ACCLAIM EXPLORATION NL
ABN 99 009 076 233

27 October 2004

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

Dispatch of Annual Report and Notice of Annual General Meeting

The company advises that it has dispatched its year 2004 Annual Report to members, together with the Notice of Annual General Meeting.

The Annual Report comprises only the financial documents already given to the ASX. A copy of the Annual Report and Notice of Annual General Meeting is attached.

N J Bassett
Company Secretary

Registered Office :

Suite B, 150 Hay Street, Subiaco, Western Australia 6008
Tel: 61-8-9388 8436 Fax: 61-8-9388 8450

ACCLAIM EXPLORATION NL
ABN 99 009 076 233

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of members of Acclaim Exploration NL ("Acclaim") will be held at Royal King's Park Tennis Club, Kings Park Road West Perth WA 6005 on Tuesday, 30th November 2004 at 12.30pm for the purpose of transacting the business set out below.

AGENDA

Ordinary Business

1. Accounts and Reports

To receive and consider the Financial Report of the Company and of the consolidated entity for the year ended 30 June 2004 and the reports by directors and auditors thereon.

2. Re-Election of Directors

2.1 To consider and, if thought fit, to pass the following as an ordinary resolution:

"That Mr Craig S Willis, who retires by rotation in accordance with clause 68.1 of the Constitution of the Company and, having offered himself for re-election and being eligible, is re-elected a director of the company."

2.2 To consider and, if thought fit, to pass the following as an ordinary resolution:

"That Mr Donald J Head, having been appointed by the directors until this general meeting in accordance with the Company's Constitution and having offered himself for re-election and being eligible, is hereby re- elected as a director of the company."

For the purposes of determining voting entitlements at the general meeting, Shares will be taken to be held by persons who are registered as holding Shares at 5.00pm on 26 November 2004. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the annual general meeting.

Proxy and Voting Entitlement Instructions are included on the Proxy Form accompanying this Notice of Annual General Meeting.

BY ORDER OF THE BOARD

N J Bassett
Company Secretary

20 October 2004

PROXY FORM

ACCLAIM EXPLORATION NL
ABN 99 009 076 233

Please return this proxy to:
The Secretary
Acclaim Exploration NL
Suite B
150 Hay Street
SUBIACO WA 6008

I/We...
(block letters)

of...
being a shareholder(s) of Acclaim Exploration NL

HEREBY APPOINT

....

of...

or failing him,...

of...
or failing him, the Chairman as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company, to be held at Royal King's Park Tennis Club, Kings Park Road West Perth WA 6005 on Tuesday 30th November 2004, and at any adjournment thereof in respect of:

- the whole of my/our shares
- ....of my/our shares

* Please delete whichever is not required. If no deletion is made and the number of shares is not inserted and only one proxy is appointed, it will be assumed that the proxy is for all the shares registered in the name of the shareholder.

This form is to be used to vote on each of the Resolutions set out overleaf.

Signed this day of 2004.

If the member is an individual or joint holder

Signed by ....
Usual Signature Usual Signature

If the member is a company

Signed in accordance with the constitution of the company (affix common seal if appropriate)

....	....	....
Director/Sole Director	Director/Secretary	Sole Director and Sole Secretary

RESOLUTIONS TO BE PROPOSED

2.1 Re-election of Director - Mr Craig S Willis	☐ FOR*	☐ AGAINST*	☐ ABSTAIN*
2.2 Re-election of Director - Mr Donald J Head	☐ FOR*	☐ AGAINST*	☐ ABSTAIN*

* **Instructions as to Voting**

If you wish to direct your proxy how to vote with respect to the proposed resolutions, please indicate the manner in which your proxy is to vote by placing a "X" in the appropriate box for each Resolution, otherwise your proxy will vote as he/she thinks fit or abstain from voting.

If you do not wish to direct your proxy how to vote, please place a mark in the box. ☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

NOTES

1. Every shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote instead of such shareholder. Where more than one proxy is appointed each proxy must be appointed for a specified proportion of the shareholder's voting rights.

2. The instruments appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation under its common seal or otherwise in accordance with its Constitution. A proxy need not be a shareholder of the Company.

3. A proxy form must be deposited at the Company's registered office or faxed to (08) 9388 8450 not less than 48 hours before the time appointed for the meeting.

