from this interpretation were:



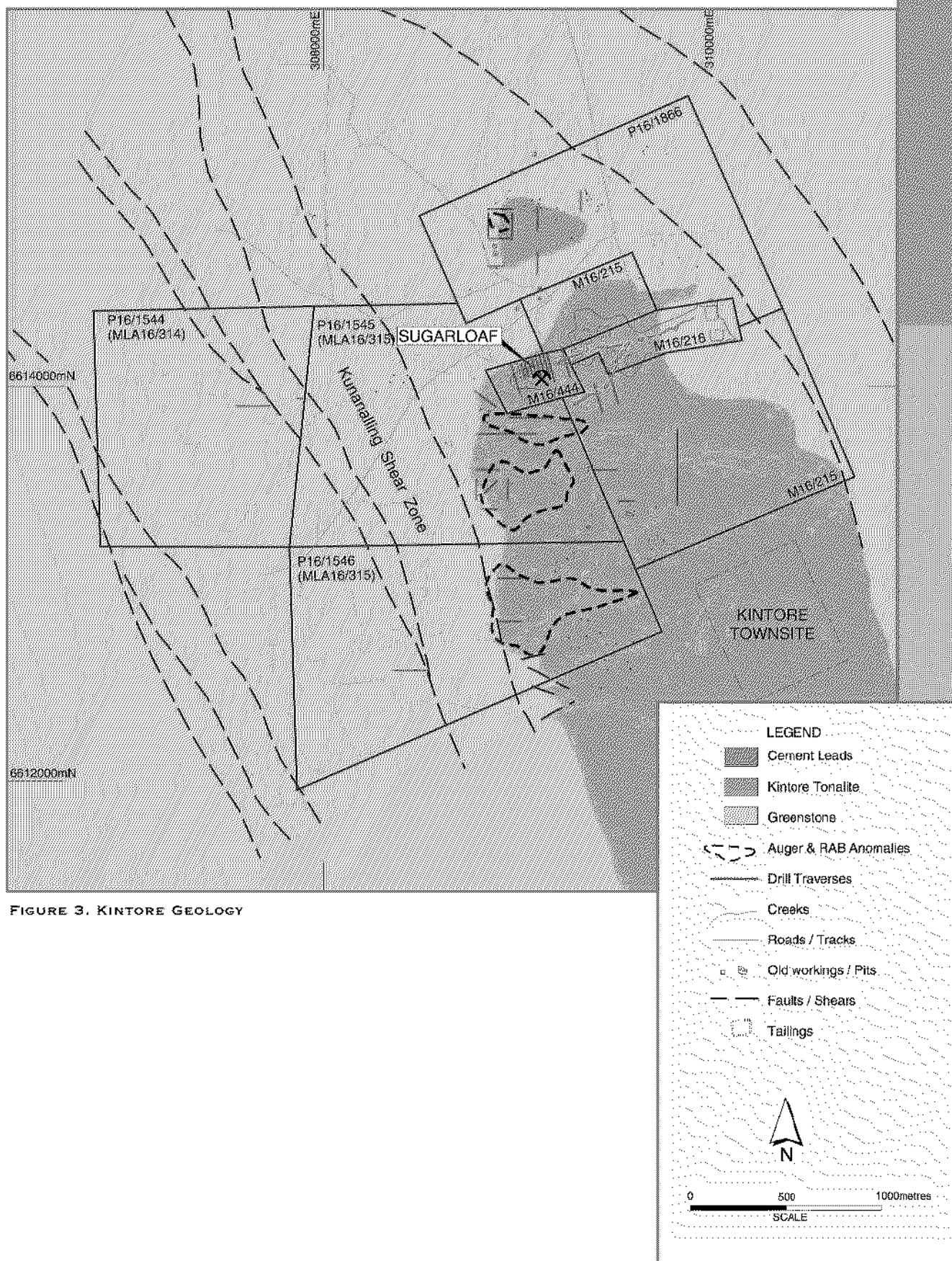


FIGURE 3. KINTORE GEOLOGY

1. Tonalite is probably present at "moderate to shallow depths" in the north, northwest and parts of the southwest (M16/215, P16/1866, P16/1545 and P16/1546). Field observations on the tonalite at its northern contact confirms its shallow dip into the greenstones in this region. Mining on the greenstone near the northern tonalite contact intersected granite at shallow depths and recorded gold from both basalt and tonalite (2,727oz gold won from 3,824 tonnes of mixed ore for a recovered grade of 22.2g/t Au). A line of small historic mines parallel to the contact in greenstones attempted to exploit this "discovery".
2. The tonalite/greenstone contact in the southwest (P16/1546) has been chopped into sections by NW and ENE faults resulting in tonalite blocks directly juxtaposed to the Kunanalling Shear Zone - a prime fluid migration zone.
3. The magnetic pattern of the tonalite in the SE of the southern block of M16/215 ("South Creek") suggests possible relict structure from host greenstones. There is also a major N-S magnetic feature in the middle of the lease that may be a major fault zone.

These inferences are addressed in the section below.

PREVIOUS WORK

HISTORIC

The cement deposit "alluvials" were discovered in 1897 and rapidly exploited, along with some genuine sheet alluvials, over the period up to around 1907, when they were essentially exhausted. Today there remains some remnant low grade cement that does not appear to have been assessed for modern heap leaching. Underground mining began around 1906 and continued to 1912, with a later period, 1936-42. Mining went down to about 30-40 metres depth, often with drives from a main underlay shaft. The oxidised granite actually extends to 60-65 metres, but the very soft and easily worked kaolin clay becomes much harder and more difficult to work below about 30 metres.

The soft kaolinised granite was not unlike the cement deposits, but still retained quartz vein structures (unlike the quartz grit of the cement). The quartz however was recrystallised and "sugary", and the main historic mining area (now M16/444) was named "Sugarloaf". This lease extends east into M16/16. The leases M16/16 and M16/444 together account for almost all historic gold production - cement and quartz reef.

1985-1990 (M16/444)

The Sugarloaf lease, M16/444, was formerly GML 16/1163 which was granted to Mr Kevin Pavlinovich in June 1981. During the period 1986-1989 selected parts of the 9.66 hectare lease was RAB drilled with approximately 147 holes to a depth of 324 metres. Some 137 of the holes defined a gold bearing laterite deposit which was subsequently pitted and mined. Approximately 3,500 tonnes of laterite at a grade of about 1.2g/t Au was vat leached. The cut-off grade of the laterite ore was 0.4g/t Au. No cement deposits were included in this limited operation and low grade laterite and residual cement deposits remain on parts of the lease.

The limited surface mining operation was followed in late 1987 by a 59 hole RC drilling programme oriented on a 1:500 grid geological map of the entire lease area of approximately 400 metres E-W by 250 metres N-S. The drilling was selective to oxidised zone gold targets defined on the basis of this mapping and mostly done on a 20 x 20m spacing, but which was closed in places to 20 x 10m. In plan however, the drilling pattern appears somewhat erratic in both numbering and positioning as it attempts to explore separate sets of gold bearing quartz veins, the two "Main Shafts", and the large White Shaft. These three principal shafts, (there are numerous small shafts), form a triangle in the north central part of the lease with the three compartment Main Shaft in the west, a second Main Shaft on the northern lease boundary and the White Shaft in the east. The base of the triangle (west Main Shaft and White Shaft) is 165 metres and the other two sides approximately 100 metres. Some 13 drill holes oriented variously grid north and grid west explore these three principal shafts within this triangle with a clustering (21 holes) of grid north oriented drill holes immediately to the south of the triangle's base. The remaining 26 holes are somewhat scattered with 11 oriented grid west, and the remaining grid north. All these holes were in the north-central portion of the lease.



As the two main gold bearing vein sets trend 345° magnetic (NNW), and 055°/60° magnetic (ENE), the grid was oriented as grid north = 345° magnetic. Thus holes were drilled grid north to intersect the ENE trending and southerly dipping veins sets and drilled grid west to intersect the NNW trending and easterly dipping vein sets. As both sets of veins dip approximately 50°, all drill holes were inclined at 60°.

The average total inclined depth of the 59 holes was 46 metres (range 42-62) and were designed to test the hard oxidised zone that extends to 60-65 metres vertical depth. None of the holes therefore reached fresh (unoxidised) tonalite, although hole KP43 had a diamond tail drilled for 0.5m @ 57g/t Au from 71.5 metres depth (see Figure 4).

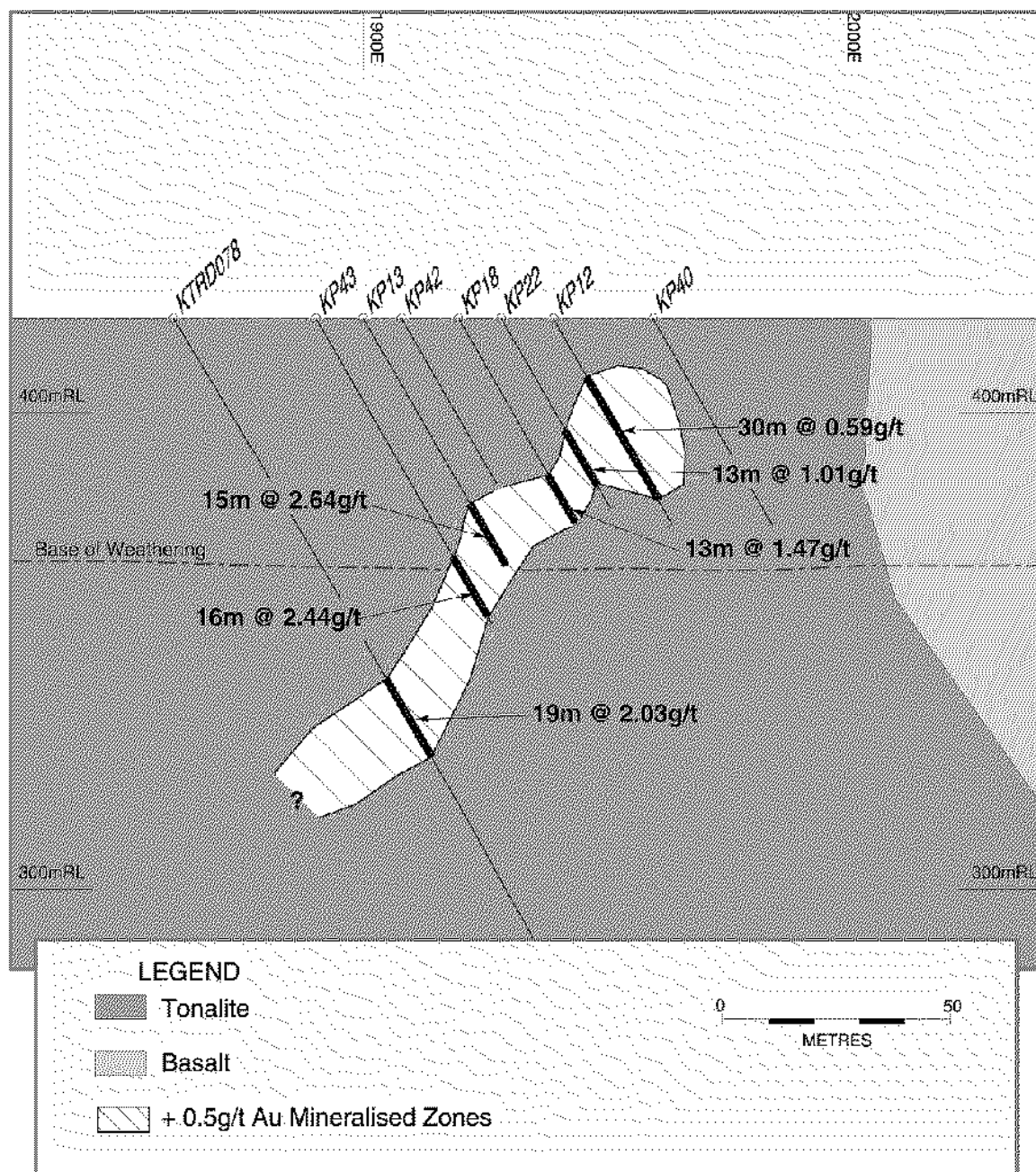


FIGURE 4. KINTORE SUGARLOAF PROSPECT - CROSS SECTION 4880E

Drill core was analysed for gold, and in many samples also for arsenic. An elevated arsenic value correlated well with gold grade, confirming the arsenopyrite found under the microscope was an important gold carrier.

Broad areas of gold dispersion as haloes around quartz veins are common in the saprolitic (kaolinised) tonalite.

The best drilling results of the 59 hole RC programme (Table 2) came from the major (dense) ENE trending set and not the less dense NNW trending set. Most historical production is believed from underground inspection to have come from the ENE set. Of the 59 holes, 15 were drilled grid west to intersect the NNW trending veinset. Five of these were in the principal shaft triangle referred to above. None produced encouraging results.

TABLE 2

RC DRILLING ON M16/444 (SUGARLOAF), 1987

Hole No.		From (m)	To (m)	Interval (m)	Grade (g/t Au)
KP01		45	50	5	1.46
	incl.	47	48	1	2.36
KP02		15	19	4	3.36
	incl.	15	16	1	5.17
		44	47	3	5.59
	incl.	45	46	1	13.76
KP03		43	46	3	4.03
	incl.	45	46	1	5.86
KP05		33	37	4	2.62
	incl.	35	36	1	6.32
KP06		23	36	13	3.21
	incl.	23	24	1	4.19
	incl.	24	25	1	20.53
		43	47	4	6.85
	incl.	44	45	1	17.83
KP07		38	41	3	2.10
	incl.	39	40	1	2.72
KP08		31	39	8	2.90
	incl.	32	33	1	11.80
	incl.	33	34	1	4.61
KP10		11	15	4	7.83
	incl.	11	12	1	19.20
	incl.	12	13	1	7.84
		39	44	5	3.14
	incl.	41	42	1	6.20
KP11		18	21	3	6.22
	incl.	20	21	1	12.60
KP15		45	50	5	3.24
	incl.	40	48	8	2.08
KP17B		40	48	8	2.08
	incl.	45	46	1	4.46
KP18		36	41	5	20.00
	incl.	38	39	1	94.50
KP19		37	50	13	1.47
	incl.	40	41	1	3.67
KP19		26	41	15	2.48
	incl.	26	29	3	9.68



TABLE 2 CONT'D.

Hole No.		From (m)	To (m)	Interval (m)	Grade (g/t Au)
	incl.	26	27	1	21.60
	incl.	38	41	3	2.70
	incl.	39	40	1	3.61
		47	48	1	4.00
KP21		33	36	3	1.88
KP22		35	40	5	1.56
KP54	incl.	35	36	1	3.54
		27	30	3	2.10
KP55	incl.	27	28	1	4.11
		13	15	2	3.71
	incl.	13	14	1	5.18
		28	34	6	5.07
	incl.	30	31	1	17.55
KP57	incl.	31	32	1	4.06
		15	20	5	2.65
	incl.	19	20	1	6.81
		42	44	2	2.80

EXPLORATION FROM 1990 TO PRESENT

Prior to 1990, exploration on the tenements outside the Sugarloaf lease and M16/16, was sparse. Coolgardie Gold NL at that stage owned the three Kintore Prospecting Licences (P16/1544, 1545, 1546) that later came into Herald as a result of the December 1996 buy out of Coolgardie Gold's tenements by Herald.

Around 1990 Coolgardie Gold carried out a shallow (2 metre) auger sampling programme for gold (358 samples) in the south central portion of the project area (P15/1546) which intersected anomalous gold values (maximum 197ppb Au) in the western portion of the Kintore tonalite. This was the area that aeromagnetics was later (1997/98) to infer had been tectonically sliced up by E-W and NW-SE faulting.

1996/97 (M16/444)

During this period Herald, on behalf of Mr Pavlinovich, conducted a 20 hole, 2,147m programme of RC and diamond drilling on the same 1:500 Sugarloaf grid as used for the RC drilling in 1987. In late 1996, 13 RC holes (KTR059-070 incl. and 077) for 1,365 metres were angle drilled (60o) at grid north (345o magnetic) to inclined depths of 100-120 metres to test fresh tonalite below the oxidised zone. Both gold and arsenic were analysed. The gold intercept results are shown in Table 3.

TABLE 3

SIGNIFICANT 1996 RC AND DIAMOND DRILLING AT SUGARLOAF
(ALL HOLES DRILLED GRID NORTH)

Hole No.		From (m)	To (m)	Interval (m)	Grade (g/t Au)
KTR060		26	27	1	3.92
		76	79	3	2.46
KTR061		59	61	2	4.43
		67	69	2	2.63
		90	91	1	1.60
		99	100	1	1.15
KTR062		0	1	1	4.31
		37	41	4	6.58
		75	76	1	3.32
		82	84	2	15.16
		89	90	1	1.62



TABLE 3 CONT'D.

Hole No.		From (m)	To (m)	Interval (m)	Grade (g/t Au)
KTR063		5	26	21	1.80
	incl.	20	26	6	3.13
		44	45	1	1.19
		59	73	14	3.54
	incl.	59	60	1	37.23
	incl.	63	64	1	4.71
	incl.	72	73	1	7.56
		85	86	1	1.54
		95	96	1	2.62
KTR064		23	24	1	1.68
		33	34	1	2.03
		51	53	2	6.79
		68	72	4	1.63
	incl.	68	69	1	3.49
	incl.	71	72	1	3.04
KTR065		99	102	3	12.07
		68	69	1	8.73
		72	75	3	3.21
		77	78	1	1.41
		109	110	1	2.78
KTR066		115	116	1	3.65
		27	28	1	10.80
		32	33	1	1.18
		37	38	1	1.85
		41	42	1	1.20
KTR067 (KTRD067) ¹		3	4	1	1.97
		9	10	1	3.39
		78	79	1	1.61
		84	100	16	7.59
	incl.	88	90	2	48.25
	incl.	97	100	3	7.01
		112	114	2	12.55
		123	124	1	4.07
KTR068		42	44	2	1.69
		52	53	1	1.48
		84	85	1	5.83
		95	96	1	2.35
		102	103	1	2.54
KTR069		0	2	2	1.94
		64	65	1	2.54
KTR070		51	56	5	2.49
		70	71	1	3.99
KTR077		40	41	1	1.99
		51	55	4	1.26
KTR078 ²		45	46	1	1.46
		61	62	1	1.51
		88	107	19	2.03
	incl.	90	91	1	3.08
	incl.	97	102	5	4.14
	incl.	106	107	1	9.92
		116	117	1	1.76

¹KTRD067 - diamond tail on RC hole on KTR067²KTRD078 - diamond hole

JAGUAR MINERALS LTD

As largely expected, gold mineralisation in quartz veins persisted into the fresh tonalite at Sugarloaf over a zone 50-70 metres wide and a strike length of 500 metres. The best grades were:

2m @ 48.25g/t Au
 2m @ 12.55g/t Au
 3m @ 12.07g/t Au
 3m @ 7.01g/t Au
 4m @ 6.58g/t Au

As demonstrated in the earlier drilling programme in the oxidised zone (Table 2), auriferous quartz veins were generally narrow, discontinuous, and erratic in nature with gold grades in the best intersections often relying on 1 metre intersections at very high grades. There was a lack of grade continuity between drill holes - even on a 10 metre spacing between some holes. The best intersection was KTR067 located on the 1:500 grid at 4940E and 1910N, close to KP3 at 4940E and 1900N (Tables 3 and 2, respectively). Both holes were drilled grid north at 60° inclination, but there was no continuity in gold grades over the 10 metre difference. Table 3, however, does show that grades can bulk at lower values of 1.8-3.5g/t Au over considerable widths (4-21 metres) in some areas (see Figure 4).

Ore geology is clearly complex and controlled by planes of permeability to ore solutions formed by joints, microshear zones, and possibly dilational brecciation. A good geological analogy is the Ravenswood gold-in-granitoid deposit in North Queensland which required very closely spaced drilling (5-10 metres). At Kintore, the extensive underground shafts and drives also provide a good opportunity for detailed underground mapping of the major gold bearing ENE reef structures.

It is worth noting that KTR060 logged gold in basalt from 76 metres inclined depth. This was the only hole that crossed the tonalite/greenstone sheared contact, and was drilled grid north at 1950N and 4750E approximately 30 metres from the contact zone and 10 metres grid north of the western (triple compartment) Main Shaft.

It is also worth noting that a re-sampling of the RC drill pulps from the KTR round of 1996 drilling resulted in some gold grade discrepancies from those shown in Table 3. This was particularly noticeable with original grades exceeding 10g/t Au which on re-assay gave lower grades. The errors are likely to have been the occurrence of coarse gold or laboratory error, or both.

1998/1999

During the period Herald followed up on the interpreted aeromagnetics over the whole tenement block and in two programmes drilled a total of 98 angled RAB holes (KTP2000-2098) for 4,458 metres. The drilling targeted interpreted anomalies on the western margin of the tonalite where it shear contacts with the greenstones of the Kunanalling Shear Zone in P16/1545 and P16/1546. The drilling also examined an interpreted major N-S fracture zone in the South Creek area of M16/215, and interpreted magnetic and non-magnetic granites in the "Northern Boundary" area in P16/1866.

For the most part the RAB programmes were not particularly successful in narrowing down potential gold bearing areas. There were various anomalous results:

KTP2007 25m @ 1.04g/t Au (incl. 3m @ 3.11g/t Au)
 KTP204 9m @ 2.88g/t Au (incl. 4m @ 4.71g/t Au)
 KTP2061 3m @ 5g/t Au
 KTP2070 3m @ 1.02g/t Au

These results however were scattered over tenements P16/1866 and P16/1545.

Herald also completed an auger drilling programme of 80 vertical holes for 764 metres through a blanket of alluvial sediments to test a highly magnetic lineation striking parallel to, and within, the Kunanalling Shear Zone. The drilling intersected mostly mafic and ultramafic "greenstones". Only one anomalous result, the "Southern Anomaly", found (201ppb Au) which was followed up by Goldfields Exploration in 2001 (See c). The anomaly is on a dilation jog structure identified in the aeromagnetic imaging.



The Northern Boundary area (P16/1866) is the most intriguing of the areas examined. If the tonalite dips gently (?) beneath greenstone in the northern part of M16/215, there appears to have been no equivalent mining to the rich Sugarloaf area of greenstone contact where the tonalite dips into the area covered by P16/1545. The gentle dipping beneath the greenstones may also be misleading as the deeper contacts may be NNE-ENE shear zones. Slices of magnetic tonalite appear in P16/1866, as indicated by the aeromagnetics. Some deep drilling (100-150m), in the north and northwest contact zones is warranted, as they appear highly prospective on structural grounds.