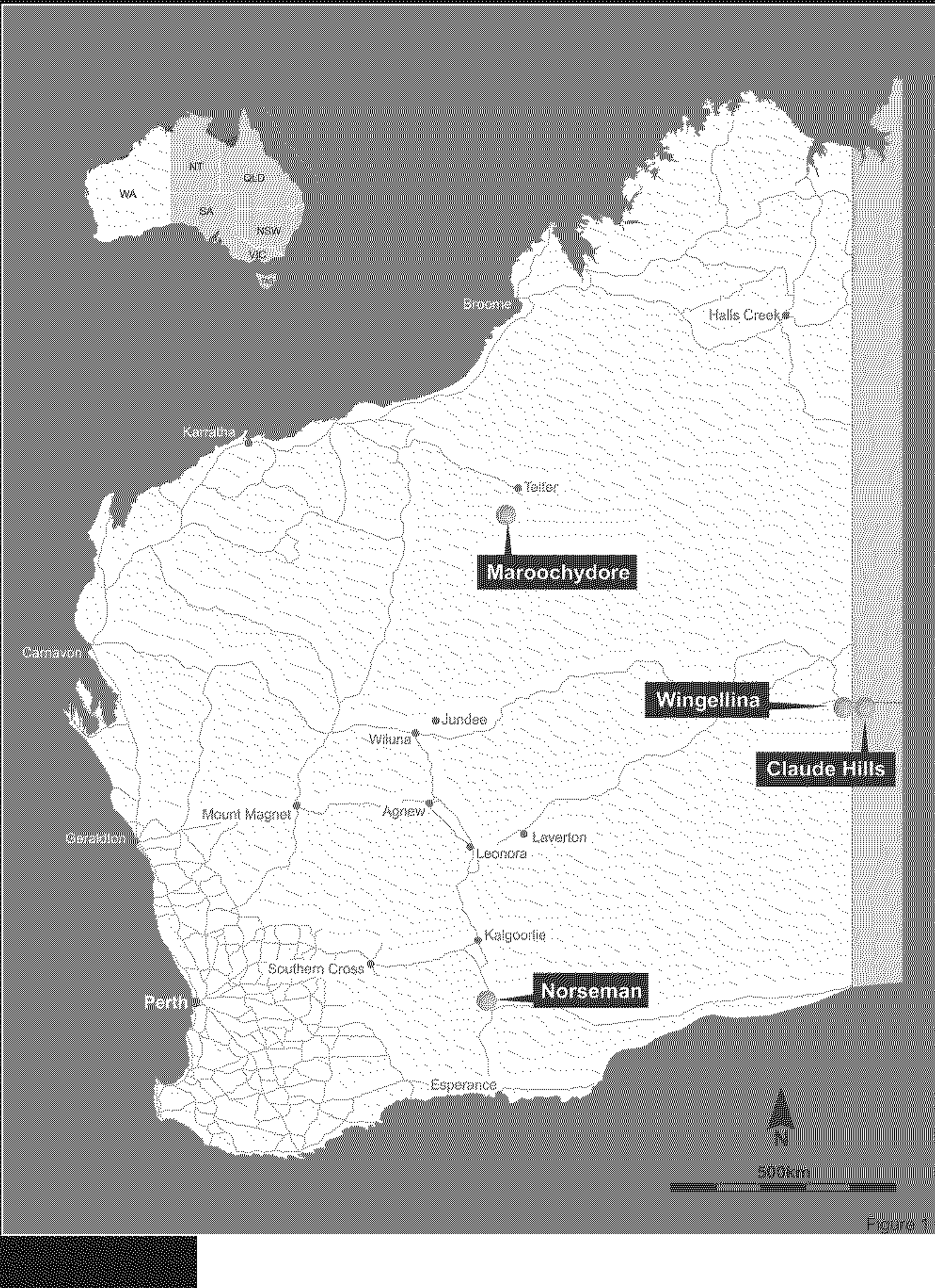
4. The power of attorney (if any) or the instrument appointing a proxy and the power of attorney (if any) under which it is signed or an office copy or notarially certified copy thereof must be deposited at the registered office of the Company not less than forty-eight (48) hours before the time for the holding of the Annual General Meeting or adjourned meeting.