2001/2002

During 2001 Kundana Gold Pty Ltd ("Kundana") had an option to purchase the three Prospecting Licences (P16/1544, 1545, 1546), and was considering an exploration programme. Goldfields Exploration undertook a programme of mapping, shallow auger sampling and RAB and RC drilling, "for and on behalf of Kundana", during the period.

The auger programme collected 433 pedogenic carbonate samples on a 200m x 50m grid over the entire 449 hectare area of the tenements. The samples were analysed for gold and arsenic, with the lower detection limits of 1ppb for gold and 5ppm for arsenic. Background level gold on the tonalite is around 30ppb, but drops sharply off the tonalite. The programme confirmed the prospective nature of the tonalite contact zone with five values of 100-150ppb gold, and 22 values of 50-100ppb gold. Values to the west of the tenements were low (5-50ppb gold).

The auger drilling was followed up with 20 RAB holes for 624 metres and 4 RC holes for 428 metres. The RC and RAB drilling was largely concentrated immediately to the south of the Sugarloaf lease in P16/1545 but 5 RAB holes and one RC hole were drilled in P16/1544 around the old British Lion mine. The RC hole was drilled NE below the old mine workings to an inclined depth of 80 metres and intersected 3m (52-55m) @ 1.82g/t Au. RAB drilling (KORB016-020) was also conducted eastward over elevated auger values on parallel porphyries to the west of the British Lion, but no significant gold values resulted.

The remaining three RC holes (KORC002-4) and 10 RAB holes (KORB006-15) explored the "Kintore Trend" south of Sugarloaf. The best intersections were 5m (91-96) @ 4.19g/t Au in KORC004, and 11m (32-43) @ 1.36g/t Au in KORB014. It was estimated that the grade carrying veins were 1-2cm wide.

A review of the Goldfields' work suggests that the RAB and RC drilling oriented westwards in an area south of Sugarloaf, would have most likely been better oriented north, taking into account the predominantly southern dip of the ENE Sugarloaf quartz veins.

EXPLORATION EXPENDITURE

The expenditure to date on the Kintore tenements is summarised in Table 4 below.

TABLE 4

KINTORE EXPENDITURE

Tenement	Total Expenditure (\$)
P16/1544	58,343
P16/1545	102,206
P16/1546	64,292
P16/1866	52,527
M16/16 *	490,697
M16/215	224,394
M16/444 (incl. GML 1163)	766,448
TOTAL	1,758,907

* Expenditure on M16/16 has been related to re-treatment of tailings on that tenement and not exploration. Much of the expenditure on M16/444 is related to Mr Pavlinovich's underground mining activities.



PROSPECTIVITY

The significant "cement deposit" gold production of about 40,000oz and the high grade quartz reef mining of 10-15,000oz, confirm the prospectivity of the Kintore tenements. Whilst drilling at Sugarloaf has suggested that the high grade quartz veins lack overall continuity it has shown that large zones of lower grade mineralisation do exist on a more continuous basis. Detailed infill drilling is required at Sugarloaf to confirm this mineralisation continuity. Ore geology is clearly controlled by planes of permeability formed by joints, shear zones and dilational breccias and underground mapping of some of the many shafts and drives would help structural interpretation and drilling efficacy.

Elsewhere on the tenements, auger sampling and RAB drilling have highlighted gold anomalous areas within the host tonalite, especially along its western contact zone, that require further carefully oriented drilling to test continuity and extent.

The lease area of Sugarloaf is approximately 400 metres by 250 metres. A volume of 240m x 240m x 100m deep, has the potential to host 5-10 million tonnes of low grade (~1-2g/t Au) mineralisation. The Sugarloaf mineralisation currently extends over an area of approximately 250m x 100m x 10-30m, but requires further infill drilling and underground mapping. The mineralisation at Sugarloaf is open in all directions. Other nearby areas of known mineralisation within the tonalite require further testing and could add substantially to the remaining mineralisation at Sugarloaf which has to date produced an estimated 10,000oz of reef gold. Grades of up to 2oz/tonne are still being mined from a selected shaft by Mr Pavlinovich.

Outside the Sugarloaf area, the northern tonalite contact zone of 50-150 metres within M16/215 and the tonalites re-appearance in P16/1866 (on aeromagnetic evidence) suggests that these northern areas hold considerable exploration promise, and warrants systematic RC drilling and some targeted diamond core drilling.

PROPOSED EXPLORATION BUDGET

1. The Sugarloaf gold mineralisation has yielded significant drill intersections (Tables 2 and 3) and these require closely spaced infill RC drilling to better define the continuity of this mineralisation and its higher tonnage/bulk grade potential. Drilling should further explore the contact zone into the greenstones.
2. RC drilling should be done around the northern contact zones in M16/215 and a few targeted diamond core holes should be drilled in the inferred magnetic granitoid in P16/1866.
3. Previous exploration by other companies and by Herald have located areas away from Sugarloaf where anomalous and "ore grade" mineralisation have been located. Initially these areas, generally located near the contact of the Kintore Tonalite, should be subject to RAB drill programmes to better define the orientation and extent of the mineralisation. Any significant mineralisation intersected would be followed up with RC drilling.

Prospect	Activity	Year 1 Expenditure (\$)	Year 2 Expenditure (\$)
Kintore	Mapping (Surface and underground)	30,000	
	Soil/Auger Sampling	10,000	
	RAB Drilling	50,000	30,000
	RC Drilling/Diamond	170,000	220,000
Total		260,000	250,000

RC and RAB drilling costs are all up costs and include such items as sacred site clearance, travel and vehicle hire, accommodation and drill site preparation, rehabilitation, competing land use compensation (State Forests, landowners etc), assaying, geologist and field assistant salaries and wages. No administration charges are allowed for in these figures.



BIBLIOGRAPHY

- Burrows, G F, 1989 Summary Report, Kintore Project, GML 16/1163, "Sugarloaf". Kalgoorlie Geotechnical Consultants Pty Ltd. Unpublished report.
- Clark, W, 1997 Kintore GML 16/1163, Annual Report for the period 1 January 1996 - 31 December 1996. Herald Resources Limited. Unpublished Report.
- Clark, W, 1998 Kintore Project, P16/1470, P16/1626, P16/1866, M16/215, P16/1544, P16/1545, P16/1546, GML 16/1163, Annual Technical Report for the period 1 January 1997 - 31 December 1997. Herald Resources Limited. Unpublished report.
- Gibson, C G, 1908 Geological Survey Bulletin, No. 31, pp37-42.
- Graham, P, 2000 Annual Technical Report, Kintore Project, P16/1544, P16/1545, P16/1546, P16/1866, M16/16, M16/215, GML 16/1163, 1 January 1999 - 31 December 1999. Herald Resources Limited. Unpublished report.
- Hickman, A H and Kears, W, 1990 "Gold", in Geology and Mineral Resources of Western Australia: Western Australia Geological Survey, Memoir 3, p827.
- James, B, 1999 Annual Technical Report, Kintore Project, P16/1544, P16/1545, P16/1546, P16/1866, M16/16, M16/215, GML 16/1163, 1 January 1998 - 31 December 1998. Herald Resources Limited. Unpublished report.
- Mann, A G, 1982 "Gold mines in Archaean granitic rocks in Zimbabwe". pp553-568, in Gold '82: The Geology, Geochemistry and Genesis of Gold Deposits, ed. R P Foster. Published A.A. Balkema/Rotterdam, 1984.
- Martin, A, 2002 Annual Report, Kintore Project, P16/1544-P16/1546, Reporting period, 1 January 2001 - 31 December 2001. Goldfields Exploration. Unpublished report.
- Pavlovich, K M, 2003 Kintore Project, M16/16, M16/215, P16/1866, Annual Report, 1 January 2002 - 31 December 2002. Unpublished report.



SECTION 5 INVESTIGATING ACCOUNTANT'S REPORT

STANTON PARTNERS CORPORATE PTY LTD

A.C.N 063 036 331

1 HAVELOCK STREET
WEST PERTH 6005
WESTERN AUSTRALIA

TELEPHONE: (08) 9481 3188
FACSIMILE: (08) 9321 1204

e-mail: jvdieren@stanton.com.au

31 March 2004

The Directors
Jaguar Minerals Limited
Level 3, 50 Colin Street
WEST PERTH WA 6005

Dear Sirs

RE: INVESTIGATING ACCOUNTANT'S REPORT

1. INTRODUCTION

This report has been prepared at the request of the Directors of Jaguar Minerals Limited ("Jaguar" or "the Company") for inclusion in a Prospectus to be dated on or around 6 April 2004 ("the Prospectus") relating to the proposed issue by Jaguar of up to 25,000,000 Shares (and 12,500,000 free attaching Options, exercisable at 20 cents each, on or before 30 September 2008) to be issued at a price of 20 cents per Share. Oversubscriptions of up to 2,500,000 Shares (and 1,250,000 free attaching Options) may be issued to raise an additional \$500,000. The minimum subscription has been set at \$3,000,000 (15,000,000 shares and 7,500,000 free attached options).

2. BASIS OF PREPARATION

This report has been prepared to provide investors with information on historical results, the assets and liabilities of Jaguar and the pro-forma assets and liabilities of Jaguar as noted in Appendix 3. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial reports in accordance with the Corporation Act 2001. This report does not address the rights attaching to the securities to be issued in accordance with the Prospectus, nor the risks associated with the investment. Stanton Partners Corporate Pty Ltd has not been requested to consider the prospects for Jaguar, the securities on offer and related pricing issues, nor the merits and risks associated with becoming a shareholder and accordingly, has not done so, nor purports to do so. Stanton Partners Corporate Pty Ltd accordingly, takes no responsibility for those matters or for any matter or omission in the Prospectus, other than responsibility for this report. Risk factors are set out in Section 7 of the Prospectus.

3. BACKGROUND

Jaguar was incorporated on 25 November 2003 with an issued capital of \$200, represented by 20,000,000 ordinary shares and 10,000,000 share options, exercisable at 20 cents each, on or before 30 September 2008. Currently, all of the shares and options in Jaguar are owned by Herald Resources Limited ("Herald").

By agreement dated 23 December 2003 and as amended on 25 March 2004, Jaguar entered into a contract with Herald and its subsidiary, Goldfan Ltd (Goldfan) for Jaguar to acquire the following mineral exploration areas of interest:



JAGUAR MINERALS LTD

- Kintore (Western Australia)
- Springfield (New South Wales)
- Mt David (New South Wales)
- Balfour (Tasmania)
- Wilson River (Tasmania)

Jaguar is to pay Herald and Goldfan \$500,000, being a portion of past exploration costs of around \$966,000 and the payment will be out of the proceeds of the public issue pursuant to the Prospectus.

Herald and Jaguar have also entered into various agreements with parties who have consented to the transfer of the rights of Herald to acquire or have the option to acquire interests in various tenements referred to above. Further details on the deeds of assignments and consents are outlined in the material contracts section 8 of the Prospectus.

In relation to the 7 February 2003 agreement between Herald and KM Pavlinovich, Herald (now assigned to Jaguar) has a three year option to acquire a 100% interest in a prospecting licence and three mining leases forming part of the Kintore tenements. A sum of \$25,000 is payable on 7 February 2004 as part of the consideration payable by Herald (now Jaguar). To exercise the option, Herald (now Jaguar) needs to pay KM Pavlinovich \$100,000 and issue a total of 200,000 shares.

In relation to the agreements between Herald and New Challenge Resources Pty Ltd (Balfour Agreement) and Herald, New Challenge Resources Pty Ltd and Haustella Pty Ltd and (Wilson River Agreement and Deed of Variation), Herald (now assigned to Jaguar) was granted an option to acquire a 95% interest in an exploration licence in Balfour, Tasmania and a 100% interest in an exploration licence at Wilson River in Tasmania. The terms to exercise the options are:

- Balfour The option period is for two years and a sum of \$20,000 is payable on 1 November 2004 in the event that Herald (now Jaguar) has not exercised or withdrawn from the option. The consideration for exercise of the option is the payment of \$200,000, or the sum of \$100,000 plus 500,000 shares.
- Wilson River The issue of 50,000 shares to New Challenge Resources Pty Ltd and 50,000 shares to Haustella Pty Ltd before 31 July 2004, and the payment of \$15,000. The option period can be extended to 31 Oct 2004 by the company paying an additional \$5,000. A 1% net smelter return would also be payable in the event of production from the exploration license.

Herald, by way of letter loan agreement, has agreed to fund Jaguar so Jaguar has funds to pay the listing costs and other costs up to a total of \$200,000.

The company has entered into a three year employment contract with Ms N. Allen the managing director of Jaguar. The basic terms (conditional on ASX listing of Jaguar) are a salary of \$90,000 per annum, statutory superannuation, a company car and payment of telephone expenses.

Potential investors should read the Prospectus in full that includes three Independent Consulting Geologist's Reports and an Independent Solicitor's Mineral Title Report on mining tenements. We make no comments as to ownership or values of the mineral tenement interests of Jaguar. Further details on all significant contracts entered into by the Company since incorporation are referred to the Material Contracts Section 8 of the Prospectus.

4. SCOPE OF EXAMINATION

You have requested Stanton Partners Corporate Pty Ltd to prepare an Independent Accountant's Report on:

- The results of Jaguar for the period from incorporation to 31 January 2004;
- The statement of financial position of Jaguar as at 31 January 2004;



(iii) The pro-forma statement of financial position of Jaguar at 31 January 2004 adjusted to include funds to be raised by the Prospectus and the completion of transactions referred to in note 2 of Appendix 3;

All of the financial information referred to above has not been audited however has been subject to audit review. The directors of Jaguar are responsible for the preparation and presentation of the historical and pro-forma financial information, including the determination of the pro-forma transactions.

We have however examined the financial statements and other relevant information and made such enquiries, as we considered necessary for the purposes of this report. The scope of our examination was substantially less than an audit examination conducted in accordance with Australian Auditing Standards and accordingly, we do not express such an opinion. Our examination included:

- (i) Discussions with Directors and other key management of Jaguar;
- (ii) Review of contractual arrangements;
- (iii) A review of publicly available information; and
- (iv) A review of work papers, accounting records and other documents.

5. OPINION

In our opinion, the pro-forma statement of financial position as set out in Appendix 2 presents fairly, the pro-forma statement of financial position of Jaguar as at 31 January 2004 in accordance with the accounting methodologies required by Australian Accounting Standards on the basis of assumptions and transactions set out in Appendix 3.

No opinion is expressed on the historical results, as shown in Appendix 1, except to state that nothing has come to our attention which would require any further modification to the financial information in order for it to present fairly, the results of the periods identified.

To the best of our knowledge and belief, there have been no other material items, transactions or events subsequent to 31 January 2004, that have come to our attention during the course of our review which would cause the information included in this report to be misleading.

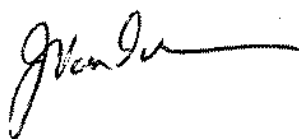
6. OTHER MATTERS

At the date of this report, Stanton Partners Corporate Pty Ltd or Stanton Partners do not have any material interest in Jaguar either directly or indirectly, or in the outcome of the offer. Stanton Partners, a firm that is related to Stanton Partners Corporate Pty Ltd were appointed as auditors of Jaguar in December 2003 and are the auditors of Herald. Stanton Partners Corporate Pty Ltd and Stanton Partners were not involved in the preparation of any other part of the Prospectus, and accordingly, make no representations or warranties as to the completeness and accuracy of any information contained in any other part of the Prospectus.

Stanton Partners Corporate Pty Ltd consents to the inclusion of this report (including Appendices 1 to 3) in the Prospectus in the form and content in which it is included. At the date of this report, this consent has not been withdrawn.

Yours faithfully

STANTON PARTNERS CORPORATE PTY LTD



J P Van Dieren FCA
Director



JAGUAR MINERALS LTD

INVESTIGATING ACCOUNTANT'S REPORT APPENDICES

APPENDIX 1

UNAUDITED STATEMENT OF FINANCIAL PERFORMANCE

	25 NOVEMBER 2003 TO 31 JANUARY 2004 \$
Operating Revenue	-
Operating costs (incorporation costs)	2,000
Net (loss) before tax	(2,000)
Income Tax expense attributable to net loss	-
Net (loss) after tax	(2,000)

APPENDIX 2

UNAUDITED STATEMENT OF FINANCIAL POSITION

	NOTE 1	UNAUDITED 31 JANUARY 2004 \$	PRO-FORMA UNAUDITED 31 JANUARY 2004 \$
CURRENT ASSETS			
Cash assets	3	200	4,008,200
Total Current Assets		200	4,008,200
NON CURRENT ASSETS			
Exploration expenditure	4	-	590,000
Total Non Current Assets		-	590,000
Total Assets		200	4,598,200
CURRENT LIABILITIES			
Payables	5	2,000	-
Owing to Herald	6	-	-
Total Current Liabilities		2,000	-
Total Liabilities		2,000	-
NET ASSETS (DEFICIENCY)		(1,800)	4,598,200
EQUITY			
Contributed equity	7	200	4,600,200
Accumulated losses		(2,000)	(2,000)
TOTAL EQUITY (DEFICIENCY)		1,800	4,598,200

To be read in conjunction with Appendix 3



JAGUAR MINERALS LTD

APPENDIX 3

NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE AND STATEMENTS OF FINANCIAL POSITION

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The unaudited Statement of Financial Performance and unaudited Statements of Financial Position have been prepared in accordance with applicable accounting standards, the Corporations Act 2001 and mandatory professional reporting requirements in Australia and we have made such disclosures as considered necessary. They have also been prepared on the basis of historical cost and do not take into account changing money values. The accounting policies have been consistently applied, unless otherwise stated.

(b) Income Tax

The Company adopts the liability method of tax effective accounting, whereby the income tax expense in the Statement of Financial Performance is based on the operating profit before tax adjusted for permanent differences. Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation, the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and that the Company will comply with the conditions of deductibility imposed by the law.

(c) Exploration, Evaluation and Development Expenditure

Exploration, evaluation and development costs are accumulated in respect of each separate area of interest. Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. When an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(d) Accounts Payable

Accounts payable represent the principal amounts outstanding at balance date, plus, where applicable, any accrued interest.

(e) Recoverable Amount of Non Current Assets

The carrying amounts of non-current assets are reviewed annually by Directors to ensure they are not in excess of the recoverable amounts from those assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets employed and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

(f) Operating Revenue

Revenue represents interest received and reimbursements of exploration expenditures.



2. ACTUAL AND PROPOSED TRANSACTIONS TO ARRIVE AT PRO-FORMA UNAUDITED STATEMENT OF FINANCIAL POSITION

Actual and proposed transactions adjusting the 31 January 2004 unaudited Statement of Financial Position of Jaguar in the pro-forma Statement of Financial Position of Jaguar are as follows:

- The acquisition of interests in various mineral tenements from the Herald Group of companies by way of a reimbursement of a portion of past exploration costs \$500,000 (payable out of the proceeds of the public issue);
- The issue of a minimum of 25,000,000 ordinary Shares at 20 cent each (plus 1 free attaching Option for every 2 Shares subscribed for) pursuant to the Prospectus to raise a gross \$5,000,000;
- The payment of accounts payable of \$2,000;
- The payment of expenses of the entitlement issue totalling an estimated \$420,000 and expensed against contributed equity (of which \$200,000 was advanced by Herald to Jaguar and repaid to Herald out of the proceeds of the public issue);
- The issue of 100,000 shares pursuant to the Wilson River Sales Agreement at a deemed issue price of 20 cents each (\$10,000);
- The payment of \$25,000 to KM Pavlinovich due on 7 February 2004;
- The payment of stamp duty on the contract relating to the acquisition of the mineral tenement interests from Herald, estimated not to exceed \$30,000;
- The payment of \$15,000 payable under the Wilson River Agreement (as varied); and
- The issue of 1,500,000 share options to the brokers to the issue.

	NOTE 2	UNAUDITED 31 JANUARY 2004 \$	UNAUDITED PRO-FORMA 31 JANUARY 2004 \$
3. CASH ASSETS			
The movements in cash at bank and on hand are as follows:			
Unaudited 30 November 2003		200	200
Recoupment of exploration expenditure - Payment to Herald	(a)	-	(500,000)
Issue of shares	(b)	-	5,000,000
Payment of payables	(c)	-	(2,000)
Prospectus issue costs	(e)	-	(420,000)
Payment to Pavlinovich	(f)	-	(25,000)
Stamp duty payment	(g)	-	(30,000)
Payment under Wilson River Agreement	(h)	-	(15,000)
		200	4,008,200
4. EXPLORATION EXPENDITURE			
Exploration interests acquired	(a)	-	500,000
Issue of shares	(e)	-	20,000
Payments to Pavlinovich	(e)	-	25,000
Stamp Duty	(g)	-	30,000
Payment under Wilson River Agreement	(h)	-	(15,000)
		-	590,000

The recoverability of exploration costs capitalised is dependant upon the successful commercialisation of the relevant mineral projects. In the event of the failure to commercialise the projects (by development or sale), the costs pertaining to the projects may need to be written off.



	NOTE 2	UNAUDITED 31 JANUARY 2004 \$	UNAUDITED PRO-FORMA 31 JANUARY 2004 \$
5. PAYABLES			
Accounts payable		2,000	2,000
Less: Payment of accounts payable	(c)	-	(2,000)
		<u>2,000</u>	<u></u>
6. OWING TO HERALD			
Owing to Herald Resources Ltd	(a)	-	500,000
Loan by Herald	(d)		200,000
Less: Repayment out of proceeds of the public issue	(a)	-	(500,000)
Repayment out of proceeds of the public issue	(d)	-	(200,000)
		<u>-</u>	<u>-</u>
7. CONTRIBUTED EQUITY			
A) SHARE CAPITAL			
20,000,000 shares at 30 November 2003		200	200
25,000,000 shares at 20 cents each	(b)	-	5,000,000
100,000 shares at 20 cents each	(e)	-	20,000
		<u>200</u>	<u>5,020,200</u>
Less: share issue costs	(d)	-	(420,000)
Pro-forma (45,100,000 shares)		<u>200</u>	<u>4,600,000</u>

In the event that the maximum oversubscriptions were achieved, the number of shares on issue at listing would be 47,600,000 and the issued capital would be increased to \$5,070,200 (after capital raising costs increasing by \$30,000).

In the event that the minimum number of shares are issued pursuant to the Prospectus, the number of shares would reduce to 35,100,000 and the issued capital would reduce to \$2,720,200 (assuming capital raising costs of \$300,000)

B) SHARE OPTIONS

On issue

10,000,000 options exercisable at 20 cents each, on or before 30 September 2008.

Proposed

14,000,000 options exercisable at 20 cents each, on or before 30 September 2008.

Subsequent to listing on the ASX, Jaguar intends to seek shareholder approval for the issue of up to 2,250,000 share options to be issued to directors and employees or their associates. Such option will have an expiry date of 31 December 2008 and the exercise price of each option will be 25 cents.



8. CONTINGENT LIABILITIES AND COMMITMENTS

To exercise various options to acquire interests in tenements, Jaguar will need to:

- Pay \$200,000 under the Balfour Agreement (after paying \$20,000 due on 1 November 2004) or pay \$100,000 and issue 500,000 shares in Jaguar to earn a 95% interest.
- Pay \$15,000 under the Wilson Agreement and issue 100,000 shares in Jaguar to earn 100% interest.
- Pay \$100,000 in respect of Mining lease 16/444 and the issue of 200,000 shares in respect of Mining Leases 16/16 and 16/285 and Prospecting Licence 16/1866.

In addition, various royalties are payable in the event of gold being produced from the tenements being acquired, details of which are noted in the Material Contracts Section 8 of the Prospectus

The Company has entered into Deeds of Insurance, Interests and Access with the directors of Jaguar.

Based on discussions with the Directors and legal advisors, to our knowledge, the Company has no other material contingent liabilities not disclosed in this report or the Prospectus. Investors should read the Independent Solicitor Mineral Titles Report on title to the mineral projects and the Independent Consulting Geologists' Reports for further possible contingencies and commitments.

9. EXPLORATION COMMITMENTS

For details on proposed exploration commitments on mineral tenements, refer to the three Independent Consultant Geologists' Reports in the Prospectus, under Section 4.

10. RENTAL OF PREMISES COMMITMENTS

The Company has no immediate plans to rent premises. A fee may be payable to Herald if the Company shares the premises with Herald. Furthermore, Herald and Jaguar may enter into services agreement for Herald to provide accounting, corporate and secretarial services to Jaguar.

11. MANAGEMENT AGREEMENT

The Company has entered into an employment contract with Ms N Allen for the provision of her services as managing director. The contract is conditional upon the listing of Jaguar on the ASX. The contract is for 3 years and the minimum amounts payable (including motor vehicle and telephone costs) under the contract are as follows:

Due 1 year	115,000
Due 1 to 2 years	115,000
Due 2 to 3 years	115,000
	<u>\$345,000</u>

The Company will, subject to shareholder approval, issue Options to Ms N Allen, exercisable at 25 cents per share, on or before 31 December 2008 (part of the 2,250,000 Options referred to in Note 7(b)). In the event that shareholders do not approve the granting of the Options, the Company will have no further obligation to issue the Options to Ms N Allen. The Board may also pay Ms N Allen bonuses as is determined in its absolute discretion from time to time.



SECTION 6. SOLICITORS' REPORT ON TENEMENTS

Your Ref:
Our Ref: CLJAG/11204
Email: office@blakcrab.com.au

25 March 2004

The Directors
Jaguar Minerals Limited
Level 350
Colin Street
WEST PERTH WA 6005

Dear Sirs

SOLICITORS' REPORT ON TENEMENTS

This report is prepared for inclusion in a prospectus to be dated on or about 7 April 2004 to be issued by Jaguar Minerals Limited ACN 107 159 713 (**Company**) for the issue of 25,000,000 fully paid ordinary shares in the capital of the Company at an issue price of 20 cents per share, together with 12,500,000 free attaching options on the basis of 1 option for every 2 shares subscribed for, to raise \$5,000,000.

The report relates to mining tenements held in Western Australia, New South Wales and Tasmania and listed in the Schedule of Mining Tenements in which the Company holds an interest (**Mining Tenements**). That Schedule, together with the Notes and Footnotes, forms part of this report.

To the extent that the Report refers to matters relating to those of the Mining Tenements which are in New South Wales and Tasmania we have relied upon the advice provided to us by Acuiti Legal, solicitors who were retained by the Company to advise on those sections of the Report.

1. SEARCHES

We have conducted the following searches:

- (a) searches of the Western Australian Mining Tenements (**WA Mining Tenements**) in the Register maintained by the Department of Industry and Resources (**WA Department**) pursuant to the Mining Act 1978 of Western Australia (**WA Mining Act**) on 2 April 2004;
- (b) quick appraisal searches of the Mining Tenements obtained on-line from the WA Department dated 2 April 2004;
- (c) searches of the native title application summaries maintained by the National Native Title Tribunal (**NNTT**) on 2 April 2004, in relation to those native title claims which affect the WA Mining Tenements ;
- (d) searches of the New South Wales Mining Tenements (**NSW Mining Tenements**) in the register maintained by the Department of Mineral Resources (**NSW Department**) pursuant to the Mining Act 1992 of New South Wales (**NSW Mining Act**) on 25 November 2003 and updated on 1 April 2004 (and searches of the time line of native title claims maintained by the NNTT on 26 November 2003); and
- (e) searches of the Tasmanian Mining Tenements (**Tas Mining Tenements**) in the register maintained by Mineral Resources Tasmania, part of the Department of Infrastructure, Energy and Resource (**Tasmanian Department**) pursuant to the Mineral Resources Development Act 1995 of Tasmania (**Tas Mining Act**) on 26 November 2003 and updated on 1 April 2004 .



We note that in the period between 26 November 2003 (when initial searches of the tenement registers maintained by each of the NSW Department and the Tasmanian Department were undertaken) up to the date of this report, the following more significant events have occurred:

1. the application for the renewal of Exploration Licence (EL) 5242 in New South Wales which was pending as at 26 November 2003, was approved on 8 January 2004; and
2. the application for Exploration Licence (EL) 23/2003 in Tasmania, which was also pending as at 26 November 2003, was granted on 5 December 2003.

The further searches undertaken in New South Wales and Tasmania on 1 April were necessarily, for the most part, limited to obtaining the information required to confirm that EL 5242 had been renewed and that EL 23/2003 had been granted. In all other respects, this report has been prepared on the basis of information in relation to the New South Wales and Tasmanian tenements which was current at the time that the relevant tenement searches and native title searches were obtained between 24 and 26 November 2003.

We have perused the material contracts which relate to the Mining Tenements and which are summarised in Section 8 of the Prospectus (**Material Contracts**).

On the basis of the searches and our perusal of the Material Contracts, subject to the enforceability of such Material Contracts, we consider that this report provides an accurate statement as to the status of the Mining Tenements as at 2 April 2004 (or such later date as is specified above) and of the Company's interests therein.

2. MINING TENEMENTS GENERALLY

WESTERN AUSTRALIA

The WA Mining Tenements comprise mining leases and prospecting licences, granted or applied for under the WA Mining Act.

The WA Mining Act applies generally in relation to mining, prospecting and related activities conducted on the land subject to the WA Mining Tenements in addition to any conditions set out in those tenements.

A prospecting licence remains in force for a period of 4 years and then expires. The WA Mining Act confers on the holder of a prospecting licence which is in force, the right to apply for and, subject to the WA Mining Act, have granted one or more mining leases over any part of the land the subject of that licence. A prospecting licence will continue in force beyond its 4 year term if the holder has made an application for mining lease over the area of the prospecting licence.

A mining lease remains in force for a period of 21 years and may be renewed for successive periods of 21 years. In the case of mining leases the period of 21 years commences from the date of notification by the Minister. No legal or equitable interest in or affecting a mining lease can be transferred or otherwise dealt with, or sub-lease entered, without the prior written consent of the Minister.

Mining tenements in Western Australia are granted subject to various conditions prescribed by the WA Mining Act including payment of rent, expenditure and reporting requirements and standard environmental conditions.

Mining tenements in Western Australia are also subject to statutory requirements of certain other Acts including the Aboriginal Heritage Act 1972, Environmental Protection Act 1971, Rights in Water and Irrigation Act 1914 and Conservation and Land Management Act 1984.

NEW SOUTH WALES

The NSW Mining Tenements comprise two exploration licences granted under the NSW Mining Act.

The NSW Mining Act applies generally in relation to any exploration and related activities conducted on the land subject to the NSW Mining Tenements in addition to any conditions set out in those tenements.

The holder of an exploration licence may, in accordance with the conditions of the licence, prospect on the land specified in the licence for the group or groups of minerals specified in the licence. An exploration licence does not permit mining and a licence holder will not necessarily be permitted to mine in the future if a discovery is made.

An exploration licence may be granted over a minimum area of one unit and a maximum area of 100 units (unless the Minister for Mineral Resources determines that it is appropriate to grant a licence over a larger area). A unit is the area bounded by one minute of latitude by one minute of longitude and, depending upon the part of New South Wales in which it is located, comprises an area of approximately 3 square kilometres.



An exploration licence may be granted for a maximum period of 5 years and may be extended by successive maximum periods of 5 years on application by the holder. Generally, however, exploration licences are granted and renewed for periods of 2 years. An exploration licence may be transferred to another person upon approval by the Minister for Mineral Resources. In approving a transfer, the Minister may impose amended or additional conditions on the holder of the exploration licence.

An exploration licence will not usually be renewed over an area that is greater than half the number of units comprising the original exploration licence area (unless the Minister is satisfied that special circumstances exist that justify the renewal over an area that is larger than the original exploration licence area).

An exploration licence is subject to such conditions as the Minister may, when granting the licence, impose. Failure by the holder of an exploration licence to comply with these conditions may render the exploration licence liable to cancellation. Exploration licences generally include conditions which impose minimum annual expenditure requirements on the holder, conditions which require the holder to pay royalties to the Minister or to the Crown on any minerals recovered under the licence and conditions which require the holder to "rehabilitate" or restore the land affected by the licence holder's exploration activities. The holder of an exploration licence will generally be required to lodge security by way of cash deposit or a banker's undertaking with the NSW Department for the performance of its obligations arising under the licence.

The Minister may approve or refuse any such application for the transfer of an exploration licence and title will only be taken to have been transferred to the Company upon registration of an application for transfer by the Director-General of the Department.

Under the NSW Mining Act any person may apply for a mining lease. A mining lease, if granted, remains in force for a maximum period of 21 years or such longer period as may be determined by the Minister. A mining lease may be renewed for successive maximum periods of 21 years and may be transferred to another person upon approval by the Minister for Mineral Resources. In approving a transfer, the Minister may impose amended or additional conditions on the holder of the mining lease.

Exploration licences and other mining tenements in New South Wales may also be subject to statutory requirements of certain other Acts including the *Mines Inspection Act 1901*, *Contaminated Land Management Act 1997*, *Environmental Planning and Assessment Act 1979*, *Fisheries Management Act 1994*, *National Parks and Wildlife Act 1974*, *Native Vegetation Conservation Act 1997*, *Protection of the Environment Operations Act 1997* and *Rivers and Foreshores Improvement Act 1948*.

TASMANIA

The Tas Mining Tenements comprise two exploration licences granted under the Tas Mining Act.

The Tas Mining Act applies generally in relation to any exploration and related activities conducted on the land subject to the Tas Mining Tenements in addition to any conditions set out in those tenements.

The holder of an exploration licence may, in accordance with the conditions of the licence, explore on the land specified in the licence for the category of minerals specified in the licence. An exploration licence does not permit mining and a licence holder will not necessarily be permitted to mine in the future if a discovery is made.

An exploration licence may be granted over an area no larger than 250 square kilometres in the case of category 1 and 2 minerals. Metallic minerals are category 1 minerals for the purposes of the Tas Mining Act.

Rent is payable to the Crown in respect of land over which the licence is granted at \$15.00 per square kilometre in the first 2 years of a licence, and at the rate of \$30.00 per square kilometre thereafter.

An exploration licence is granted for a period of 5 years and may be extended for any further period the Minister determines on application by the holder.

An exploration licence may be transferred to another person upon approval by the Minister for Infrastructure, Energy and Resources. In approving a transfer, the Minister may impose amended or additional conditions on the holder of the exploration licence.

An exploration licence is subject to such conditions as the Minister may impose when granting the licence. Exploration licences generally include conditions which impose minimum annual expenditure requirements on the holder, as well as strict reporting and rehabilitation obligations. The holder of an exploration licence will generally be required to lodge security for the performance of its obligations arising under the licence with the Director of Mines.



Under the Tas Mining Act any person may apply for a mining lease. A mining lease, if granted, remains in force for the period as may be determined by the Minister unless revoked earlier. A mining lease may be renewed for successive maximum periods of 20 years and may be transferred to another person upon approval by the Minister. In approving a transfer, the Minister may impose amended or additional conditions on the holder of the mining lease.

The Tas Mining Act also provides for small exploration licences covering an area up to one square kilometre, a form of licence which in other jurisdictions is commonly referred to as a prospectors or prospecting licence. In addition, provision is made for the grant of special exploration licences, which are designed to provide for broad exploration programs over larger but poorly explored parts of Tasmania.

Exploration licences and other mining tenements in Tasmania may also be subject to statutory requirements of certain other Acts including the *Aboriginal Relics Act 1975*, *Environmental Management and Pollution Control Act 1994*, *Forest Practices Act 1985*, *Historic Cultural Heritage Act 1995*, *Land Use Planning and Approvals Act 1993*, *Mining (Strategic Prospectivity Zones) Act 1993*, *National Parks and Wildlife Act 1970*, *Nature Conservation Act 2002*, *Regional Forest Agreement (Land Classification) Act 1998* and *Water Management Act 1999*.

3. ABORIGINAL HERITAGE

There may be sites of Aboriginal heritage or significance located on the land on which the Mining Tenements are situated.

The *Aboriginal Heritage Act 1972* Western Australia (**WA Heritage Act**) applies to the WA Mining Tenements and makes it an offence to, among other things, alter or damage an Aboriginal site or object on or under an Aboriginal site. A site is defined to include any sacred, ritual or ceremonial site which is of importance and special significance to persons of Aboriginal descent. There is no requirement or need for a site to be registered in any public manner or, indeed, be in any way acknowledged as an Aboriginal site for it to qualify as an Aboriginal site for the purposes of the WA Heritage Act.

The *National Parks and Wildlife Act 1974* (NSW) (**NSW Heritage Act**) allows for the Governor, with the concurrence of the Minister administering the Crown Lands Consolidation Act 1913, to dedicate any unoccupied Crown lands as an "Aboriginal area". Land within an "Aboriginal area" is dedicated for the purpose of preserving, protecting and preventing damage to relics or Aboriginal places within that area.

The NSW Heritage Act also authorises the Minister to declare lands on which a relic or "Aboriginal place" is situated to be a "protected archaeological area". An "Aboriginal place" is any area declared by the Minister to be a place that is or was of special significance to Aboriginal culture.

The Director-General of National Parks and Wildlife may give directions prohibiting or regulating the entry on and use of land within a "protected archaeological area". A person may not enter, remain on or use lands within a "protected archaeological area" in a manner which is contrary to a direction given by the Director-General.

The NSW Heritage Act makes it an offence to destroy, deface or damage, or knowingly permit the destruction, defacement of or damage to, a relic or "Aboriginal place" without the consent of the Director-General.

The *Aboriginal Relics Acts 1975* (Tas) (**Tas Heritage Act**) permits the responsible Minister, on the recommendation of the Director of National Parks and Wildlife, to declare as a protected site any area of land on which is located any aboriginal relic or other protected object. An order of this kind is only made if the Minister believes steps need to be taken to protect or preserve any such relic or object.

An order of the Minister can be made to affect Crown land and, with the permission of the owner or occupier, land under any other form of tenure.

Except in accordance with a permit, no person is permitted to damage or interfere with an protected object, including aboriginal relics, or destroy or damage any fencing or other work carried out in and around a protected site.

The *Aboriginal and Torres Strait Islander Heritage Act 1984* (Cth.) (**Commonwealth Heritage Act**) also applies to all of the Mining Tenements and is aimed at the preservation and protection from desecration of significant Aboriginal areas and significant Aboriginal objects. An area or object is found to be desecrated if it is used or treated in a manner inconsistent with Aboriginal tradition.

We have not undertaken searches to ascertain if any Aboriginal sites have been registered in the vicinity of the Mining Tenements under any of these Acts as there is no obligation, in any of those Acts, to register sites, objects or relics. In any event, their exact location is not ascertainable from such searches. Further, these enquiries are generally done by the mining company after the mining tenure applied for is granted and once a particular work



programme has been determined. In those cases it will also be generally necessary to enter into separate arrangements with the traditional owners of the sites, at least in New South Wales, to obtain that information.

To ensure that it does not contravene any of these Acts while carrying out operations on the Mining Tenements, the Company would need to conduct heritage surveys to determine if any Aboriginal sites exist within the area of the Mining Tenements. If so, the Company would also need to ensure that any interference with such Aboriginal sites is in strict conformity with the provisions of the above State Heritage Acts and the Commonwealth Heritage Act.

4. NATIVE TITLE - GENERALLY

On 3 June 1992 the High Court of Australia held in *Mabo -v- Queensland* that the common law of Australia recognises a form of native title. In order to maintain a native title claim the persons making such claim must show that they enjoyed certain customary rights and privileges in respect of a particular area of land and that they have maintained their traditional connection with that land. Such a claim will not be recognised if the native title has been extinguished, either by voluntary surrender to the Crown, death of the last survivor of a community entitled to native title, abandonment of the land in question by that community or the granting of an "inconsistent interest" in the land by the Crown. An example of inconsistent interest would be the granting of a freehold or some types of leasehold interest in the land. The granting of a lesser form of interest will not extinguish native title unless it is wholly inconsistent with native title.

The Commonwealth Parliament responded to the *Mabo* decision by passing the Native Title Act 1993 (**Commonwealth Act**). Among other things, the Commonwealth Act:

- (a) regulates the recognition and protection of native title;
- (b) confirms the validity of titles granted by the Federal Government prior to the commencement of that Act on 1 January 1994;
- (c) specifies the procedures to be complied with for certain future acts which affect native title; and
- (d) specifies the procedures by which Aboriginal peoples can claim native title and by which people determined to hold native title holders can claim compensation.

The Commonwealth Act was extensively amended in 1998 by the *Native Title Amendment Act 1998*. These amendments include the validation of any titles that may have been invalidly granted over pastoral leases and certain other leasehold interests during the period 1 January 1994 to 23 December 1996. Other significant amendments include a revised threshold test for the acceptance of native title claims, confirmation of extinguishment of native title by the grant of "exclusive possession" pastoral leases and certain other leasehold interests and provisions intended to deal with overlapping claims.

The Western Australian Parliament has enacted the *Titles (Validation) and Native Title (Effect of Past Acts) Act 1995* which adopts the Commonwealth Act in Western Australia.

The New South Wales Parliament has enacted the *Native Title (New South Wales) Act 1994*, which adopts the validation provisions of the Commonwealth Act and applies them in New South Wales. The *Native Title (New South Wales) Act 1994* also confirms the status of certain rights that apply to the ownership of natural resources in New South Wales.

Likewise, the Tasmanian Parliament has enacted the *Native Title (Tasmania) Act 1994*, which also effectively adopts the Commonwealth Act in Tasmania. All existing State Crown rights to the ownership of natural resources are also confirmed under this legislation.

The majority of the High Court concluded in the recent *Ward* decision (8 August 2002) that, among other things:

- native title has been wholly extinguished in respect of land the subject of freehold, public works or other previous "exclusive possession" acts, and in respect of minerals and petroleum which are vested in the Crown, as well as various other grants and vestings; and
- native title has been partially extinguished as a result of the grant of "non-exclusive possession" pastoral leases and mining leases, and also as a result of the creation of certain reserves.

We have not researched the underlying land tenure in respect of the Mining Tenements in order to determine the extent of extinguishment for the purposes of this report.



5. NATIVE TITLE - NATIVE TITLE CLAIMS

Persons claiming to hold native title may lodge an application for determination of native title (being a native title claim) with the Federal Court. Applications which are lodged with the Federal Court will be referred to the NNTT for the purposes of registration of the claim.

If the Native Title Registrar is satisfied that a claim meets the registration requirements set out in the Commonwealth Act (**Registration Test**) it will be entered on the Register of Native Title Claims maintained by the NNTT (**Register**). Claimants of registered claims are afforded certain procedural rights under the Commonwealth Act including the "right to negotiate" discussed further below.

Claims which fail to meet the Registration Test are recorded on the Schedule of Applications Received maintained by the NNTT. Such claims may be entered on the Register at a later date if additional information is provided by the claimant that satisfies the Registration Test. Claims which are deregistered will lose the right to negotiate from the date of deregistration but will still remain on foot in the Federal Court until such time as they are determined by the Court.

Some of the Mining Tenements, including all of the WA Mining Tenements and one of the NSW Mining Tenements relate to land which is currently the subject of a registered native title claim. These claims are identified in the Notes to the Schedule of Mining Tenements attached to this report. The fact that a claim has been lodged does not necessarily mean that native title exists over the area claimed, nor does the absence of a claim necessarily indicate that no native title exists over that area. The existence of native title will be established in due course as the claims are determined by the Federal Court. We have not undertaken the considerable historical, anthropological and ethnographic work that would be required to determine the possibility of any further claims in respect of the area of the Mining Tenements being made in the future.

6. NATIVE TITLE - VALIDITY OF TITLES

(a) GRANTED TENEMENTS - WESTERN AUSTRALIA

(i) TENEMENTS GRANTED PRIOR TO 1 JANUARY 1994

Under the *Titles (Validation) and Native Title (Effect of Past Acts) Act 1995* the grant of mining tenements granted in Western Australia prior to 1 January 1994 has been validated to the extent that the grant may have been invalid as a result of the existence of native title. Mining lease 16/16 and Prospecting Licences 16/1544, 16/1545 and 16/1546 were granted prior to 1 January 1994 and accordingly have been validated pursuant to this Act.

(ii) TENEMENTS GRANTED AFTER 1 JANUARY 1994

The grant of a mining tenement is an act that is capable of affecting, and which may affect, native title. The future act processes of the Commonwealth Act provide a mechanism for achieving the valid grant of a mining tenement in terms of native title.