5. The Chairman intends voting in favour of all resolutions.

ACCLAIM EXPLORATION N.L. AND CONTROLLED ENTITIES

annual report 2004

abn 99 009 076 233



WA
NT
QLD
SA
NSW
VIC
Broome
Halls Creek
Karratha
Telfer
Maroochydore
Carnavon
Wingellina
Claude Hills
Jundee
Wiluna
Mount Magnet
Agnew
Geraldton
Laverton
Leonora
Kalgoorlie
Southern Cross
Norseman
Perth
Esperance
N
500km

Figure 1

ACCLAIM EXPLORATION N.L. AND CONTROLLED ENTITIES

COMPANY INFORMATION

Directors

Andrew G Waller	-	Non Executive Chairman
Donald J Head	-	Non Executive Director
Donald F Thomson	-	Executive Director
Craig S Willis	-	Non Executive Director

Secretary
Neville J Bassett

Registered Office
Suite B
150 Hay Street
Subiaco WA 6008
Telephone: (08) 9388 8436
Facsimile: (08) 9388 8450
Email: aex@acclaimexploration.com.au
ABN: 99 009 076 233

Auditors
HLB Mann Judd
15 Rheola Street
West Perth WA 6005

Bankers
Challenge Bank
109 St George's Terrace
Perth WA 6000

Share Registry
Computershare Investor Services Pty Ltd
45 St George's Terrace
Perth WA 6000
Telephone: (08) 9323 2059
Facsimile: (08) 9323 2096

Solicitors
Tottle Christensen
181 St George's Terrace
Perth WA 6000
Telephone:(08) 9217 6700
Facsimile: (08) 9217 6710

Stock Exchange Listing
Acclaim Exploration N.L. shares are listed
on the Australian Stock Exchange
(Home Exchange - Perth)
ASX Code: Shares AEX

SUMMARY

Highlights

- On ground exploration resumed on the Company's Musgrave tenement holdings.
- Ground magnetic and Electromagnetic surveys were completed over selected targets with diamond drill testing of the best targets in progress.
- A high-resolution low level airborne magnetic and radiometric survey was flown over the most prospective portion of the Company's tenements.
- Four previously unrecognised zones of prospective mafic lithology were identified from the radiometric component of the survey.
- A programme of reconnaissance geochemical sampling has commenced to identify additional targets under shallow sheet wash and sand cover for follow up drill testing.

Summary

Acclaim has tenure over a very large nickel laterite resource at Wingellina, in the Musgrave Ranges of Central Australia, and is currently searching for nickel sulphides to exploit either in their own right or as an adjunct to the development of the Wingellina laterite resource. A number of discrete magnetic anomalies that could reflect massive sulphide mineralisation have been identified and have been confirmed by ground magnetic and electromagnetic surveys. Drilling is currently in progress to test the best of these targets.

A high-resolution aero magnetic and radiometric survey has been completed over more than half of the Company's tenement area, which has been identified as having the greatest prospectivity for nickel sulphide mineralisation. A number of new areas of ultramafic and mafic lithology that may host nickel sulphide mineralisation have been identified, together a number of new magnetic anomalies. Ground checking of these potential new targets has commenced.

A programme of reconnaissance geochemistry has commenced to search for "blind" mineralisation buried under shallow cover.

OPERATIONS REPORT

Introduction

Acclaim Exploration holds four tenements over highly prospective Giles Complex rock within the Proterozoic Musgrave Block in Central Australia. The tenements, which cover 1784 square kilometres, straddle the border between Western Australia and South Australia. Three tenements are in Western Australia and one in South Australia. The Western Australian holdings include the very large Wingellina nickel laterite deposit.

In house studies indicate that the discovery of copper-nickel sulphide resources that could provide by-product sulphuric acid would considerably improve economics of any future development at Wingellina. This is the Company's exploration focus at the present time. This year the Company has carried out airborne and ground geophysical survey as the first stage of the search and is following these up with drilling and reconnaissance geochemical sampling programmes.

Wingellina has Mineral Resources of 227 million tonnes of limonitic and saprolitic nickel laterite, grading 1% nickel and 0.06% cobalt at a 0.5% nickel cutoff, that represent in situ resources of some 2.7 million tonnes of contained nickel metal. The Mineral Resource includes 86 million tonnes grading 1.2% nickel and 0.08% cobalt using a 1% cutoff. The Mineral Resource has been classified into Measured, Indicated and Inferred categories in accordance with the JORC code as shown in the Table 1.

Table 1.