The Western Australian Parliament passed the *Titles Validation Amendment Act 1999* which confirmed the validity of certain acts made by the State of Western Australia between 1 January 1994 and 23 December 1996, provided such acts had met various conditions set out in the Commonwealth Act.

Mining Lease 16/215 was granted between 1 January 1994 and 23 December 1996. As the quick appraisal search indicates that it is granted principally over pastoral lease land it is likely to have met the conditions set out in the Commonwealth Act and to have therefore been validated.

Mining Tenements granted since 23 December 1996 which are affected by native title rights and interests will be valid provided the applicable processes prescribed by the Commonwealth Act were complied with. The balance of the granted WA Mining Tenements were granted after 23 December 1996. We understand that it has been the practice of the Western Australian Government to comply with these processes but we have not undertaken any independent enquiries to confirm that this is the case.

(b) GRANTED TENEMENTS - NEW SOUTH WALES

(i) TENEMENTS GRANTED PRIOR TO 1 JANUARY 1994

None of the NSW Mining Tenements were granted before 1 January 1994.

(ii) Tenements granted after 1 January 1994



In New South Wales, the *Native Title (New South Wales) Amendment Act 1998* confirmed the validity of certain acts made by the State between 1 January 1994 and 23 December 1996 provided such acts complied with various conditions set out in the Commonwealth Act. None of the NSW Mining Tenements was granted during this period (noting that for the purposes of 6(b) we refer to one of those tenements, namely Exploration Licence 5242, as if it had been renewed on the same terms).

Mining tenements granted in New South Wales since 23 December 1996 over land which is or may be affected by native title rights and interests will be valid provided the applicable processes set out by the Commonwealth Act for the validation of future acts have been followed.

We understand that, in accordance with the *Native Title (Right to Negotiate (Exclusion) - NSW Land) Determination No.1 of 1996* and the *Native Title (Right to Negotiate (Inclusion) - NSW Land) Approval No.1 of 1996*, the NSW Government's approach to the grant of exploration licences in New South Wales since about 6 November 1996 has been for the Minister for Mineral Resources to grant exploration licences subject to a condition that the holder of the licence may not prospect on land over which native title exists unless and until the holder has obtained the prior written consent of the Minister. These exploration licences are commonly referred to as "exclusion condition" exploration licences.

Under the *Native Title (Right to Negotiate (Inclusion) - NSW Land) Approval No.1 of 1996*, the giving of the Minister's written consent to prospect on land over which native title rights and interests may exist, rather than the act of granting the exploration licence, triggers the "right to negotiate" process under the Commonwealth Act.

The NSW Government's practice of granting "exclusion condition" exploration licences has allowed companies engaged in mining and exploration activities to obtain and, in some cases, renew exploration titles to prospect on land not subject to native title rights and interests without having to comply with the "right to negotiate" process under the Commonwealth Act.

We understand that the Minister for Mineral Resources will not grant consent to prospect on land covered by an "exclusion condition" exploration licence and subject to native title rights and interests, unless and until the holder of the exploration licence has complied with the "right to negotiate" process under the Commonwealth Act.

We also understand that the Minister for Mineral Resources may grant an exploration licence free of the "exclusion condition" provided that where the area covered by the exploration licence includes land over which native title rights and interests exist, the "right to negotiate" process under the Commonwealth Act is observed with before the exploration licence is granted.

Under the *Native Title (Approved Exploration etc Acts - New South Wales) (Mining) Determination 2000*, the grant of an exploration licence under section 22 of the NSW Mining Act that is a low-impact exploration licence under Division 5 of Part 3 of that Act is an "approved exploration etc. act" for the purposes of section 26A of the Commonwealth Act. The "right to negotiate" process under the Commonwealth Act does not apply to an "approved exploration etc. act." However, a person may not be granted a low-impact exploration licence unless a minimum of 4 months' notice of the application has been given to relevant registered native title bodies corporate, registered native title claimants and Aboriginal representative bodies.

None of the NSW Mining Tenements is a low-impact exploration licence.

We understand that in relation to renewals (which is an issue discussed in greater detail in 6(e) below) an "exclusion condition" exploration licence will, subject to the requirements of the NSW Mining Act and the Commonwealth Act, be renewed without the "right to negotiate" process applying to the renewal.

Each of the NSW Mining Tenements was granted after 23 December 1996 and each tenement was granted subject to an "exclusion condition" which prohibits the holder from prospecting on any land or waters on which native title exists without the prior consent of the Minister.

(c) GRANTED TENEMENTS - TASMANIA

While the State of Tasmania has introduced, in common with the other States, legislation adopting the validation provisions of the Commonwealth Act and confirming the existing ownership by the State of all natural resources, as a matter of practice we understand there are no mechanisms in place for giving effect to the "right to negotiate" process.

We also understand the view of the Tasmanian Department, acting on advice from the Tasmanian Solicitor-General, is that any native title claim lodged for registration in Tasmania is unlikely to succeed, the view being that native title does not exist in that State principally because it would not be possible for any claimant to satisfy the conditions for registration of a native title claim. Our inquiries of the NNTT also reveal no current registered native title claims affecting "mainland" Tasmania.



(d) **FUTURE TENEMENT GRANTS**

As stated above, the valid grant of any of the Mining Tenements which may affect native title requires full compliance with the provisions of the Commonwealth Act in addition to compliance with the usual procedures under the relevant State's mining legislation. The primary procedure prescribed under the Commonwealth Act is the "right to negotiate" process. Other procedures generally apply to low-impact titles (such as prospecting and exploration licences) or infrastructure titles.

The right to negotiate process involves the publishing of a notice of the proposed grant of a tenement followed by a minimum 6 month period of negotiation between the relevant State Government, the tenement applicant and the relevant registered native title claimant. If agreement is not reached to enable the grant to occur, the matter may be referred to arbitration before the NNTT, which has a further 6 months to reach a decision. The decision of the NNTT may be reviewed by the relevant Federal Minister.

The Commonwealth Act provides that, in relation to the grant of mining tenements in certain areas, a State law can operate in lieu of the right to negotiate process of the Commonwealth Act. These areas are principally areas covered by pastoral leases. The Western Australian, New South Wales and Tasmanian State Governments have not yet introduced such alternative procedures.

The right to negotiate process does not have to be pursued in cases where an indigenous land use agreement (ILUA) is negotiated with the relevant Aboriginal people and registered with the NNTT. In such cases, the procedures prescribed by the ILUA must be followed to obtain the valid grant of the tenement. These procedures will vary depending on the terms of the relevant ILUA.

(e) **RENEWALS**

As with the grant of mining tenements, renewals of mining tenements granted prior to 1 January 1994, to the extent the renewals were invalid due to native title, have been validated by legislation. Renewals granted between 1 January 1994 and 23 December 1996 have been similarly validated provided certain statutory criteria have been met.

Renewals made after 23 December 1996 of tenements validly granted before that date will not be subject to the right to negotiate process provided:

- (i) the area to which the earlier right is made is not extended;
- (ii) the term of the new right is not longer than the term of the earlier right; and
- (iii) the rights to be created are not greater than the rights conferred by the earlier grant.

There is doubt as to whether the right to negotiate process applies to second and subsequent renewals but this matter is yet to be determined by the courts. Other than as stated above, renewals of mining tenements are subject to the same right to negotiate (or, pending legislation, alternative State) process as is described in 6(d) above.

7. RISK FACTORS

The existence of native title and/or native title claims in relation to the land the subject of the Mining Tenements may have an adverse impact on the Company's activities and its ability to fund those activities. It is impossible at this stage to quantify the impact that these matters may have on the Company's operations but the main risks include:

- (a) Delays in obtaining the grant of renewals or conversions of the Mining Tenements, or further applications, as a result of the right to negotiate (or alternative State) process as this process can take as long as 2 years. Further, if the parties to the right to negotiate process cannot reach agreement the matter may be referred to the NNTT for arbitration. The NNTT may determine that the application cannot be granted or only granted on conditions unacceptable to the Company.
- (b) Compensation may be payable by the Company as a result of agreements made pursuant to the right to negotiate or alternative process or as a result of a compensation order made by the Federal Court in the event native title has been determined to exist. The amount of such compensation is not quantifiable at this stage.
- (c) If native title is found to exist the nature of the native title may be such that consent to mining is required from the native title holders but is withheld or only granted on conditions unacceptable to the Company.



- (d) The risk that Aboriginal sites and objects exist on the land the subject of the Mining Tenements, the existence of which sites and objects may preclude or limit mining activities in certain areas of the Mining Tenements. Further, the disturbance of such sites and objects is likely to be an offence under the applicable legislation, exposing the Company to fines and other penalties.

8. QUALIFICATIONS

While the status of the Mining Tenements is dealt with in detail in the Schedule, the Notes and the Footnotes, we point out by way of summary, that:

- (a) we have assumed the results of the searches which we have made or caused to be made of the Registers established and maintained pursuant to the WA Mining Act, the NSW Mining Act and the Tas Mining Act and our enquiries are accurate;
- (b) we have relied on the accuracy of the Registers maintained by the WA Department, the NSW Department, the Tasmanian Department and the NNTT; and
- (c) the holding of the Mining Tenements is subject to compliance with their terms and conditions and the provisions of the WA Mining Act, the NSW Mining Act and the Tas Mining Act.

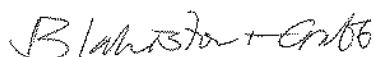
9. CONSENT

This report is given solely for the benefit of the Company and the directors of the Company in connection with the issue of the Prospectus and is not to be relied on or disclosed to any other person or used for any other purpose or quoted or referred to in any public document or filed with any government body or other person without our prior consent.

Blakiston & Crabb have consented to the inclusion of this report in the Prospectus in the form and context in which it is included and have not withdrawn that consent before the lodgement of the Prospectus with ASIC.

Acuiti Legal have also consented to the inclusion of this report in the Prospectus in the same terms to the extent the report deals with mining tenements and other matters which are the subject of this report in New South Wales and Tasmania.

Yours faithfully



Blakiston & Crabb



JAGUAR MINERALS LTD

SCHEDULE

TENEMENT NO AND TYPE	HOLDER/ APPLICANT	SHARES HELD	STATUS	GRANT DATE	EXPIRY DATE	BONDS	NOTES
KINTORE PROJECT							
M16/16	Pavlinovich	96/96ths	Live	04/02/1985	03/02/2006	Bond PE5525 for \$13,600	1, 2, 3, 17, 20
M16/215	Pavlinovich	96/96ths	Live	15/09/1994	14/09/2015	Bond PE5292 for \$10,000	2, 3, 4, 5, 18, 20
M16/314	GFL	200/200ths	Pending	(Applied for 19/09/1996)		Nil	6, 20
M16/315	GFL	200/200ths	Pending	(Applied for 19/09/1996)		Nil	7, 20
M16/444	Pavlinovich	100/100ths	Live	08/05/2001	07/05/2022	Bond PE6548 for \$2,000	3, 8, 9, 10, 20
M16/445	Pavlinovich	100/100ths	Pending	(Applied for 29/01/2001)		Nil	11, 20
P16/1544	GFL	200/200ths	Live	10/11/1992	09/11/1994	Nil	12, 20
P16/1545	GFL	200/200ths	Live	10/11/1992	09/11/1994	Nil	13, 14, 20
P16/1546	GFL	200/200ths	Live	10/11/1992	09/11/1994	Nil	13, 15, 20
P16/1866	Pavlinovich	96/96ths	Live	22/04/1997	21/04/2001	Nil	8, 16, 20
NEW SOUTH WALES							
EL5242	Herald	100/100ths	Live	25/02/1997	27/06/2005	Security Held: \$10,000	21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40
EL5991	Herald	100/100ths	Live	12/09/2002	11/09/2004	Security Held: \$10,000	28, 29, 30, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46



TENEMENT NO AND TYPE	HOLDER/ APPLICANT	SHARES HELD	STATUS	GRANT DATE	EXPIRY DATE	BONDS	NOTES
TASMANIA							
EL4/2002	New Challenge	100/100ths	Live	05/09/2002	23/08/2007	Bond for \$6,000	47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 72
EL23/2003	New Challenge	100/100ths	Live	05/12/2003	28/11/2008	Bond for \$8,000	48, 52, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 73

KEY

PARTIES

GFL	≡	Goldfan Limited
Herald	≡	Herald Resources Limited
New Challenge	≡	New Challenge Resources Pty Limited
Pavlinovich	≡	Kevin Michael Pavlinovich

GENERAL NOTES

There are no encumbrances registered against any of the tenements.

NOTES

- The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document filed:
 - "Kintore Vat Leach Operation, Notice of Intent" dated May 1998 and retained on Department of Minerals and Energy File No. 851/88;
 - "Addendum Letter of Intent - Vat Leaching Operations, M16/16 - Kintore" dated 9 January 1991 and retained on Department of Minerals and Energy File No. 851/88;
 - "Letters of Intent" dated 13 September and 18 October 1994 and both retained on Department of Minerals and Energy File No. 851/88; and
 - "Notice of Intent for the Kintore Project - Sugarloaf Shaft" dated March 2000, and retained on Department of Minerals and Energy File No. 4080/99.

Where a difference exists between the above document(s) and the following conditions, then the following conditions shall prevail:

The development and operation of the project being carried out in such a manner so as to create the minimum practicable disturbance to the existing vegetation and natural landform;



The final outslope batters of the vat leach dams not exceeding a maximum of 20 degrees from the horizontal;

At the completion of operations, the surface and sides of the vat leach dams being covered with topsoil and revegetated with local native grasses and shrubs to the satisfaction of the Regional Mining Engineer or his nominee;

The mined area being progressively rehabilitated during the operation by battering the slopes of the excavation to at least 14 degrees, deep ripping on the contour, the floor of the excavation and revegetating the area with local native grasses, shrubs and trees to the satisfaction of the Regional Mining Engineer or his nominee;

At the completion of operations, or progressively if possible, all access roads and other disturbed areas being deep ripped on the contour and revegetated with local native grasses, shrubs and trees;

All dams constructed for the purpose of water storage being lined with an appropriate plastic liner to prevent seepage;

All vats and dams containing cyanide solution being fenced to prevent entry of stock;

All rubbish and scrap being progressively disposed of in a suitable manner.

2. The lessee submitting to the State Mining Engineer in December of each year, a brief annual report outlining the project operations, minesite environmental management and rehabilitation work undertaken in the previous 12 months and the proposed operations, environmental management plans and rehabilitation programs for the next 12 months.

3. The lessee inspecting daily the ground surrounding the dewatering effluent pipelines for evidence of pipeline failure.

Should a failure in an inspected pipeline be discovered, the discharge being ceased immediately and not resuming until the pipeline has been repaired. The Inspectorate Environmental and Rehabilitation Officer being notified within one week of the failure and provided with an estimate of total effluent volume lost due to the failure and a program of corrective action.

4. Mining on any road, road verge or road reserve being confined to below a depth of 15 metres from the natural surface.
5. The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:

- "Letter of Intent" dated 13 September and 18 October 1994 and retained on Department of Minerals and Energy File No. 851/88.
- "Notice of Intent for the Kintore Project - Sugarloaf Shaft" dated March 2000, and retained on Department of Minerals and Energy File No. 4080/99.

Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail:

The development and operation of the project being carried out in such a manner so as to create the minimum practicable disturbance to the existing vegetation and natural landform;

All topsoil being removed ahead of all mining operations from sites such as pit areas, waste disposal areas, ore stockpile areas, pipeline, haul roads and new access roads and being stockpiled for later resspreading or immediately resspread as rehabilitation progresses;

At the completion of operations, all buildings and structures being removed from site or demolished and buried to the satisfaction of the State Mining Engineer;

All rubbish and scrap being progressively disposed of in a suitable manner;

At completion of operations, or progressively where possible, all access roads and other disturbed areas being covered with topsoil, deep ripped and revegetated with local native grasses, shrubs and trees to the satisfaction of the State Mining Engineer;

Any alteration of expansion of operations within the lease boundaries beyond that outlined in the above documents not commencing until a plan of operations and a programme to safeguard the environment are submitted to the State Mining Engineer for his assessment and until his written approval to proceed has been obtained.



6. Tenement is a conversion of Prospecting Licence 16/1544.
7. Tenement is a conversion of Prospecting Licence 16/1545 and 16/1546.
8. The Lessee notifying the holder of any underlying pastoral or grazing lease by telephone or in person, or by registered post if contact cannot be made, prior to undertaking airborne geophysical surveys or any ground disturbing activities utilising equipment such as scrapers, graders, bulldozers, backhoes, drilling rigs; water carting equipment or other mechanised equipment.
9. The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:
 - "Kintore Project, Trial heap Leach", dated May 1990.
 - Additional letter dated 12 June 1990 and retained on Mines Department File No. 887/90.
 - "Notice of Intent for the Kintore Project - Sugarloaf Shaft" dated March 2000, and retained on Department of Minerals and Energy File No. 4080/99.

Where a difference exists between the above document(s) and the following conditions, then the following conditions shall prevail:

The development and operation of the project being carried out in such a manner so as to create the minimum practicable disturbance to the existing vegetation and natural landform;

At completion of operations, all buildings and structures being removed from site or demolished and buried to the satisfaction of the State Mining Engineer;

All rubbish and scrap being progressively disposed of in a suitable manner;

At the completion of operations, or progressively where possible, all access roads and other disturbed areas being covered with topsoil, deep ripped and revegetated with local native grasses, shrubs and trees to the satisfaction of the State Mining Engineer;

Any expansion of operations within the lease boundaries beyond that outlined in the above documents is not being commenced until a plan of operations and a programme to safeguard the environment are submitted to the State Mining Engineer for his assessment and until his written approval to proceed has been obtained.

10. The material left in the heap after treatment being disposed of according to the written approval of the Regional Mining Engineer. The heaps having outcrops reduced to maximum of 20 degrees from the horizontal, covered with topsoil and revegetated and mixed local native vegetation seed.

All other areas to the rehabilitation for this project being seeded with mixed local native vegetation seed.

11. Tenement is a conversion of Prospecting Licence 16/1866.
12. This tenement continues in force beyond its expiry date by virtue of application for Mining Lease 16/314.
13. This tenement continues in force beyond its expiry date by virtue of application for Mining Lease 16/315.
14. The land the subject of this licence does not include the land the subject of Gold Mining Lease No. 16/1163.
15. No interference with Geodetic Survey Station KG 1 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.
16. This tenement continues in force beyond its expiry date by virtue of application for Mining Lease 16/445.
17. The lessee arranging lodgement of an Unconditional Performance Bond executed by a Bank or other approved financial institution in favour of the Minister for Mines in the sum of \$13,600 for due compliance with the environmental conditions of the lease.
18. The lessee arranging lodgement of a Bond in favour of the Minister for Mines in the sum of \$10,000 for due compliance with the environmental conditions on the lease.
19. The lessee arranging lodgement of a Bond in favour of the Minister for State Development in the total sum of \$2,000 to ensure compliance with the environmental conditions on the lease.
20. This tenement is affected by the Central West Goldfields People (WC99/29), the Maduwongga People (WC99/9) and the Widji People (WC98/27) native title claims.



21. The renewal of this tenement was approved on 8 January 2004 for a further term that expires on 27 June 2005. The renewal took effect on and from 8 January 2004. The term of the tenement had expired on 27 June 2003 but remained in effect (in relation to the land to which the application for renewal related) until the application for renewal (which was lodged on or around 22 May 2003) was determined by the NSW Department on 8 January 2004. The tenement was renewed over a reduced area (being 57 units) and in respect of Group 1 minerals only (it had previously been granted for Group 1 and Group 10 minerals and covered an area of 87 units). The annual expenditure requirement has been reduced to \$87,000 (see Note 25). We have been unable to ascertain whether the renewal was granted subject to any other amended or additional conditions.
22. The land subject to this tenement is an area of 57 units, about 24 kilometres west southwest of Oberon, NSW.
23. This tenement confers on the tenement holder the right to prospect on the land specified in the tenement for Group 1 minerals (viz. antimony, arsenic, bismuth, cadmium, caesium, chromite, cobalt, columbium, copper, galena, germanium, gold, indium, iron minerals, lead, lithium, manganese, mercury, molybdenite, nickel, niobium, platinum group minerals, platinum, rare earth minerals, rubidium, scandium and its ores, selenium, silver, sulphur, tantalum, thorium, tin, tungsten and its ores, vanadium, zinc and zirconia).
24. A \$10,000 banker's certificate from Macquarie Bank is held by the NSW Department as security for the performance of the tenement holder's obligations under this tenement.
25. A minimum annual expenditure commitment of \$87,000 is required as a condition of the grant of this tenement and for so long as this tenement is in force.
26. A small part of the land subject to this tenement (1.851 hectares) is subject to Mineral Claim No 266 granted under the NSW Mining Act, which is for limestone and is held by Tundi Pty Limited. Section 19 of the NSW Mining Act and the conditions attached to the grant of this tenement operate to exclude from the area covered by this tenement any area that forms part of Mineral Claim No 266 as well as land subject to other form of mining authority and land vested in the Commonwealth of Australia. Save for Mineral Claim No. 266 we are not aware of any such authorities. We have not undertaken the searches necessary to identify Commonwealth land.
27. The whole of the land subject to this tenement is subject to registered native title claim NNTT NC 97/7, which was registered on 29 April 1997 and is known as Gundungurra #6.
28. There is some reserve land within the boundaries of the land subject to this tenement.
29. The tenement holder must not prospect on any land or waters on which native title exists without the prior written consent of the Minister. In this regard, it is noted the tenement includes parcels of reserve land on which the holder must not prospect without first obtaining the written approval of the Minister for Mineral Resources. The giving of this consent triggers the "right to negotiate" process under the Commonwealth Act. Our searches show that in fact such negotiations were under way in regard to EL 5242 on 11 October 1999 and that consent to prospect on native title land was approved on 20 April 2002.
30. Maps obtained from the NSW Department reveal only several relatively small parcels of reserve land. It is most likely the land subject to the tenement is in large part freehold land or roads on which native title cannot exist. In order to carry out prospecting operation the tenement holder must enter into access arrangements with each landholder in accordance with the provisions of Part 8, Division 2 of the NSW Mining Act. Landholders are also entitled to compensation for any "compensable loss" (as defined in section 262 of the NSW Mining Act) suffered or likely to be suffered as a result of the exercise of rights under the tenement or an access arrangement, and it is also open to the tenement holder and each landholder to reach agreement on the amount of compensation payable (see generally section 263, NSW Mining Act).
31. The tenement conditions require the holder to rehabilitate any areas disturbed by operations carried out under the former EL 4810 and to lodge any reports required in connection with the tenements. Our records show EL 4810 was cancelled on or about the same time as the grant of EL 5242.
32. Exploration activities may be conducted provided among other matters:
 - the tenement holder has consulted the register of critical habitat kept by the Director-General of the National Parks and Wildlife Service under the Threatened Species Conservation Act 1995;
 - the activities do not contravene Part 6 (Relics and Aboriginal Places) of the National Parks and Wildlife Act 1974;



- minimal impact is caused to the local environment at activity sites;
- minimal or no impact is caused to the features listed in Section 238 of the NSW Mining Act (ie. of Aboriginal, architectural, archaeological, historical or geological interest); and
- full rehabilitation in accordance with NSW Department's guidelines/standards is carried out after completion of the exploration activities.

Various categories of exploration activities may also only be carried out on notifying an Environmental Officer of the NSW Department and in some other cases only in accordance with a specific determination under Part 5 of the Environmental Planning and Assessment Act 1979.

33. The tenement holder must ensure in drilling a drill hole that:

- all cored holes are accurately surveyed and permanently marked;
- all holes whether cored or otherwise are sealed;
- all flowing drill holes are permanently sealed with cement plugs;
- that where any drill hole encounters natural or noxious gases it is plugged or sealed;
- that where any drill hole encounters an artesian or sub-artesian flow that it is sealed effectively; and
- drill holes are filled and plugged and land in the immediate vicinity is left in a clean, tidy and stable condition.

34. The tenement holder is required to furnish notifications and preserve any cores and samples as required by section 42B of the Mines Inspection Act 1901.

35. Without prior written approval of the Minister:

- excavations must not be made within 15 metres of the boundaries of any road;
- operations must not be carried out under any road at a depth of less than 20 metres from the surface.

36. The consent of landowners or a Warden's order is required for clearing on private land. The tenement only permits the cutting down or destruction of vegetation directly necessary for the purposes of undertaking operations. Any other clearing must comply with the provisions of the Native Vegetation Conservation Act 1997.

37. If the tenement holder proposes to carry out any costeaning, trenching or bulk sampling operations or any other activity likely to cause significant disturbance to the site, the tenement holder must seek advice from the Department of Lands regarding erosion and sediment control before commencing such operations.

38. The tenement holder must not knowingly destroy, deface or damage any Aboriginal place or relic within the tenement area except in accordance with an authority issued under the *National Parks and Wildlife Act 1974*, and must take every precaution in drilling, excavating or disturbing the land against any such destruction, defacement or damage.

39. The tenement holder must lodge with the Director-General:

- annual reports every 12 months containing details of surveys and other operations carried out including expenditure, the results and conclusion, and the proposed exploration;
- interim reports each intervening six months containing a brief resume of exploration completed and proposed exploration to be conducted in the current six-month period;
- airborne geophysical surveys within 6 calendar months of the completion of any airborne geophysical survey containing the results; and
- final report on the expiry or earlier termination of the tenement.

40. Machinery and buildings must be removed from the tenement area on the expiry or earlier termination of the tenement and the area is to be left in a clean, tidy and stable condition to the satisfaction of the Director-General.

41. This tenement covers an area of 48 units about 12 kilometres south of Gulgong, NSW.

42. This tenement confers on the tenement holder the right to prospect on the land specified in the tenement for Group 1 minerals (see Note 23 above).

43. A \$10,000 banker's certificate from Macquarie Bank is held by the NSW Department as security for the performance of the tenement holder's obligations under this tenement.



44. A minimum annual expenditure commitment of \$44,000 is required as a condition of the grant of this tenement and for so long as this tenement is in force.
45. The land subject to this tenement excludes any land vested in the Commonwealth of Australia as well as any national park, regional park, historic site, nature reserve, stage game reserve or Aboriginal area at the date of grant of the tenement. While we have not undertaken all the searches necessary to identify all such parcels of land we do not believe these areas significantly affect the area subject to the tenement.
46. The land subject to this tenement was not (as at 26 November 2003) subject to any registered native title claims.
47. The land subject to this tenement is 110 square kilometres in area and is located in the locality of Balfour, Tasmania.
48. This tenement confers on the tenement holder the right to prospect on the land specified in the tenement for Category 1 minerals which includes any metallic minerals.
49. The tenement holder has lodged and is required to maintain a general company security bond for \$6,000 (Performance Deposit) as security that the conditions contained in the tenement will be observed.
50. The tenement covers the following land tenures: a conservation area (the Arthur-Pieman Conservation Area), a forest reserve (the Sumac Forest Reserve), a State Multiple Use Forest and an MDC Informal Reserve. Some parts of the land subject to the tenement are also described as a "suspected phytoph cin region".
51. A minimum expenditure commitment of \$82,500 is required during the first 2 years as a condition of the grant of this tenement. Our searches show actual expenditure was \$53,000 leaving \$29,500 to be expended by 23 August 2004. Tasmanian Department records also show proposed expenditure over the same period as \$186,000.
52. Land owned or leased by the Commonwealth, mining leases in force at the date of application and crown reservations or other land set apart or dedicated for any public purpose (including public reserves, municipal reserves or roadways) are excluded from the tenement unless in the latter case any such reservations or "public purpose" land is brought under the provisions of the Tas Mining Act. Maps provided to us by the Tasmanian Department reveal no such Commonwealth land, although we have not undertaken detailed searches to ascertain whether there is such land. We are also advised by the Tasmanian Department that there are no crown reservations and public purpose land excluded from the tenement.
53. Small parts of the land otherwise subject to this tenement are subject to 3 mining leases covering an area of approximately 9 hectares (n.b. maps provided by the Tasmanian Department reveal 3 current mining leases although the Department itself advises there were only 2 such mining leases in existence before the date of application of this tenement).
54. Small parts of the land subject to this tenement are subject to 2 heritage sites.
55. The tenement holder must carry out all exploration activities in accordance with the Mineral Exploration Code of Practice and any recognised mineral exploration practices which the Director of Mines may require the tenement holder to adopt.
56. The tenement holder must submit an annual report to the Director of Mines and provide a summary of exploration on the tenement, specify the amounts expended and give details of proposed work and likely effect on the environment.
57. A relinquishment or final report must be submitted upon expiry, relinquishment or cancellation of all or part of the tenement to the Director of Mines no less than thirty days prior to the expiry or surrender date. The requirements for reporting are those specified in the Tasmanian Department's brochure 'Guidelines for Reporting' as amended from time to time.
58. The Minister may cancel the tenement without compensation if it is found that the operations are causing any undue damage to the subject land or other land in the vicinity or are unnecessarily disturbing the environment.
59. The tenement holder must arrange and keep in good standing public liability insurance to the minimum of \$10,000,000.
60. The tenement holder will take reasonable steps to restrict public access to exploration sites and exploration tracks.



61. The tenement holder will at all times adopt best current practice in accordance with any directions from the Tasmanian Department (i.e. Mineral Resources Tasmania), the Mineral Exploration Working Group and the Mineral Exploration Code of Practice.
62. The tenement holder will conduct operations so as not to disturb the environment except in so far as this may be necessary to undertake the program of exploration required by this tenement.

Specific written approval is required from the Tasmanian Department for some specified activities (see Conditions of Exploration Licences under the Tas Mining Act).
63. On the completion of exploration, all works (tracks, helipads, drill pads, costeans etc) are to be rehabilitated to the satisfaction of the Director of Mines.
64. The tenement holder shall notify the relevant Parks and Wildlife Service Ranger or Property Officer before work commences in land reserved under either the *National Parks & Wildlife Service Act 1970* or the *Crown Land Act 1976*.
65. Where any Aboriginal artefacts or objects of historic interest are discovered, operations shall be conducted so as not to damage or interfere with such site or object, and the tenement holder will report details of such discovery to the Secretary of the Parks and Wildlife Service.
66. All waste, rubbish and other materials produced or used during the exploration and related works are to be removed from the tenement area.
67. The tenement covers only one type of land tenure - a regional reserve (the Meredith Range Regional Reserve). A relatively small area is also described as "Forest Communities Managed by Prescription".
68. The tenement holder has deposited and is required to maintain a company security bond of an amount of \$8,000 (Performance Deposit) as security that the conditions contained in the tenement will be observed.
69. The land subject to this tenement is 9 square kilometres in area and is located in the locality of the Wilson River, Tasmania.
70. A minimum expenditure commitment of \$70,000 is required during the first 2 years as a condition of the grant of this tenement.
71. The land subject to this tenement is not (as at 3 December 2003) subject to any overlapping titles or claims.
72. The agreement dated 1 November 2003 between Herald and New Challenge (the Balfour Agreement), as summarised in the Summary of Material Contracts, is registered against this tenement.
73. The agreement dated 1 November 2003 between Herald, New Challenge and Haustella Pty Ltd (the Wilson River Agreement), as summarised in the Summary of Material Contracts, is registered against this tenement.



SECTION 7. RISK FACTORS

INTRODUCTION

This Section identifies the areas the Directors regard as the major risks associated with an investment in the Company. Investors should be aware that an investment in the Company involves many risks, which may be higher than the risks associated with an investment in other companies. Intending investors should read the whole of this Prospectus in order to fully appreciate such matters and the manner in which the Company intends to operate before any decision is made to apply for Securities.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of specific risks associated with the Company's business and its involvement in the exploration and mining industry. These risk factors are largely beyond the control of the Company and its directors because of the nature of the proposed business of the Company. The following summary, which is not exhaustive, represents some of the major risk factors of which potential investors need to be aware.

GENERAL RISK FACTORS

(a) EXPLORATION AND MINING RISKS

The future viability and profitability of the Company as an exploration and mining company will be dependent on a number of factors, including, but not limited to, the following:

- (i) commodity prices and exchange rates, and in particular the prices of gold, base metals and the A\$/US\$ exchange rate;
- (ii) risks inherent in exploration and mining including, among other things, successful exploration and identification of ore reserves, satisfactory performance of mining operations and competent management;
- (iii) risks associated with obtaining grant of any mining tenements which are applications or renewal of tenements upon expiry of their current term;
- (iv) risks arising because of native title and aboriginal land rights which may affect the Company's ability to gain access to prospective exploration areas to obtain production titles. Compensatory obligations may be necessary in settling native title claims lodged over any of the tenements held or acquired by the Company. The level of impact of these matters will depend, in part, on the location and status of the tenements acquired by the Company;
- (v) the risk of material adverse changes in the government policies or legislation of Australia affecting the level of mining and exploration activities;
- (vi) environmental management issues with which the Company may be required to comply from time to time;
- (vii) poor weather conditions over a prolonged period which might adversely affect mining and exploration activities and the timing of earning revenues; and
- (viii) unforeseen major failures, breakdowns or repairs required to key items of mining plant and equipment or mine structure resulting in significant delays, notwithstanding regular programmes of repair, maintenance and upkeep.

(b) OTHER RISKS

The future viability and profitability of the Company is also dependent on a number of other factors affecting performance of all industries and not just the exploration and mining industries, including, but not limited to, the following:

- (i) currency exchange rate fluctuations;
- (ii) the impact of the taxation policies implemented by State and Federal governments of the day;
- (iii) the strength of the equity and share markets in Australia and throughout the world;
- (iv) general economic conditions in Australia and its major trading partners and, in particular, inflation rates, interest rates, commodity prices and industrial disruptions;



- (v) financial failure or default by a participant in any of the joint ventures or other contractual relationship to which the Company is, or may become, a party;
- (vi) insolvency or other managerial failure by any of the contractors used by the Company in its activities; and
- (vii) industrial disputation in Australia and overseas.

SPECULATIVE NATURE OF INVESTMENT

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential Investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities in the Company.



SECTION 8. ADDITIONAL INFORMATION

REGISTRATION

The Company was incorporated on 25 November 2003.

COMPANY TAX STATUS AND FINANCIAL YEAR

The Directors expect the Company will be taxed in Australia as a public company.

The financial year of the Company ends on 30 June annually.

LEGAL PROCEEDINGS

The Directors are not aware of any litigation of a material nature pending or threatened which may significantly affect the Company.

MATERIAL CONTRACTS

Set out below is a brief summary of certain contracts which have been entered into by the Company and which have been identified as material and relevant to potential investors.

BROKER ENGAGEMENT LETTER

The Company and Montagu Stockbrokers Pty Ltd ("**Montagu**") have entered into an Engagement letter dated 24 March 2004, whereby Montagu will use its best endeavours (as Broker to the Issue) to obtain firm commitments from other brokers to subscribe or have their clients subscribe for at least \$500,000 worth of Shares whereupon Montagu will use its best endeavours to raise a minimum of \$500,000 from its own clients. If Montagu and the brokers it obtains firm commitments from, submit applications for \$1,000,000 but are scaled back due to Herald shareholders subscribing for more Shares than are anticipated, the Company will pay a fee of 5% to Montagu or the other brokers, as the case may be, on the amount of the scale back. The Company will pay Montagu a fee of 1% of the total amount raised and grant Montagu 1,500,000 Options on the same terms and conditions as those offered under this Prospectus. The Company will pay Montagu a fee of 5% of the amount raised by it. The Company will reimburse reasonable costs and expenses incurred by Montagu. The Engagement Letter contains the usual covenants, undertakings and indemnities which are to be provided by the Company to Montagu. In the event the minimum subscription is not achieved, Montagu will receive a fee of \$15,000 and reimbursement of reasonable costs and expenses incurred.

PROPERTY AGREEMENTS

Herald Sale Agreement

By agreement for sale dated 22 December 2003 as varied by Deed of Variation dated 26 March 2004 between Herald Resources Limited ("**Herald**"), Goldfan Limited ("**Goldfan**") and Jaguar Minerals Limited ("**Company**") the Company agreed to purchase all of the right title and interests of Herald and Goldfan (which is a wholly owned subsidiary of Herald) in exploration licences 5242 and 5991, both located in New South Wales, in prospecting licences 16/1544, 16/1545 and 16/1546, all located in Western Australia, and under each of the Kintore Agreement, the Balfour Agreement and the Wilson River Agreement for a total cash consideration of \$500,000.

The agreement is conditional upon the ASX granting approval to the Company, within 60 days of 26 March 2004 (or such later date as the parties may agree), to be admitted to the official list of the ASX on conditions acceptable to the Company.

It is also a provision of the agreement that the Company enter into deeds of assignment and assumption with the relevant parties to each of the Kintore Agreement, the Balfour Agreement, the Wilson River Agreement and also the agreements described below as the Mt David Agreement and the Springfield Royalty Agreement. These deeds of assignment and assumption are summarised below.

Kintore Agreement

By Agreement dated 7 February 2003 between Herald Resources Limited ("**Herald**") and Kevin Michael Pavlinovich ("**Pavlinovich**") ("**Kintore Agreement**"), Herald was granted an option to acquire a 100% legal and beneficial interest in Prospecting Licence 16/1866 and Mining Leases 16/16, 16/215, 16/444 and 16/445



which are located in Western Australia. The option period is 3 years from the date of the Agreement and the fee payable in consideration for the grant of the option was an initial sum of \$15,000 payable on the date of execution of the Agreement and, on the first anniversary of the date of the Agreement further payment of the sum of \$10,000 in respect of Mining Lease 16/444, and \$5,000 each in respect of Mining Leases 16/16, 16/215 and Prospecting Licence 16/1866 (or Mining Lease 16/445 being an application over the same ground as the Prospecting Licence). If any of those tenements are excluded from the Agreement prior to the first anniversary then the portion of the option fee relating to that tenement will not be payable. Upon the second anniversary of the date of the Agreement, in the event that Herald has not yet exercised the option, then further payment is to be made, being the same amounts as are due on the first anniversary unless any of the tenements have been excluded.

In the event the option is exercised by Herald, the consideration payable is the sum of \$100,000 in respect of Mining Lease 16/444 and the issue of 200,000 shares in the Company to be issued to Pavlinovich in respect of Mining Leases 16/16, 16/215 and Prospecting Licence 16/1866 (or Mining Lease 16/445 if granted). If Herald has excluded Mining Lease 16/444 from the Agreement prior to exercise of the option then the consideration of \$100,000 will not be payable. Similarly, if Herald has excluded all of Mining Leases 16/16, 16/215 and Prospecting Licence 16/1866 (or Mining Lease 16/445 if granted) there will be no requirement to issue the 200,000 shares in the Company to Pavlinovich.

In the event that Herald exercises the option and conducts Mining Operations on any of the Mining Tenements acquired by exercising the option, a royalty of \$1 per tonne of ore with a recovered grade greater than 2g/tAu (but less than 10g/tAu) and \$3 per tonne of ore for a recovered grade equal or greater than 10g/tAu produced from those tenements and delivered to a treatment plant shall be payable to Pavlinovich.

Kintore Deed of Assignment

By Deed of Assignment dated 22 December 2003 between Herald Resources Limited ("**Herald**"), Jaguar Minerals Limited ("**Jaguar**") and Kevin Michael Pavlinovich Herald assigned to Jaguar and Jaguar assumed from Herald all of the right, title, interests and obligations of Herald in and under the Kintore Agreement.

Balfour Agreement

By Agreement dated 1 November 2003 between Herald Resources Limited ("**Herald**") and New Challenge Resources Pty Ltd ("**New Challenge**") ("**Balfour Agreement**"), Herald was granted an option to acquire a 95% legal and beneficial interest in Exploration Licence 4/2002 ("**Balfour Tenement**") located in Tasmania. The consideration for the grant of the option is a sum of \$15,000 payable on execution of the Agreement and, provided Herald has not exercised or withdrawn from the option by the first anniversary of the agreement date, the further sum of \$20,000. The option period is for 2 years from the date of the Agreement and the consideration for exercise of the option is the sum of \$200,000. Upon acquiring a 95% interest upon exercise of the option Herald shall free carry the 5% interest of New Challenge until completion of a bankable feasibility study. Upon completion of a bankable feasibility study New Challenge is required to contribute in accordance with its 5% interest and in addition to repay out of its share of any production from the Balfour Tenement the costs paid on its behalf by Herald prior to completion of the bankable feasibility study. If either party acquires an interest in any other mining tenements within an area adjacent to the Balfour Tenement and identified in the Agreement as the Defined Area then that tenement shall be offered to the other party and the terms of this Agreement will apply to that additional tenement.

Balfour Deed of Assignment

By Deed of Assignment dated 22 December 2003 between Herald Resources Limited ("**Herald**"), Jaguar Minerals Limited ("**Jaguar**") and New Challenge Resources Pty Ltd, Herald assigned to Jaguar and Jaguar assumed all of the right, title, interests and obligations of Herald in and under the Balfour Agreement.

Wilson River Agreement

By Agreement dated 1 November 2003 as varied by Deed of Variation dated 25 March 2004 between Herald Resources Limited ("**Herald**") New Challenge Resources Pty Ltd ("**New Challenge**") and Haustella Pty Ltd ("**Haustella**") ("**Wilson River Agreement**"), Herald was granted an option to acquire 100% legal and beneficial interest in Exploration Licence 23/2003 located in Tasmania. The consideration payable for the grant of the option was the sum of \$5,000 which was paid on the date of execution of the Agreement. The option period expires on 31 July 2004 and it may be extended to 31 October 2004 provided New Challenge and Haustella are notified in writing by Jaguar within 10 days of 31 July 2004 and subject to the payment of an additional \$5,000 as part of the



option exercise price, such that the cash component of the amended option exercise price becomes \$20,000. At any time during the option period, Herald may exercise the option and consideration payable for exercise of the option shall be upon listing of Jaguar, (a) the issue of 100,000 shares in Jaguar (having a total issue price of no less than \$20,000); (b) payment of the sum of \$15,000 cash; and (c) the grant of a 1% net smelter return, each of which are to be divided in equal shares between New Challenge and Haustella or their nominees.

Wilson River Deed of Assignment

By Deed of Assignment dated 22 December 2003 between Herald Resources Limited ("**Herald**"), Jaguar Minerals Limited ("**Jaguar**"), New Challenge Resources Pty Ltd and Haustella Pty Ltd, Herald assigned to Jaguar and Jaguar assumed all of the right, title, interests and obligations of Herald in and under the Wilson River Agreement.

Mt David Agreement

By Agreement dated 28 August 2001 between Pamela Stockwell and Elsie Stockwell ("**Traditional Owners**") and Herald Resources Limited ("**Herald**") ("**Mt David Agreement**"), Herald agreed and the Traditional Owners consented to exploration activities on exploration licences 5207 and 5242. Exploration licence 5207 has since expired and has not been renewed or replaced by Herald.

In general terms, the Traditional Owners were permitted access to the Tenement area at their own risk upon notification to Herald unless restricted by Herald for safety reasons. Herald is to keep the Traditional Owners regularly informed of its activities and to notify in writing prior to the commencement of any work programme. At all times, cultural heritage principles must be adhered to as well as requirements and conditions for the preservation and protection of the environment. The specific terms of the agreement are confidential to the parties.

Mt David Deed of Assignment

By Deed of Assignment dated 22 December 2003 between Herald Resources Limited ("**Herald**"), Jaguar Minerals Limited ("**Jaguar**"), Pamela Stockwell and Elsie Stockwell, Herald assigned to Jaguar and Jaguar assumed all of the right, title, interests and obligations of Herald in and under the Mt David Agreement. This Deed has been executed by Herald and Jaguar and has been forwarded to the remaining parties for execution.

Springfield Royalty Agreement

By Agreement dated 3 October 2002 between Millie Phillips ("**Phillips**") and Herald Resources Limited ("**Herald**") ("**Springfield Royalty Agreement**") Phillips agreed to provide to Herald certain Mining Information in respect of the area formerly the subject of exploration licence 5272 ("**EL Area**"). This ground is now included in exploration licence 5991 which is held by Herald.

In consideration for providing the information Phillips shall receive the sum of \$5.00 per ounce of gold produced from any open pit operation on the Springfield Resource Royalty Area, the sum of \$10.00 per ounce of gold produced from any underground operation developed at the Springfield Resource Royalty Area and the sum of \$5.00 per ounce of gold produced from any operation outside the Springfield Resource Royalty Area and within the EL Area. (The Springfield Royalty Area is a small defined area within the EL Area as shown on a map annexed to the agreement.) The royalty will be calculated on a quarterly basis commencing from the quarter in which mining first commences.