Mineral Resource by JORC category

Cutoff	Category	
0.5% nickel	Measured	32,149,000 tonnes at 1.0% nickel, 0.08% cobalt and 33.5% Fe
	Indicated	113,496,000 tonnes at 1.0% nickel, 0.07% cobalt and 31.6% Fe
	Inferred	81,261,000 tonnes at 1.0% nickel, 0.06% cobalt and 26.8% Fe
	Total	**226,905,000 tonnes at 1.0% nickel, 0.07% cobalt and 30.1% Fe**

The Mineral Resource is based on 39 holes drilled by the Company comprising 1,404 samples representing 2,289 metres and 1,352 INCO holes, totalling 30,400 samples representing 46,577 metres of drilling. The Mineral Resource has been divided into two types: Limonite - containing >30% iron and Saprolite – containing <30% iron. The Limonite resource represents approximately 55%, Saprolite resource 42% and unallocated resource 3% of the total resource.

Preliminary metallurgical testing of the mineralisation in 2001-2002 indicated that the Wingellina mineralisation has good process characteristics consistent with high iron, low magnesium and low clay content (and as a consequence low viscosity) of the nickel laterite. High pressure acid leach (HPAL) was shown to work effectively on Wingellina limonite mineralisation, with nickel extractions in the order of 95% and cobalt at 90% after 60 minutes reaction time. Acid addition was relatively low at 290 kilograms per tonne, which was attributed to low iron and magnesium extraction.

This was the first year that the Company has worked on the Claude Hills tenement in north-west of South Australia. Once the process for reviewing the programme and obtaining Work Area Clearances from the Anangu Pitjantjatjara Land Council was established the approvals moved quickly. Following approval of the works programme, contractor availability and weather further delayed the actual commencement of on ground exploration.

High Resolution Aeromagnetic and Radiometric Survey

A high-resolution survey was flown over a select portion of the company's Musgrave holdings identified as having the greatest prospectivity for massive copper-nickel sulphide mineralisation. The survey covers approximately 1,027 square kilometres out of the 1,784 square kilometres held by the Company under title. A total of 13,300 line kilometres were flown at a nominal terrain clearance of 35 metres on survey lines 100 metres apart.

The new data set (Figure 1.) is a significant improvement on the 400 metre line spaced data (Figure 2.) previously available from government surveys. Only preliminary data is available from the contractor at this stage, but interpretation and field checking has commenced.

The radiometrics have mapped eight broad areas of ultramafic and mafic lithologies within the survey area. Four of these zones were previously unrecognized. New target areas have been identified and ground checking of mafic outcrops for evidence of sulphide mineralisation has commenced.

Eleven new magnetic anomalies have been identified from a preliminary analysis of the data. Magnetic anomalies coincident with radiometric lows are of particular interest to the Company's exploration team. Once a detailed analysis has been completed anomalies will be ranked and prioritised for field checking and follow up exploration (ground EM and drilling).

Ground Geophysics

A programme of ground magnetic and electromagnetic (EM) surveying was carried out over 13 targets on the Claude Hills and Wingellina tenements selected from relatively low resolution regional data. A total of twenty-six line kilometres of 100 metre in-loop Time Domain EM (TEM) was carried out using Crone TEM equipment. The survey included an orientation line over a conductor at Wingellina previously tested by another contractor using Slingram configuration.

Inspection of ground magnetic profiles confirms that all targets selected for testing were adequately covered by the ground EM surveys. Two targets on the Claude Hills tenement and three targets on the Wingellina tenement were identified as warranting drill testing. A strong linear conduct along the mafic-felsic gneiss contact 1.5 to 2 kilometres north of the Wingellina nickel laterite resource is of particular interest.

Drilling

Two diamond holes were completed, with the third in progress. The first hole (CHCD1) intersected the geophysical target at the expected depth. The second hole (CHCD2) was abandoned prior to the target depth and will be re-entered or redrilled. The third hole (WPRCD48) is in progress. To date 864 metres out of expected programme of 3,000 metres of diamond core has been completed. Four bores to provide water for the camp and drilling have also been completed.

The third hole of the programme (WPRCD48) is at 480 metres depth and drilling is continuing. This hole is designed to test a deep broad electromagnetic (EM) response, located 1.5 kilometres north of the 227 million tonne Wingellina nickel laterite resource, along the base of the intrusion. The target is a linear magnetic feature that has been identified by EM on four lines over a strike length of 5 kilometres. The conductor has a model depth of 300-350 vertical metres. The hole will be drilled across the mafic stratigraphy and in to the basement gneiss.