Springfield Deed of Assignment

By Deed of Assignment dated 22 December between Herald Resources Limited ("**Herald**"), Jaguar Minerals Limited ("**Jaguar**") and Millie Phillips, Herald assigned to Jaguar and Jaguar assumed all of the right, title, interests and obligations of Herald in and under the Springfield Royalty Agreement. This Deed has been executed by Herald and Jaguar and has been forwarded to Millie Phillips for Execution.

EMPLOYMENT CONTRACT - N ALLEN

On 15 January 2004 the Company entered into an Employment Agreement with Nanette Allen ("**Managing Director**") setting out the terms of her appointment as the Company's Managing Director.

The Employment Agreement is for a term of 3 years unless terminated earlier in accordance with the Employment Agreement. The term commences on the Company's admission to the Official List of the ASX and includes an option to extend for a further term upon agreement by the parties.



The Managing Director is employed on a full time basis and must perform the duties and exercise the powers as determined from time to time by the Board.

The Company must pay the Managing Director an initial gross salary of \$90,000 per annum (excluding the minimum statutory superannuation contributions). Such amount shall be subject to upward review at 30 June each year.

A fully maintained company vehicle will also be provided, as well as re-imbursement of expenditures incurred in the normal course of the Company's business.

The Board may also pay the Managing Director such bonuses as it determines in its absolute discretion from time to time. The Board will also reimburse the Managing Director for certain expenses, provided they have been properly incurred.

The Managing Director is entitled to be paid for 4 weeks annual leave and up to 3 months leave for any absences on medical grounds in each successive 12 month period.

The Company may terminate the Employment Agreement immediately in certain circumstances. These circumstances include:

- (a) a resolution of the shareholders to remove the Managing Director from her position with the Company; or
- (b) the Managing Director refusing or neglecting to comply with any reasonable lawful direction by the Company; or
- (c) the Managing Director becoming bankrupt or insolvent; or
- (d) the Managing Director committing any act, neglect or default of conduct which has the direct or indirect effect of causing any damage or discredit to the business of the Company.

If:

- (a) the Company unlawfully terminates this Agreement;
- (b) the Company repudiates this Agreement and the Executive lawfully elects to accept such repudiation and terminates this Agreement; or
- (c) the Company otherwise terminates the Agreement without cause,

prior to the expiration of the Term of the Executive's employment under this Agreement, then the Executive shall be entitled to be forthwith paid by the Company an amount, as liquidated damages and without deduction, equal to the gross monthly salary and other monetary and non-monetary benefits current at the time immediately prior to Termination, multiplied by the number of months that remained (but for the Termination) of the Term of the Executive's employment.

The Managing Director may terminate the Employment Agreement by giving written notice of any breach by the Company of any provision of the Employment Agreement, which consequently is not remedied within 10 days of the Company receiving such notice.

LOAN AGREEMENT - HERALD RESOURCES LTD

On 23 December 2003, the Company entered into a letter Loan Agreement ("**Loan Agreement**") with its parent company, Herald Resources Ltd. The Loan Agreement sets out the terms upon which Herald will provide funds to the Company for the purposes of the Company seeking admission to the Official List.

Herald provides a loan facility in the amount of \$200,000 which must be repaid by the Company to Herald upon the issue by Herald of a demand, provided that the demand is not issued prior to the Company's admission to the Official List. The loan is provided interest-free for the period up to the date of the demand however incurs interest at 8% per annum thereafter.

DIRECTORS' DEEDS OF INDEMNITY AND ACCESS

The Company has entered into a deed of insurance, indemnify and access with each of its Directors ("**Deeds**").

Under the Deeds, the Company proposes to indemnify each Director to the extent permitted by the Corporations Act against any liability as a result of the Director acting as an Director of the Company. The Company is required under the Deeds to maintain insurance policies for the benefit of the relevant Director for the term of the appointment and for a period of seven (7) years after retirement or resignation.

The Deeds will also provide the right to access Board papers.



RIGHTS ATTACHING TO SHARES

The rights attaching to Shares in the Company are:

- (a) set out in the Constitution of the Company, a copy of which is available for the inspection at the registered office of the Company during normal business hours; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules of ASX, the SCH Business Rules and the general law

The following is a summary of the principal rights of the holders of Shares in the Company.

VOTING

Every holder of shares present in person or by proxy, attorney or representative at a meeting of shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of shares who is present in person or by proxy, attorney or representative has one vote for every fully paid share held by him or her, and a proportionate vote for every partly paid share, registered in such shareholder's name on the Company's share register.

A poll may be demanded by the chairperson of the meeting, by any five shareholders present in person or by proxy, attorney or representative, or by any one or more shareholders who are together entitled to not less than 5% of the total voting rights of, or paid up value of, the shares of all those shareholders having the right to vote at that meeting.

DIVIDENDS

Dividends are payable out of the Company's profits and are declared by the Directors. Dividends declared will be payable on the shares at a fixed amount per share.

TRANSFER OF SHARES

A shareholder may transfer shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX or the Corporations Act for the purpose of facilitating transfers in shares or by an instrument in writing in a form approved by ASX or in any other usual form or in any form approved by the Directors.

The Directors of the Company may refuse to register any transfer of shares, other than a proper SCH transfer (as defined in the Corporations Act), where permitted by the Listing Rules of ASX. The Company must not refuse to register or give effect to or delay or in any way interfere with a proper SCH transfer of shares or other securities.

MEETINGS AND NOTICE

Each shareholder is entitled to receive notice of and to attend general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the constitution of the Company, the Corporations Act or the Listing Rules.

LIQUIDATION RIGHTS

The Company has only issued one class of shares, which all rank equally in the event of liquidation. Once all the liabilities of the Company are satisfied, a liquidator may, with the authority of a special resolution of shareholders divide the whole or any part of the remaining assets of the Company. The liquidator can with the sanction of a special resolution of the Company's shareholders vest the whole or any part of the assets in trust for the benefit of shareholders as the liquidator thinks fit, but no shareholder of the Company can be compelled to accept any shares or other securities in respect of which there is any liability.

SHAREHOLDER LIABILITY

As the shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.



ALTERATION TO THE CONSTITUTION

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

ASX LISTING RULES

If the Company is admitted to the Official List of ASX, then despite anything in the constitution of the Company, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the constitution to contain a provision or not to contain a provision the constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the constitution is or becomes inconsistent with the Listing Rules, the constitution is deemed not to contain that provision to the extent of the inconsistency.

RIGHTS ATTACHING TO OPTIONS

The 10,000,000 Options on issue, the 12,500,000 Options offered for subscription pursuant to this Prospectus, and the 1,500,000 Options to be issued to Montagu Stockbrokers Pty Ltd will be or have been granted on the following terms and conditions:

ENTITLEMENT

- (i) Each Option entitles the registered option holder, on or before 30 September 2008, ("**Expiry Date**") to subscribe for and be allotted one ordinary share in the capital of the Company, credited as fully paid, at an exercise price of \$0.20 per share ("**Exercise Price**").
- (ii) The Company must, as soon as it is reasonably practicable to do so, allot Shares on exercise of the Option in accordance with the Listing Rules and register the option holder or its nominee as a shareholder in the register of members in respect of the shares so allotted. No Option may be exercised if to do so would contravene the Corporations Act or the Listing Rules.
- (iii) Shares issued on the exercise of Options will rank pari passu with all existing Shares in the capital of the Company from the date of issue.

EXERCISE OF OPTIONS

- (i) An Option is exercisable by the registered option holder lodging a notice of exercise of Option together with the Exercise Price for each share to be issued on exercise and the relevant Option statement, at any office of the Company's share registrar. The exercise of some Options only, does not affect the registered option holder's right to exercise other Options at a later time.
- (ii) Remittances must be made payable to the Company and cheques should be crossed "not negotiable".
- (iii) Options may be exercised at any time on or before 5.00 pm on the Expiry Date.
- (iv) An Option not exercised by 5.00 pm on the Expiry Date lapses.

TRANSFER

- (i) Subject to any restrictions imposed by ASX, Options may be transferred at any time before lapsing.
- (ii) Options are transferable by any standard form of transfer. Executed and stamped (if applicable) transfers will be recorded in the Company's option register on lodgement of the transfer and relevant statement at any office of the Company's share registrar. The Company will cancel the statement and issue a new statement in the name of the transferee for the number of Options so transferred.

OPTION STATEMENTS

- (i) Exercise or transfer of an Option represented by an Option statement may be registered until that statement is surrendered to the Company or the Option holder provides the Company with a statutory declaration, in a form satisfactory to the Company, to the effect that the statement has been lost or destroyed and indemnifies the Company against any loss.



- (ii) If the Option holder exercises or transfers less than all Options represented by a statement then the Company will issue a new statement for the balance.

QUOTATION

Quotation of the Options on ASX (except where restrictions apply) will be sought by the Company. The Company will also apply to the ASX for official quotation of the Shares issued on any exercise of any Options.

DIVIDENDS

Shares issued on any exercise of an Option will rank pari passu with all existing ordinary Shares in the capital of the Company from the date of issue and will be entitled to each dividend for which the books closing date for determining entitlements falls after the date of issue.

BONUS ISSUE

If the Company makes a bonus issue of Shares or other securities pro rata to Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) at a time when:

- (i) an Option has not been exercised in full; or
- (ii) an Option has been exercised, but Shares the subject of the exercise have not been issued in fulfilment of the Company's obligation in that regard, before the record date for determining entitlements to the bonus issue,

then the number of Shares over which the Options are exercisable or have been exercised (as the case may be) will be increased by the number of securities which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

RIGHTS ISSUE

If the Company makes an offer of Shares pro rata to all or substantially all Shareholders (other than a bonus issue or an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) where $(S + D)$ (as defined below) exceeds P (as defined below) at a time when:

- (i) an Option has not been exercised in full; or
- (ii) the Option has been exercised, but Shares the subject of the exercise have not been issued in fulfilment of the Company's obligation in that regard, before the record date for determining entitlements to the rights issue, then the Exercise Price per share will be reduced according to the following formula:

$$O^1 = O - \frac{E(P - S + D)}{N + 1}$$

Where:

- O^1 = the new Exercise Price per share
- O = the old Exercise Price per share
- E = the number of Shares into which one Option is exercisable
- P = the average market price of Shares (weighted by reference to volume) sold in the ordinary course of trading on the ASX during the 5 trading days before the ex rights date or ex entitlements date
- S = the subscription price (application money plus calls) for new Shares issued under the rights issue
- D = if the Shares are trading on the ASX on a ex dividend basis, the (if any) dividends (on a per Share basis) which have been declared but not yet paid is existing Shares (except those to be issued under the rights issue)
- N = number of Shares required to be held to receive a right on one new Share.

The number of Shares which the option holder is entitled to subscribe for on exercise of the Option is to remain unchanged.



RECONSTRUCTION

The rights of an Option holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

NOTICE

The Company must give notice to the Option holder of any adjustment to the number of Shares which the Option holder is entitled to subscribe for or be issued on exercise of the Option or the exercise price per Share in accordance with the Listing Rules.

RIGHT TO PARTICIPATE IN FUTURE ISSUES

The Option holder may only participate in new issues of securities to Shareholders to the extent the Option has been exercised, if that is permitted by its terms, and the Shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give notice to the Option holder of any new issue before the books closing date for determining entitlements to the issue in accordance with the Listing Rules.

DIRECTORS' INTERESTS

Except as disclosed in this Prospectus, no Director holds, or during the last two years has held, any interest in:

- (i) the formation or promotion of the Company;
- (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (iii) the offer,

and no amounts of any kind (whether in cash, Shares or otherwise) have been paid or agreed to be paid to any Director or proposed Director to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Offer.

SHAREHOLDING QUALIFICATIONS

The Directors are not required to hold any Shares in the Company under the Constitution of the Company.

DIRECTORS' HOLDINGS

Set out in the table below are details of Directors' relevant interests in the securities of the Company as at the date of this Prospectus:

DIRECTOR	NO. OF SHARES HELD DIRECTLY	NO. OF SHARES HELD INDIRECTLY	NO. OF OPTIONS HELD DIRECTLY	NO. OF OPTIONS HELD INDIRECTLY
B J Hurley (ii)	-	-	-	-
N M Allen (ii)	-	-	-	-
M P Wright (i) (ii)	-	-	-	-
TOTAL	-	-	-	-

(i) Mr Wright is a director of Herald Resources, which owns 20,000,000 Shares and 10,000,000 Options in the Company.

(ii) The Directors may subscribe for Securities under this Prospectus.

REMUNERATION OF DIRECTORS

The Constitution of the Company provides that the non-executive directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum from time to time determined by the Company in general meeting.



A Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

The table below shows the proposed remuneration as Directors' fees that Mr Hurley, Ms Allen and Mr Wright will receive on an annual basis. The maximum amount of Directors' fees payable by the Company is \$100,000 p.a.

DIRECTOR	REMUNERATION
B J Hurley	\$30,000
N M Allen	\$0
M P Wright	\$0

Mr Hurley may receive additional remuneration for work involving duties outside the normal role of non-executive Chairman.

The Managing Director, Ms Allen, will receive a salary from the Company as an employee in accordance with the terms of her employment contract. This contract is summarised in Section 8 (sub-section "Employment Contract - N.Allen") of this Prospectus.

OTHER INTERESTS

The Company has entered into Deeds of Insurance, Indemnity and Access with each of the Directors under which the Company agrees to indemnify the Directors against certain liabilities incurred by the Directors while acting as Director of the Company, to insure the Directors against certain risks to which the Directors are exposed to as a Director of the Company and to grant to the Director a right of access to certain records of the Company for a period up to 7 years after the Director ceases to be a Director.

INTERESTS OF NAMED PERSONS

Except as disclosed in this Prospectus, no promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus holds, or during the last two years has held, any interest in:

- (i) the formation or promotion of the Company;
- (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (iii) the Offer,

and no amounts of any kind (whether in cash, Shares or otherwise) have been paid or agreed to be paid to a promoter or any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

Blakiston & Crabb have acted as solicitors to the Offer and in that capacity have been involved in undertaking due diligence enquiries in relation to the legal matters and providing legal advice to the Company in relation to the Offer. In addition, Blakiston & Crabb has prepared the Solicitor's Report on Tenements included in Section 6 of this Prospectus. In respect of the foregoing work the Company has agreed to pay approximately \$35,000. Blakiston and Crabb have provided other professional services to the Company during the last two years for which the Company has paid fees totalling \$8,300.

Acufi Legal has prepared the sections regarding tenements and applicable legislation in New South Wales and Tasmania in Blakiston & Crabb's Solicitor's Report on Tenements included in Section 6 of this Prospectus. In respect of this work the Company has agreed to pay approximately \$15,000.

Stanton Partners Corporate Pty Ltd has prepared the Investigating Accountant's Report included in Section 5 of this Prospectus. In respect of this work the Company will pay approximately \$4,000.

Stanton Partners have been appointed as auditor to the Company for which they will be paid their usual commercial rates.



N J Turner Geological Services Pty Ltd has prepared the Independent Consulting Geologist's Report in respect of the Balfour and Wilson River properties included in Section 4 of this Prospectus. In respect of this work the Company has agreed to pay approximately \$2,970 for these services.

Rangott Mineral Exploration Pty Ltd has prepared the Independent Consulting Geologist's Report in respect of the Springfield and Mt David properties included in Section 4 of this Prospectus. In respect of this work the Company has agreed to pay approximately \$10,000 for these services.

Calday Grange Pty Ltd trading as Martin Resource Consultants has prepared the Independent Consulting Geologist's Report in respect of the Kinfore property included in Section 4 of this Prospectus. In respect of this work the Company has agreed to pay approximately \$7,040 for these services.

Herald Resources Limited will receive payment of \$500,000 for selling various tenements to the Company as well as repayment of a loan provided by Herald to Jaguar as described in Section 8 (sub-section "Loan Agreement - Herald Resources Ltd") of this Prospectus.

Montagu Stockbrokers Pty Ltd have acted as Broker to the Issue. For these services, the Company will pay Montagu Stockbrokers Pty Ltd a fee of 1% of the total amount raised under the Prospectus and 5% for all amounts raised by it. For further details refer to the "Material Contracts" section in this Section 8.

The amounts disclosed above are exclusive of any amount of goods and services tax payable by the Company in respect of those amounts.

CONSENTS

Each of the parties referred to in the previous sub-section (Interests of Named Persons) of Section 8:

- (a) does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based other than as specified in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

N J Turner Geological Services Pty Ltd has given its written consent to the inclusion in this Prospectus of its Independent Consulting Geologist's Report, and all statements referring to that report in the form and context in which they appear and has not withdrawn such consent before lodgement of this Prospectus with the ASIC.

Rangott Mineral Exploration Pty Ltd has given its written consent to the inclusion in this Prospectus of its Independent Consulting Geologist's Report, and all statements referring to that report in the form and context in which they appear and has not withdrawn such consent before lodgement of this Prospectus with the ASIC.

Calday Grange Pty Ltd trading as Martin Resource Consultants has given its written consent to the inclusion in this Prospectus of its Independent Consulting Geologist's Report, and all statements referring to that report in the form and context in which they appear and has not withdrawn such consent before lodgement of this Prospectus with the ASIC.

Stanton Partners Corporate Pty Ltd has given its written consent to the inclusion in this Prospectus of its Investigating Accountant's Report and all statements referring to that report in the form and context in which they appear and has not withdrawn such consent before lodgement of this Prospectus with the ASIC.

Blakiston & Crabb has given its written consent to the inclusion in this Prospectus of its Solicitor's Report on Tenements and all statements referring to that report in the form and context in which they appear and have not withdrawn such consent before lodgement of this Prospectus with the ASIC.

Acuiti Legal has given its written consent to the inclusion in Blakiston & Crabb's Solicitor's Report on Tenements of all statements, or statements said to be made, by it, in the form and context in which they appear, and to be named in Blakiston & Crabb's Solicitor's Report on Tenements, and has not withdrawn such consent before lodgement of this Prospectus with the ASIC.

Herald Resources Ltd has given its written consent to the inclusion in this Prospectus of references to it and statements made by it in the form and context in which they appear, and has not withdrawn such consent before lodgement of this Prospectus with the ASIC.



Each of the following has consented to being named in the Prospectus in the capacity as noted below and have not withdrawn such consent prior to the lodgement of this Prospectus with the ASIC:

- (a) Blakiston & Crabb as solicitors to the Company;
- (b) Stanton Partners as auditor to the Company;
- (c) Stanton Partners Corporate Pty Ltd as Investigating Accountants;
- (d) N J Turner Geological Services Pty Ltd as Independent Consulting Geologist;
- (e) Rangott Mineral Exploration Pty Ltd as Independent Consulting Geologist;
- (f) Calday Grange Pty Ltd trading as Martin Resource Consultants as Independent Consulting Geologist;
- (g) Montagu Stockbrokers Pty Ltd as Broker to the Issue;
- (h) Security Transfer Registrars Pty Ltd as share registrar of the Company.

There are a number of persons referred to elsewhere in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in the Prospectus and did not authorise or cause the issue of the Prospectus.

COSTS OF THE ISSUE

The total estimated costs of the Issue, including legal fees incurred, registration fees, broker's fees, fees for other advisers, Prospectus design, printing and advertising expenses and other miscellaneous expenses, will be approximately \$420,000 (exclusive of any goods and services tax which may be payable on that amount).

ELECTRONIC PROSPECTUS

Pursuant to Class Order 00/44 the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with the ASIC and the issue of Securities in response to an electronic application form, subject to compliance with certain provisions.

If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company at and the Company will send to you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the application monies received will be dealt with in accordance with section 722 of the Corporations Act.

ISSUE OF SHARES

This Prospectus also relates to the issue of 100,000 Shares at a deemed issue price of \$0.20 each in satisfaction of consideration payable for the acquisition of interests in a certain tenement in Tasmania (as referred to in the material contract section in Section 8 of this Prospectus) to New Challenge Resources Pty Ltd and Haustella Pty Ltd.



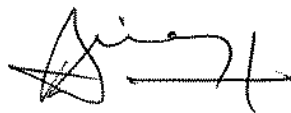
DIRECTORS' RESPONSIBILITY STATEMENT AND CONSENT

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in the Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with the ASIC, or to the Directors knowledge, before any issue of Shares pursuant to this Prospectus.

The Prospectus is prepared on the basis that certain matters may be reasonably expected to be known to likely investors or their professional advisers.

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated 13 April 2004



Signed for and on behalf of

Jaguar Minerals Limited

by Brian Hurley



JAGUAR MINERALS LTD

SECTION 9. DEFINED TERMS

The following definitions apply throughout this document unless the context requires otherwise.

APPLICANT(S)	Person(s) who submit valid Application Forms pursuant to this Prospectus.
APPLICATION	A valid application made to subscribe for a specified number of Securities pursuant to this Prospectus.
APPLICATION FORM	The relevant form relating to the Application for Securities.
ASIC	Australian Securities and Investments Commission.
ASX	Australian Stock Exchange Limited ACN 008 624 691.
BOARD	The board of Directors of Jaguar Minerals Ltd.
BROKER TO THE ISSUE	Montagu Stockbrokers Pty Ltd.
CLOSING DATE	The closing date for Applications, being 5.00pm WST on 31 May 2004.
COMPANY OR JAGUAR	Jaguar Minerals Limited ACN 107 159 713
CORPORATIONS ACT	Corporations Act 2001 (Cth).
DIRECTORS	The Directors of the Company.
ELECTRONIC PROSPECTUS	An electronic version of the Prospectus.
EXISTING HERALD SHAREHOLDERS	Shareholders of Herald registered on Herald's register of members as at 5.00pm WST on the Opening Date.
HERALD OR HERALD RESOURCES	Herald Resources Ltd ACN 008 672 071.
HERALD PRIORITY RIGHT	The priority right of Existing Herald Resources Ltd Shareholders to apply for Securities under the Offer as referred to in Section 1 of this Prospectus.
HERALD PRIORITY RIGHT CLOSING DATE	The closing date for Applications pursuant to the Herald Priority Right being 5.00pm WST on 4 May 2004.
ISSUE	The issue of Securities pursuant to this Prospectus.
LISTING RULES	The official listing rules of ASX.
OFFER	The invitation to the public made in this Prospectus to subscribe for Securities.
OFFICIAL LIST	The official list of ASX.
OPENING DATE	The opening date for Applications, being 5.00pm WST on 20 April 2004.
OPTION	An Option to subscribe for a Share on the terms and conditions set out in Section 8, (sub-section "Rights attaching to Options") of this Prospectus.
PROSPECTUS	This Prospectus and includes the Electronic Prospectus.
SCH BUSINESS RULES	Has the same meaning as in the Corporations Act.
SECTION	A section of this Prospectus.
SECURITIES	Shares and Options.
SHARE(S)	Fully paid ordinary share(s) in the Company.
SHAREHOLDER	The registered holder of Shares.
WST	Western Standard Time.



GLOSSARY OF TERMS

WORD	DEFINITION	WORD	DEFINITION
acid/acidic	Of igneous rocks containing more than 63% silica.	anomaly	Value higher or lower than the expected norm, said of geochemical and geophysical data which deviates from regularity.
actinolite	A mineral, calcium magnesium iron silicate. Forms a mineral series with tremolite.	anticline/ anticlinal	A fold in rock strata that is convex upward with a core of older rocks.
adamellite	A coarse grained granitic rock with greater than 20% quartz with roughly equal amounts of K-felspar and plagioclase.	antimony	A metallic element with the chemical symbol Sb
aerial geophysical data	Information collected from airborne magnetic/electromagnetic/radiometric data	aqueous fluids	Water rich fluids.
agglomerate	Pyroclastic rock consisting of fragments larger than 64mm in diameter.	Archaean	A geological time period older than 2500 million years ago.
air photo	A photograph of the ground taken from an aircraft.	arsenic	A semi-metallic element with the chemical symbol As.
airborne magnetics/ aeromagnetics	Measurement of the Earth's magnetic field from a surveying aircraft for the purpose of recording the magnetic characteristics of rocks.	arsenopyrite	A sulphide mineral of iron and arsenic, chemical symbol FeAsS
aircore drilling	A rotary drilling technique which uses compressed air to cut a core sample and return fragments to surface up through the inside of the drill rods.	Au	Chemical symbol for the precious metal gold.
albite	A mineral, sodium aluminium silicate. Sodic plagioclase felspar.	auger	A type of drill implement used for obtaining shallow samples, may be hand held or mechanical.
allochthonous	Description for rock masses that have been displaced considerable distances by tectonic processes such as overthrusting.	aureoles	The zone around an igneous mass within which metamorphic changes, mainly thermal effects, affect the country rock.
alluvial	Deposited by a stream or river. Said of a placer deposit formed by the action of running water.	auriferous	Gold bearing.
alluvium	Recent surficial water-lain sediments.	basalt	Dark coloured fine grained volcanic rock composed mainly of plagioclase felspar and pyroxene.
alteration zone	Zone within which rock-forming minerals have been chemically changed.	basanite	A type of basalt composed of calcic plagioclase, augite, olivine and a feldspathoid.
andalusite	A mineral composed of aluminium silicate found in some metamorphosed shales.	base metals	A term that commonly refers to metals lead, copper, zinc, nickel. Generally a non-ferrous metal inferior in value to the precious metals.
andesite	A dark coloured, fine-grained, usually extrusive rock of intermediate composition comprising plagioclase felspar and one or more feromagnesian minerals.	basement/ bedrock	Solid rock underlying surficial deposits. Crustal layer usually of igneous and metamorphic rocks, beneath a sedimentary layer.
		basic	Of igneous rocks containing more than 45% silica, but less than 52% silica.
		basin	An extensive depressed area into which the adjacent land drains.



WORD	DEFINITION	WORD	DEFINITION
batholith	A large complex body of intrusive igneous rocks, generally granite.	clastic	Rocks composed of fragmental material derived from pre-existing rocks.
biotite	A dark brown/black silicate mineral, part of the mica group, forms platy tabular crystals in both igneous and metamorphic rocks.	clastic dykes	The infilling of joints or cracks within a rock by sand to form a cross cutting zone.
bismuth	A silvery white metallic metal with the chemical symbol Bi.	cm	Abbreviation for centimetre.
boninite	A relatively siliceous group of basaltic or andesitic volcanic rocks that are characteristically rich in Mg, Cr and Ni. Believed to be the products of the early stages of subduction in an island arc.	cobalt	A metallic element with chemical symbol Co.
breccia	A coarse-grained rock consisting of angular broken rock fragments held together by a fine-grained matrix, distinct from conglomerate.	colluvium, colluvial	Weathered material transported by gravity, e.g. scree slopes.
Cainozoic	A geological time period ranging from 65 million years ago to present.	comagmatic	Igneous rocks that are regarded as having been derived from a common parent magma.
Cambrian	A geological time period ranging from 580 to 500 million years ago.	conglomerate	Rounded water worn fragments or pebbles, cemented together by another mineral substance.
carbonaceous	Containing carbon.	contact	The line along which two different rock types meet.
carbonate	A sediment composed of calcium, magnesium and/or iron carbonate, e.g. limestone, dolomite	contact metamorphism	Occurs as a result of temperature increases in a restricted area surrounding an intrusive body of igneous rock.
Carboniferous	A geological time period ranging from 354 to 295 million years ago.	copper	A metal with the chemical symbol Cu.
cassiterite	A tin oxide mineral that forms in high temperature hydrothermal veins.	cordierite	A mineral composed of magnesium iron aluminium silicate, often found in contact metamorphic rocks or low pressure regional metamorphic rocks.
cement deposits/leads	Re-cemented alluvial deposits.	costean	A trench, generally down to a depth of 2-3 metres.
cement leases	Leases containing cement leads or deposits.	covellite	A copper sulphide mineral, dark grey in colour, generally found in the zone of supergene enrichment.
chalcocite	A dark grey copper sulphide mineral. Generally occurs as a result of secondary enrichment.	craton	A part of the Earth's crust that has remained stable over a considerable time period.
chalcopyrite	A sulphide mineral containing copper and iron.	Cretaceous	A geological time period from approximately 131 to 65 million years ago.
chert	Very fine grained rock composed of silica.	cross lamination	The development of thin, discrete layers or rock, that differ in angle from each other.
chlorite	A green platy mineral of hydrous aluminium, iron and magnesium silicate.	crust	Outer layer of the Earth.
chromite	An iron/chrome oxide mineral often found as small grains in ultramafic rocks.	crystal fractionation	The separating out of minerals within a magma during cooling resulting in a zoned igneous body.



WORD	DEFINITION	WORD	DEFINITION
crystallisation	Gradual formation of crystals, during cooling, from an igneous melt.	dunite	An ultramafic rock, made up almost entirely of olivine.
Cu	Chemical symbol for the metallic element copper.	EL	Abbreviation for Exploration Licence, a form of mining tenure.
dacite	A fine grained extrusive rock of granodioritic composition.	EM features	Anomalous areas identified in electromagnetic data.
deep leads	Alluvial derived deposits of precious metals buried beneath younger sediments or volcanic flows.	epidote	A mineral, a basic silicate of calcium, aluminium and iron.
deposition	The laying down or precipitation of potential rock forming material.	epithermal deposits	Deposits formed within about 1 km of the Earth's surface and between 50-200°C by hydrothermal fluids and occurring mainly as veins.
desiccation	The dewatering of rocks, especially causing mud-cracks.	erosional gutter	A smooth, streamlined mark produced by current action eroding a cohesive sediment surface such as silt or mud. These structures show the general current direction as well as being 'way-up indicators'.
Devonian	A geological time period from approximately 410 to 354 million years ago.	exploration licence	Area of land made available for the purpose of exploring for mineral resources.
diamond drilling	A technique of drilling that uses a diamond studded annulus to cut into rock and return a cylindrical core of the rock strata.	extensional faults	Faults that are formed by the pulling apart of the rock.
Dighem survey	Digital Helicopter Electromagnetic survey.	facies	An assemblage of mineral, rock, or fossil features reflecting the environment and conditions of origin of the rock.
dilation	Open space within a rock mass commonly produced by faulting or folding.	fault	A fracture within rocks along which there has been displacement.
diorite	A coarse grained, intrusive, intermediate igneous rock with dominant plagioclase feldspar, hornblende, pyroxene, and little or no quartz.	felsic	Descriptive of light coloured rock containing an abundance of the mineral feldspar (generally potassium rich) and quartz.
dip	Angle or slope that a rock unit or structure is inclined from the horizontal.	felspar	The most important group of rock-forming minerals, that make up 60% of the Earth's crust. They are potassic, sodic and/or calcic aluminium silicates.
disseminated	Particles of mineralisation dispersed throughout the host rock.	ferroan	Iron bearing.
distal	Formed or laid down at a significant distance from the source.	ferruginous	Containing iron oxides.
dolerite	A medium grained intrusive igneous rock of basaltic composition.	fluorine	A non-metallic element with the chemical symbol F
dolomite	The name of a mineral and also a rock. The mineral is a calcium-magnesium carbonate. The rock contains a high proportion of dolomite and forms by the replacement of limestone.	fluorite	A mineral formed from calcium and fluorine, often occurs in hydrothermal veins.
dome	A roughly symmetrical fold with the rock units dipping away in all directions.	fluvialite	Pertaining to, belonging to, or peculiar to rivers.



WORD	DEFINITION	WORD	DEFINITION
fold	A bend in strata or any planar structure.	granite I-type	A differentiation of granites based on their mineral composition, I-type refers to the partial melting of igneous source rocks.
foliation	The laminated structure resulting from the parallel arrangement of different minerals.	granite S-type	A differentiation of granites based on their mineral composition, S-type refers to the partial melting of sedimentary source rocks.
formation	A fundamental geological unit used in the local classification of strata or rocks.	granitoid	Denotes an intrusive rock of coarse-grained granite-like appearance and granitic composition.
fracture	A crack within consolidated rocks.	granodiorite	A coarse grained granitic rock with greater than 20% quartz with plagioclase dominant over k-felspar.
g/t	Grams per tonne, unit indicates number of grams of precious metal per tonne of rock.	gravity data	Data from a geophysical gravity survey.
gabbro	A coarse grained intrusive igneous rock of basaltic composition.	greenstone	A general term for metamorphosed mafic and ultramafic igneous rocks.
galena	A sulphide mineral containing the metal lead (PbS).	greisen	An aggregate of quartz and mica with lesser amounts of topaz, fluorite, tourmaline, rutile, cassiterite and wolframite formed by pneumatolytic alteration of granitic rock.
garnet	A silicate mineral group often found in metamorphic rocks and as an accessory mineral in igneous rocks.	ground magnetics	Measurement of the Earth's magnetic field from an instrument reading taken at or near ground level for the purpose of recording the magnetic characteristics of the rocks.
gedrite	An orthorhombic amphibole mineral, magnesium silicate.	group	Includes two or more geographically associated geological formations with notable features in common.
geochemistry	The study of the abundance of elements in rocks by chemical methods.	haematite hematite	A mineral composed of iron oxide , (Fe ₂ O ₃).
geological model	A geological theory of how geological environment developed based on the interpretation of geological data.	harzburgite	An ultramafic rock composed of olivine and orthopyroxene.
geophysical	Relating to the quantitative measurement of the physical properties of rocks and minerals.	high-sulphidation deposit	An epithermal deposit that generally occurs above porphyry deposits from acidic, magmatic fluids. Mineralisation is generally disseminated with a high sulphur content.
goethite	A hydrated iron oxide mineral, formed during weathering.	hornblende	A mineral of the amphibole group, widespread in metamorphic and igneous rocks.
GML	Gold Mining Lease, a former type of mining title.	hornfels	A fine grained contact metamorphic rock.
gossan	Iron oxide rich surface expression of sulphide-rich rocks.	hydrothermal	Pertaining to heated water, particularly of magmatic origin associated with the formation of mineral deposits or the alteration of rocks.
grading, graded	The variation from fine to coarse material in a sedimentary unit.		
granite	A coarse grained igneous rock consisting essentially of >20% quartz, alkali felspar and very commonly a mica. Granites occur exclusively as intrusive bodies most commonly as large bodies called batholiths.		



WORD	DEFINITION	WORD	DEFINITION
igneous rock	A rock that has solidified from molten rock material which was generated deep within the Earth.	kaolin	A hydrous aluminium silicate, a type of clay.
Inferred Mineral Resource	An 'Inferred Mineral Resource' is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified from geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.	km	Abreviation for kilometre.
		Lachlan Fold Belt	Geological name for the bedrock geology of Central NSW and Victoria.
		laminated	Finely stratified rock, e.g. shale.
		laterite	An iron-rich caprock formed at the surface by weathering in tropical conditions.
		latite	A synonym for trachyandesite.
		lava	The material extruded by a volcano which consists of molten or part-molten silicate material.
interbedded	Occurring between, or alternated with, other layers of dissimilar character.	lead	A heavy dark grey metal, with chemical symbol Pb.
intercalated	interbedded, but can also mean the intercalated layer was introduced into the surrounding layers.	limburgite	A glassy feldspathoid olivine basalt.
intermediate	Of igneous rocks containing more than 52% silica, but less than 63% silica.	limestone	A sedimentary rock consisting chiefly of calcium carbonate.
intersections	A term used to describe where drilling meets a section of mineralised rock.	lineament/linear	A linear geological feature.
intraplate	Far from a plate boundary and therefore considered to be unrelated to subduction or sea-floor spreading.	lithicwacke	Rocks formed from marine sediments, i.e. a slurry or sediment deposited in deep ocean environments from fast-moving currents.
intrusion	A body of igneous rock that invades older rocks.	lithology	Synonymous with 'rock type'.
IP survey	Induced polarisation survey which uses a geophysical technique to measure the electrical conductivity properties of rocks.	lode	Term used to signify a zone of an ore deposit.
ironstone	Typically a non-cherty, iron-rich sedimentary rock.	low sulphidation deposit	An epithermal deposit that typically displays 'open space' mineral textures, with veins and/or breccias abundant. Quartz is usually common in veins, while sulphur content is low.
island arcs	Curved chains of volcanic islands, associated with deep sea trenches and subduction zones.	m	Abreviation for metre.
isotope	A variant form of a chemical element that has similar structure but a different mass. Some isotopes are radioactive and are used for dating rocks.	Ma	Million years
JORC Code	Joint Ore Reserves Committee - Australian Code for Reporting of Mineral Resources and Ore Reserves	mafic	Term used to describe igneous rocks which have dark colouration due to high magnesium and iron contents (opposite of felsic; synonymous with basic).
Jurassic	A geological time period from approximately 204 to 131 million years ago.	magnesite	Magnesium carbonate.
		magnetite	An iron oxide mineral commonly found in igneous rocks and contact metamorphic deposits.
		manganese	A pinky-grey metal with the chemical symbol Mn.
		mantle	The zone within the Earth that extends below the crust to the Earth's core.



WORD	DEFINITION	WORD	DEFINITION
massive sulphide	A mass of rock consisting of greater than 40% sulphides.	Neoproterozoic	Late Proterozoic, 1000 - 580 million years ago.
melange	A chaotic mixture of blocks of rocks.	niccolite	A mineral of a copper-red colour and metallic lustre, an arsenide of nickel.
member	Comprises some portion of a geological formation.	nickel	A metallic element, chemical symbol Ni, of importance in steel making and the manufacture of coinage.
Mesoproterozoic	Middle Proterozoic, 1600 - 1000 Ma ago.	nickel sulphides	Nickel rich sulphides, generally associated with ultramafic rocks. The most common form is pentlandite.
mesothermal	Deposits formed at a depth of between 1-4km and between 200-300°C by hydrothermal fluids.	Ni-Cu sulphide	Nickel and copper sulphide
mefa-	A prefix used to indicate that the rock type has been metamorphosed.	NQ diamond drilling	NQ is a diamond drill core size, namely 57mm diameter.
metamorphic grade	The intensity of metamorphism. An indicator of the pressure and temperature conditions that were obtained when metamorphism took place.	Ordovician	A geological time period from 500 to 435 million years ago.
metamorphism	The mineralogical, structural and chemical changes induced within solid rocks through the actions of heat and pressure.	ore	Mineral bearing rock that may be mined and treated at a profit.
metasedimentary	Any metamorphosed sedimentary rock.	orogeny	The process of forming mountains, particularly by folding and thrusting.
metasomatism	A metamorphic process whereby existing minerals are transformed totally or partially into new minerals by the replacement of their chemical constituents.	outcrop	An exposure of bedrock at the surface.
mineralisation	The concentration of metals and their chemical compounds within a body of rock.	overthrust	A body of older rock pushed over younger rocks by tectonic forces.
molybdenum	A white or grey metal with the chemical symbol Mo.	oxidation (≡ weathering)	Near surface decomposition by exposure to the atmosphere and ground water.
monzodiorite	An intermediate igneous intrusive rock with a composition between monzonite and diorite.	palaeo	Relating to the past, ancient or fossil.
monzonite	An intermediate igneous intrusive rock approximately equal proportions of plagioclase and alkali felspar, little or no quartz and augite as the main mafic mineral.	Palaeoproterozoic	A geological time period from 2500 to 1600 million years ago.
Mt	Million tonnes	pathfinder element	An element commonly associated with the ore sought that can be used as a tracer during geochemical exploration.
mud pellet conglomerate	A detrital sedimentary rock, where grain size varies, consisting of rounded fragments of mud pellets.	pedogenic carbonate	Calcrete derived as part of the soil forming process. Known to be a scavenger of any gold that may occur in the area.
mudstone	Sedimentary rocks which are similar to shales in their non-plasticity, cohesion, and lower water content, but lack the bedding plane fissility.	pentlandite	A bronze to yellow mineral of iron-nickel sulphide, an important ore of nickel.
		peridotite	An ultramafic rock with olivine, pyroxenes and with little or no felspar.
		Permian	A geological time period from 295 to 250 million years ago.
		petrography/	That branch of geology treating the



WORD	DEFINITION	WORD	DEFINITION
petrology	systematic description and classification of rocks and minerals.	pyrrhotite	A magnetic iron sulphide mineral (magnetic pyrite).
PGE, PGM	Platinum group elements/metals, which include dense metallic elements comprising platinum, palladium, osmium, iridium, ruthenium and rhodium.	quartz dioxide.	A mineral composed of silicon
phyllitic alteration	A type of alteration consisting of quartz and sericite.	quartz reef/vein	Generally relatively narrow tabular zone of quartz occurring between well defined walls of other rock.
phyllite	A regional argillaceous metamorphic rock, intermediate in metamorphic grade between slate and schist.	quartzite	A metamorphosed sandstone.
pisolite	An ovoid shaped ironstone pebble formed during lateritisation.	RAB drilling	Rotary air blast drilling. A cheaper drilling technique in which sample is returned to surface outside the rod string by compressed air.
pit	A shallow excavation at the surface, generally dug by a prospector.	RC drilling	Reverse circulation drilling is a percussion drilling technique in which the cuttings are recovered through the drill rods thus minimising sample loss and contamination.
platinoids	Platinum group elements/metal, see PGE,PGM.	radiometric survey	A survey that measures the radioactive properties of rocks.
polymetallic	Contains many different types of metallic minerals.	reconnaissance	A general examination or survey of a region with reference to its main features, usually as an initial investigation prior to a more detailed survey.
porphyritic	A rock texture (usually relating to igneous rocks) that has larger crystals of one mineral in a finer grained matrix of other rock forming minerals.	relict	Of a feature in a previous rock persisting in a later rock.
porphyry-style deposit	A mineral deposit (typically of copper, gold and/or molybdenum) formed at high temperature close to or within a felsic to intermediate shallow intrusive, with the distribution of sulphide minerals and gold changing outwards from disseminated to veinlets and veins. Numerous examples occur in the Americas and SW Pacific.	refractory	Term used to describe ore from which the element of economic interest cannot be easily extracted.
ppb	Parts per billion (1000 million), a small unit of geochemical measurement used for gold and other precious metals.	regolith	The upper layers of surface and near surface rock including weathered insitu basement rocks.
ppm	Parts per million.	retrograde metamorphism	The response of mineral assemblages to decreasing temperature and pressure.
precious metals	A group of metals sold in bullion form including gold, silver and platinoids.	rhyodacite	A fine grained acid volcanic rock of light colour with roughly equal proportions of alkali feldspar and plagioclase.
propylitic alteration	Alteration consisting of epidote, chlorite, carbonates and albite-orthoclase.	rhyolite	A fine grained acid volcanic rock of light colour with dominant alkali feldspar.
prospects	An area pegged for mineral exploration.	rift zone	A location where valleys are produced by crustal extension (pull-apart), generally along the crest of broad domes in the Earth's crust. The domes may be caused by the rise of hot mantle material beneath the crust.
proximal	Formed or laid down at a short distance from the source.	rock chip sampling	The collection of representative samples of rock fragments within a limited area which are then assayed for various elements.
pyrite	A common sulphide mineral of iron, chemical symbol FeS ₂ .		



WORD	DEFINITION	WORD	DEFINITION
sandstone	A cemented or otherwise compacted detrital sediment composed predominantly of quartz grains.	soil geochemical sampling	A method of geochemical prospecting involving the assaying of soil samples.
saprolite	A zone of highly weathered, clay rich rock, generally just below the surface.	sphalerite	A sulphide mineral of zinc (Zn,FeS).
schist	A metamorphic rock with a well developed foliation of more than 50% of the minerals present.	staurolite	A mineral composed of iron aluminium silicate, occurs in metamorphosed shales.
sericite	A fine grained micaceous mineral.	stibnite	A sulphide mineral of antimony.
serpentinised	The alteration of ultramafic rocks to form serpentine minerals e.g.chrysotile.	stock	An intrusive body of deep-seated igneous rock, resembling a batholith but smaller in size.
shaft	A vertical opening from the surface used to access deeper ore.	stockwork	A branching network of veinlets, usually quartz, diffused in the host rock.
shale	A laminated sedimentary rock formed by the consolidation of mud or silt.	stratabound	A mineral deposit that is confined to, but not necessarily conformable with, a particular part of the stratigraphy.
shear zone	A linear zone of complex tectonic deformation, comparable to a fault zone, but formed in a ductile environment.	stratiform	A mineral deposit that is conformable with the stratigraphy.
shear-hosted	Mineralisation that has formed within a shear zone is said to be shear-hosted.	stratigraphy	The sequence of stratified rocks, also the study of the stratified rocks (sediments and volcanics), especially their sequence in time, and the correlation of beds in different localities.
shelf facies	A term applied to those sediments and their associated fauna which are found in the shallower, marginal parts of a sedimentary basin.	stream sediment sampling	The determination of relative or absolute abundance of elements in stream sediments.
shoshonite	Chemically defined as the potassic variety of basaltic trachyandesite, can be of either intrusive or extrusive origin.	strike	The direction or bearing of a bed or layer of rock.
silica	Silicon dioxide, SiO ₂	stromatolitic dolomite	a dolomite containing stromatolite fossils.
siliceous	A mineral comprising of silica.	structural	Pertaining to geological structure.
siltstone	A fine grained sedimentary rock composed predominantly of silt grade material.	subduction	The movement of one crustal plate under another so that the descending plate is 'consumed'.
Silurian	A geological time period from 435 to 410 million years ago.	succession	The geological sequence of rocks.
silver	A metallic element with the chemical symbol Ag.	sulphide	A mineral compound characterised by the linkage of sulphur and metal.
skarn	A rock (generally a limestone) altered and metamorphosed by heat and/or hydrothermal action from an igneous intrusive.	sulphidic	Containing metallic sulphide minerals.
slate	Metamorphosed shale which has developed a distinct planar fabric or cleavage.	syncline	A basin shaped fold in stratified rock with younger rocks towards the centre.
		talc	A soft white-green hydrous magnesium silicate mineral.



WORD	DEFINITION	WORD	DEFINITION
tectonic	Of, pertaining to, or designating the rock structure and external forms resulting from the deformation of the Earth's crust.	ultramafic	Descriptive of igneous rock contain virtually no quartz or felspar and composed essentially of iron and magnesium silicates, mainly olivine and pyroxene.
Tertiary	A geological time period from 65 to 1.8 million years ago.	unconformity	A surface of erosion or non-deposition that separates younger strata from older rocks.
thrust	A type of fault where one body of rock is pushed up over another.	underlay shaft	An inclined shaft.
tin	A metallic mineral with element symbol Sn.	vat leached	The process of extracting gold from crushed rock from lined surface dams.
tonalite	A granitic rock consisting essentially of quartz and sodic plagioclase with some mafic minerals usually hornblende and biotite.	vein	A thin sheet-like intrusion into a fissure or crack, commonly bearing quartz.
tonne or t	The metric measure equal to 1,000 kilograms, or 2,204.62 pounds.	VHMS	Abbreviation for volcanic hosted massive sulphide deposits.
topaz	An aluminium silicate, topaz can form massive white, yellow, purple crystals. It forms most commonly in pegmatites, but also in veins and cavities in granitic rocks.	volcanic	Descriptive of rocks originating from volcanic activity.
tourmaline	A silicate mineral with boron. Formed in granites and pegmatites, as well as in some metamorphic rocks.	volcaniclastic sediments	A clastic rock containing material derived from volcanic source rocks and generally deposited under water.
trachyandesite	A volcanic rock of intermediate composition with roughly equal quantities of andesitic felspar and alkali felspar. The volcanic equivalent of monzonite.	vugh	A cavity in a rock usually with crystalline minerals.
trachyte	A volcanic rock of intermediate composition with alkali felspar dominant over plagioclase. The volcanic equivalent of syenite.	weathering	Near surface decomposition by exposure to the atmosphere and ground water.
tremolite	A mineral, calcium magnesium silicate. Forms a mineral series with actinolite.	wehrlite	A peridotite composed of olivine and clinopyroxene.
Triassic	A geological time period from 250 to 204 million years ago.	wolframite	An ore of tungsten that forms in quartz veins or pegmatites, often associated with minerals such as cassiterite and arsenopyrite.
tuff	A rock formed of compacted volcanic ash, generally less than 2mm in diameter	zinc	A grey coloured metal with element symbol Zn.
tungsten	A grey black metal with the chemical symbol W. Used as a hardening agent for tool steels and cutting tools.	zonation	The distribution of distinctive metals in zones around a granitic intrusion.
turbidites	The sediment deposited as a result of a density current. Turbidites exhibit a wide range of sedimentary structures including graded bedding, load, flute and groove casts etc.		



THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY



JAGUAR MINERALS LIMITED

ACN 107 159 713

APPLICATION FORM

HERALD PRIORITY RIGHT ENTITLEMENT

HERALD RESOURCES LTD SHAREHOLDERS RECEIVE A PRIORITY RIGHT TO APPLY FOR SHARES. PLEASE INDICATE BY CROSSING ("X") THE BOX IF YOU ARE A HERALD SHAREHOLDER AND PROVIDE THE SRN OR HIN OF YOUR HERALD HOLDING

☐

("X") SRN OR HIN

NOTE: THIS PRIORITY RIGHT EXPIRES ON 4 MAY 2004. IF NOT RECEIVED BY THIS DATE YOUR APPLICATION WILL NOT BE GUARANTEED TO RECEIVE ANY PRIORITY OVER OTHER APPLICATIONS.

If you have received this Prospectus electronically, please ensure that you have received the entire Prospectus accompanied by the Application Form or a copy of the Application Form or a direct derivation of the Application Form. If not, please email inquiries@jaguarminerals.com.au and the Company will send to you for free, either a hard copy or a further electronic copy of the Prospectus or both.

PLEASE READ ALL INSTRUCTIONS ON REVERSE OF THIS FORM

A NUMBER OF SHARES APPLIED FOR

(minimum 10,000 and then multiples of 2,000 Shares).

You will receive 1 free Option for every 2 Shares applied for

at \$0.20 per Share

B TOTAL AMOUNT PAYABLE

cheque(s) to equal this amount

A\$

you may be allocated all of the Securities above or a lesser number

C FULL NAME DETAILS title, given name(s) (no initials) and surname or company name

Name of applicant 1

Name of joint applicant 2 or <account name>

Name of joint applicant 3 or <account name>

E FULL POSTAL ADDRESS

Number/street

Suburb/town

State/postcode

G CHESS HIN (if applicable)

H CHEQUE PAYMENT DETAILS

please fill out your cheque details and make your cheque payable to "Jaguar Minerals Limited - Share Offer Account"

Drawer

Cheque number

BSB number

Account number

Total amount of cheque

Share Registrars use only

BROKER REFERENCE -
STAMP ONLY

Broker code Adviser code

D TAX FILE NUMBER(S)

Or exemption category

Applicant 1/company

Joint applicant 2/ trust

Joint applicant 3/exemption

F CONTACT DETAILS

Contact name

Contact daytime telephone number

Contact email address

- f** Return of the Application Form with your cheque for the Application monies will constitute your offer to subscribe for Securities in the Company. I/We declare that:
- (a) this Application is completed according to the declaration/appropriate statements on the reverse of this form and agree to be bound by the Constitution of the Company; and
- (b) I/we have received personally a copy of this Prospectus accompanied by or attached to the Application Form or a copy of the Application Form or a direct derivative of the Application Form, before applying for Securities.

NO SIGNATURE IS REQUIRED.

You should read the Prospectus dated 13 April 2004 carefully before completing this Application Form. The Corporations Act prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and any relevant supplementary prospectus (whether in paper or electronic form).

GUIDE TO THE JAGUAR MINERALS LIMITED APPLICATION FORM

This Application Form relates to the Offer of 25,000,000 Shares and 12,500,000 free attaching Options in Jaguar Mining Limited at \$0.20 per Share (with the right to accept oversubscriptions of up to 2,500,000 Shares and 1,250,000 free attaching Options) pursuant to the Prospectus dated 13 April 2004. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the Securities of the Company and it is advisable to read this document before applying for Securities. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary prospectus (if applicable), and an Application Form, on request and without charge.

Please complete all relevant sections of the Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Application Form. Further particulars and the correct forms of registrable titles to use on the Application Form are contained below.

- A** Insert the number of Shares you wish to apply for. The Application must be for a minimum of 10,000 Shares and thereafter in multiples of 2,000 Shares. You will receive 1 free Option for every 2 Shares applied for.
- B** Insert the relevant amount of Application monies. To calculate your Application monies, multiply the number of Shares applied for by the sum of \$0.20.
- C** Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of the company. Up to three joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that are presently registered in the CHES system.
- D** Enter your Tax File Number (TFN) or exemption category. Where applicable, please enter the TFN for each joint Applicant. Collection of TFN(s) is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application.
- E** Please enter your postal address for all correspondence. All communications to you from the share registry will be mailed to the person(s) and address as shown. For Joint Applicants, only one address can be entered.
- F** Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Application.
- G** The Company will apply to ASX to participate in CHES, operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of Australian Stock Exchange Limited. In CHES, the Company will operate an electronic CHES subregister of securities holdings and an electronic issuer sponsored subregister of securities holdings. Together the two subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to Application in respect of securities allotted. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold securities allotted to you under this Application in uncertified form on the CHES subregister, complete Section G or forward your Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave Section G blank and on allotment, you will be sponsored by the Company and an SRN will be allocated to you. For further information refer to the relevant section of the Prospectus.
- H** Please complete cheque details as requested: Make your cheque payable to "Jaguar Minerals Ltd - Share Offer Account" in Australian currency and cross it "Not Negotiable". Your cheque must be drawn on an Australian Bank. The amount should agree with the amount shown in Section B. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.
- I** Before completing the Application Form the Applicant(s) should read the Prospectus to which the Application relates. By lodging the Application Form, the Applicant(s) agrees that this Application is for Securities in the Company upon and subject to the terms of this Prospectus, agrees to take any number of Shares and attaching Options equal to or less than the number of Shares indicated in Section A that may be allotted to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Correct form of Registrable Title

Note that only legal entities are allowed to hold Shares. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual Use names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult; do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts Use trustee(s) personal name(s); do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use executor(s) personal name(s); do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of late John Smith
Partnerships Use partners personal names; do not use the name of the partnership	Mr John Smith and Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

LODGE MENT OF APPLICATIONS

Return your completed Application Form with cheque(s) attached to:

By Post to:
Jaguar Minerals Limited
c/- Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953

Or delivered to:
Jaguar Minerals Limited
c/- Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Application Forms must be received no later than 5.00pm WST time on 31 May 2004.



JAGUAR MINERALS LIMITED

ACN 107 159 713

APPLICATION FORM

HERALD PRIORITY RIGHT ENTITLEMENT

HERALD RESOURCES LTD SHAREHOLDERS RECEIVE A PRIORITY RIGHT TO APPLY FOR SHARES. PLEASE INDICATE BY CROSSING ("X") THE BOX IF YOU ARE A HERALD SHAREHOLDER AND PROVIDE THE SRN OR HIN OF YOUR HERALD HOLDING

☐

("X") SRN OR HIN

NOTE: THIS PRIORITY RIGHT EXPIRES ON 4 MAY 2004. IF NOT RECEIVED BY THIS DATE YOUR APPLICATION WILL NOT BE GUARANTEED TO RECEIVE ANY PRIORITY OVER OTHER APPLICATIONS.

If you have received this Prospectus electronically, please ensure that you have received the entire Prospectus accompanied by the Application Form or a copy of the Application Form or a direct derivation of the Application Form. If not, please email indian@jaguarminerals.com.au and the Company will send to you for free, either a hard copy or a further electronic copy of the Prospectus or both.

PLEASE READ ALL INSTRUCTIONS ON REVERSE OF THIS FORM

A NUMBER OF SHARES APPLIED FOR

(minimum 10,000 and then multiples of 2,000 Shares).

You will receive 1 free Option for every 2 Shares applied for

at \$0.20 per Share

B TOTAL AMOUNT PAYABLE

cheque(s) to equal this amount

A\$

you may be allocated all of the Securities above or a lesser number

C FULL NAME DETAILS title, given name(s) (no initials) and surname or company name

Name of applicant 1

Name of joint applicant 2 or <account name>

Name of joint applicant 3 or <account name>

E FULL POSTAL ADDRESS

Number/street

Suburb/town

State/postcode

G CHESS HIN (if applicable)

H CHEQUE PAYMENT DETAILS

please fill out your cheque details and make your cheque payable to "Jaguar Minerals Limited - Share Offer Account"

Drawer

Cheque number

BSB number

Account number

Total amount of cheque

Share Registrars use only

BROKER REFERENCE -
STAMP ONLY

Broker code Adviser code

D TAX FILE NUMBER(S)

Or exemption category

Applicant 1/company

Joint applicant 2/ trust

Joint applicant 3/exemption

F CONTACT DETAILS

Contact name

Contact daytime telephone number

Contact email address

- f** Return of the Application Form with your cheque for the Application monies will constitute your offer to subscribe for Securities in the Company. I/We declare that:
- (a) this Application is completed according to the declaration/appropriate statements on the reverse of this form and agree to be bound by the Constitution of the Company; and
- (b) I/we have received personally a copy of this Prospectus accompanied by or attached to the Application Form or a copy of the Application Form or a direct derivative of the Application Form, before applying for Securities.

NO SIGNATURE IS REQUIRED.

You should read the Prospectus dated 13 April 2004 carefully before completing this Application Form. The Corporations Act prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and any relevant supplementary prospectus (whether in paper or electronic form).

GUIDE TO THE JAGUAR MINERALS LIMITED APPLICATION FORM

This Application Form relates to the Offer of 25,000,000 Shares and 12,500,000 free attaching Options in Jaguar Mining Limited at \$0.20 per Share (with the right to accept oversubscriptions of up to 2,500,000 Shares and 1,250,000 free attaching Options) pursuant to the Prospectus dated 13 April 2004. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the Securities of the Company and it is advisable to read this document before applying for Securities. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary prospectus (if applicable), and an Application Form, on request and without charge.

Please complete all relevant sections of the Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Application Form. Further particulars and the correct forms of registrable titles to use on the Application Form are contained below.

- A** Insert the number of Shares you wish to apply for. The Application must be for a minimum of 10,000 Shares and thereafter in multiples of 2,000 Shares. You will receive 1 free Option for every 2 Shares applied for.
- B** Insert the relevant amount of Application monies. To calculate your Application monies, multiply the number of Shares applied for by the sum of \$0.20.
- C** Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of the company. Up to three joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that are presently registered in the CHES system.
- D** Enter your Tax File Number (TFN) or exemption category. Where applicable, please enter the TFN for each joint Applicant. Collection of TFN(s) is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application.
- E** Please enter your postal address for all correspondence. All communications to you from the share registry will be mailed to the person(s) and address as shown. For Joint Applicants, only one address can be entered.
- F** Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Application.
- G** The Company will apply to ASX to participate in CHES, operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of Australian Stock Exchange Limited. In CHES, the Company will operate an electronic CHES subregister of securities holdings and an electronic issuer sponsored subregister of securities holdings. Together the two subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to Application in respect of securities allotted. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold securities allotted to you under this Application in uncertified form on the CHES subregister, complete Section G or forward your Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave Section G blank and on allotment, you will be sponsored by the Company and an SRN will be allocated to you. For further information refer to the relevant section of the Prospectus.
- H** Please complete cheque details as requested: Make your cheque payable to "Jaguar Minerals Ltd - Share Offer Account" in Australian currency and cross it "Not Negotiable". Your cheque must be drawn on an Australian Bank. The amount should agree with the amount shown in Section B. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.
- I** Before completing the Application Form the Applicant(s) should read the Prospectus to which the Application relates. By lodging the Application Form, the Applicant(s) agrees that this Application is for Securities in the Company upon and subject to the terms of this Prospectus, agrees to take any number of Shares and attaching Options equal to or less than the number of Shares indicated in Section A that may be allotted to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Correct form of Registrable Title

Note that only legal entities are allowed to hold Shares. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual Use names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult; do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts Use trustee(s) personal name(s); do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use executor(s) personal name(s); do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of late John Smith
Partnerships Use partners personal names; do not use the name of the partnership	Mr John Smith and Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

LODGE MENT OF APPLICATIONS

Return your completed Application Form with cheque(s) attached to:

By Post to:
Jaguar Minerals Limited
c/- Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953

Or delivered to:
Jaguar Minerals Limited
c/- Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Application Forms must be received no later than 5.00pm WST time on 31 May 2004.



JAGUAR MINERALS LIMITED

ACN 107 159 713

APPLICATION FORM

HERALD PRIORITY RIGHT ENTITLEMENT

HERALD RESOURCES LTD SHAREHOLDERS RECEIVE A PRIORITY RIGHT TO APPLY FOR SHARES. PLEASE INDICATE BY CROSSING ("X") THE BOX IF YOU ARE A HERALD SHAREHOLDER AND PROVIDE THE SRN OR HIN OF YOUR HERALD HOLDING

☐

("X") SRN OR HIN

NOTE: THIS PRIORITY RIGHT EXPIRES ON 4 MAY 2004. IF NOT RECEIVED BY THIS DATE YOUR APPLICATION WILL NOT BE GUARANTEED TO RECEIVE ANY PRIORITY OVER OTHER APPLICATIONS.

If you have received this Prospectus electronically, please ensure that you have received the entire Prospectus accompanied by the Application Form or a copy of the Application Form or a direct derivation of the Application Form. If not, please email inquiries@jaguarminerals.com.au and the Company will send to you for free, either a hard copy or a further electronic copy of the Prospectus or both.

PLEASE READ ALL INSTRUCTIONS ON REVERSE OF THIS FORM

A NUMBER OF SHARES APPLIED FOR

(minimum 10,000 and then multiples of 2,000 Shares).

You will receive 1 free Option for every 2 Shares applied for

at \$0.20 per Share

B TOTAL AMOUNT PAYABLE

cheque(s) to equal this amount

A\$

you may be allocated all of the Securities above or a lesser number

C FULL NAME DETAILS title, given name(s) (no initials) and surname or company name

Name of applicant 1

Name of joint applicant 2 or <account name>

Name of joint applicant 3 or <account name>

E FULL POSTAL ADDRESS

Number/street

Suburb/town

State/postcode

G CHESS HIN (if applicable)

H CHEQUE PAYMENT DETAILS

please fill out your cheque details and make your cheque payable to "Jaguar Minerals Limited - Share Offer Account"

Drawer

Cheque number

BSB number

Account number

Total amount of cheque

Share Registrars use only

BROKER REFERENCE -
STAMP ONLY

Broker code Adviser code

D TAX FILE NUMBER(S)

Or exemption category

Applicant 1/company

Joint applicant 2/ trust

Joint applicant 3/exemption

F CONTACT DETAILS

Contact name

Contact daytime telephone number

Contact email address

- f** Return of the Application Form with your cheque for the Application monies will constitute your offer to subscribe for Securities in the Company. I/We declare that:
- (a) this Application is completed according to the declaration/appropriate statements on the reverse of this form and agree to be bound by the Constitution of the Company; and
- (b) I/we have received personally a copy of this Prospectus accompanied by or attached to the Application Form or a copy of the Application Form or a direct derivative of the Application Form, before applying for Securities.

NO SIGNATURE IS REQUIRED.

You should read the Prospectus dated 13 April 2004 carefully before completing this Application Form. The Corporations Act prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and any relevant supplementary prospectus (whether in paper or electronic form).

GUIDE TO THE JAGUAR MINERALS LIMITED APPLICATION FORM

This Application Form relates to the Offer of 25,000,000 Shares and 12,500,000 free attaching Options in Jaguar Mining Limited at \$0.20 per Share (with the right to accept oversubscriptions of up to 2,500,000 Shares and 1,250,000 free attaching Options) pursuant to the Prospectus dated 13 April 2004. The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the Securities of the Company and it is advisable to read this document before applying for Securities. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary prospectus (if applicable), and an Application Form, on request and without charge.

Please complete all relevant sections of the Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Application Form. Further particulars and the correct forms of registrable titles to use on the Application Form are contained below.

- A** Insert the number of Shares you wish to apply for. The Application must be for a minimum of 10,000 Shares and thereafter in multiples of 2,000 Shares. You will receive 1 free Option for every 2 Shares applied for.
- B** Insert the relevant amount of Application monies. To calculate your Application monies, multiply the number of Shares applied for by the sum of \$0.20.
- C** Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of the company. Up to three joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that are presently registered in the CHES system.
- D** Enter your Tax File Number (TFN) or exemption category. Where applicable, please enter the TFN for each joint Applicant. Collection of TFN(s) is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application.
- E** Please enter your postal address for all correspondence. All communications to you from the share registry will be mailed to the person(s) and address as shown. For Joint Applicants, only one address can be entered.
- F** Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Application.
- G** The Company will apply to ASX to participate in CHES, operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of Australian Stock Exchange Limited. In CHES, the Company will operate an electronic CHES subregister of securities holdings and an electronic issuer sponsored subregister of securities holdings. Together the two subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to Application in respect of securities allotted. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold securities allotted to you under this Application in uncertified form on the CHES subregister, complete Section G or forward your Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave Section G blank and on allotment, you will be sponsored by the Company and an SRN will be allocated to you. For further information refer to the relevant section of the Prospectus.
- H** Please complete cheque details as requested: Make your cheque payable to "Jaguar Minerals Ltd - Share Offer Account" in Australian currency and cross it "Not Negotiable". Your cheque must be drawn on an Australian Bank. The amount should agree with the amount shown in Section B. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.
- I** Before completing the Application Form the Applicant(s) should read the Prospectus to which the Application relates. By lodging the Application Form, the Applicant(s) agrees that this Application is for Securities in the Company upon and subject to the terms of this Prospectus, agrees to take any number of Shares and attaching Options equal to or less than the number of Shares indicated in Section A that may be allotted to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Correct form of Registrable Title

Note that only legal entities are allowed to hold Shares. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual Use names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult; do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts Use trustee(s) personal name(s); do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use executor(s) personal name(s); do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of late John Smith
Partnerships Use partners personal names; do not use the name of the partnership	Mr John Smith and Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

LODGEMENT OF APPLICATIONS

Return your completed Application Form with cheque(s) attached to:

By Post to:
Jaguar Minerals Limited
c/- Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953

Or delivered to:
Jaguar Minerals Limited
c/- Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Application Forms must be received no later than 5.00pm WST time on 31 May 2004.



JAGUAR MINERALS LTD

ACN 107 159 713

REGISTERED OFFICE

Level 3, 50 Colin St
West Perth WA 6005

Telephone: (08) 9322 2788
Facsimile: (08) 9481 1669

Website: www.jaguaminerals.com.au
Email: nallen@jaguaminerals.com.au