The first hole (CHDH01) in the current programme drilled to test a magnetic anomaly north-east of the Kalka community on the Claude Hills tenement in South Australia. Geophysical modelling indicated a body at less than 20 metres. This first hole intersected a strongly magnetic gabbro with minor disseminated sulphides. The gabbro has accessory biotite and garnet, minerals that may indicate contamination of the magma prior to intrusion a process essential for the formation of massive sulphides. The total depth of CHCD01 was 208 metres. The core from this hole has been sampled and dispatched to the laboratory for analysis. Results are awaited.

The second hole (CHDH02), also drilled on the Claude Hills tenement, was designed to test a large, prominent "bulls-eye" anomaly over interpreted ultramafic rocks. The hole was abandoned in deep swelling clays at 176 metres before reaching the target. Geophysical modelling of data from both the high resolution survey and ground magnetic traverses indicates the presence a very large magnetic feature at depth. This target will be re-drilled after the current target has been tested.

A proposal for funding under the South Australian Government's Plan for Accelerating Exploration (PACE) submitted by the Company was successful. The Company proposed a stratigraphic hole to be drilled on exploration licence 2584 (held by Rio Tinto and Placer Dome) to test the basal contact of the Mt Davies layered intrusion to determine if it is intact. Information grained from this hole will aid regional targeting for nickel sulphides.

Geochemical Surveys

A reconnaissance auger geochemical sampling program to test extensive shallow alluvium and aeolian sand covered areas is underway. Approximately 25% of the program has been completed with the holes drilled to bedrock. The auger holes are being drilled on a grid at 400 metre by 800 metres centres. The average depth of the holes to bedrock is less than two metres.

Areas of outcrop not amenable to testing by auger drilling will be tested by stream sediment sampling.

Community

Acclaim's ability to operate successfully depends on the continuing long term support of the Traditional Owners and the Aboriginal Communities within the area in which the Company operates. This support is due to recognition of and respect for the culture, values and traditions of those communities and to being open and honest when describing the long term effects the Company's activities may have. In all its dealings, the Company seeks to balance the wishes and aspirations of the Aboriginal people with whom it has contact and need to carry out exploration in a timely and cost effective manner.

Acclaim inducts employees and contractors so that they know how to conduct themselves in a manner acceptable to the Aboriginal people and are aware of issues of particular sensitivity.

A series of consultative meetings were held between the Company and the Anangu Pitjantjatjara Land Council Executive, and the Company and Aboriginal Traditional Owners with knowledge of the country over which the Company has tenure. Many of the Aboriginal people concerned claim traditional ownership across the state border and the good working relationship the Company has developed at Wingellina during previous years assisted with obtaining a favourable outcome from the meetings.

The Company carries out Work Area Clearances with a team of Traditional owners and independent anthropologists to identify sites of cultural significance before commencing exploration in a new area. Two Work Area Clearance surveys were carried out during the year, one at Wingellina and the other at Claude Hills.

Safety

The safety, health and well-being of all of the people associated with Acclaim's exploration activities are of the utmost importance. The Company recognises that an injury and industrial disease free work place will only be achieved with the full cooperation of management, staff and independent contractors engaged in the Company's activities.

As part of its risk management programme the Company inducts all people that work on its sites in the risks associated with the activities being undertaken. The Company also monitors all accidents and incidents on its works sites. No serious incidents or accidents were recorded during the current reporting period.

Environment

The area in which Acclaim operates has a fragile desert ecology with high environmental and scenic value. The Company conducts its exploration activities so as to minimise environmental and visual impact. Emphasis is placed on using remote sensing and low impact exploration techniques, such as light customised six wheel drive auger rig for the reconnaissance geochemical survey as opposed to the larger truck mounted RAB/Aircore rigs normally used for this type of work.

The Company also has an on going programme to cap and rehabilitate the 2500 drills left open at the cessation of exploration in the early 1970's.

Technical Information

The technical information contained in this report is based on information compiled by Mr D F Thomson (a Member of the Australian Institute of Mining and Metallurgy) who has more than five years experience in the field of activity being reported on. This report accurately reflects the information compiled by that member. The Mineral Resource estimate was prepared in accordance with the guidelines outlined in the "Australian Code for the Reporting of Identified Mineral Resources and Ore Reserves" (JORC). It should not be assumed that the reported exploration results will result, with further exploration, in the definition of a Mineral Resource. Exploration target sizes mentioned are conceptual in nature and do not imply that Mineral Resources have been, or will be, defined.

SCHEMATIC DIAGRAM SHOWING RELATIVE RELATIONSHIPS OF GILES COMPLEX INTRUSION AND ASSOCIATED MINERALISATION.

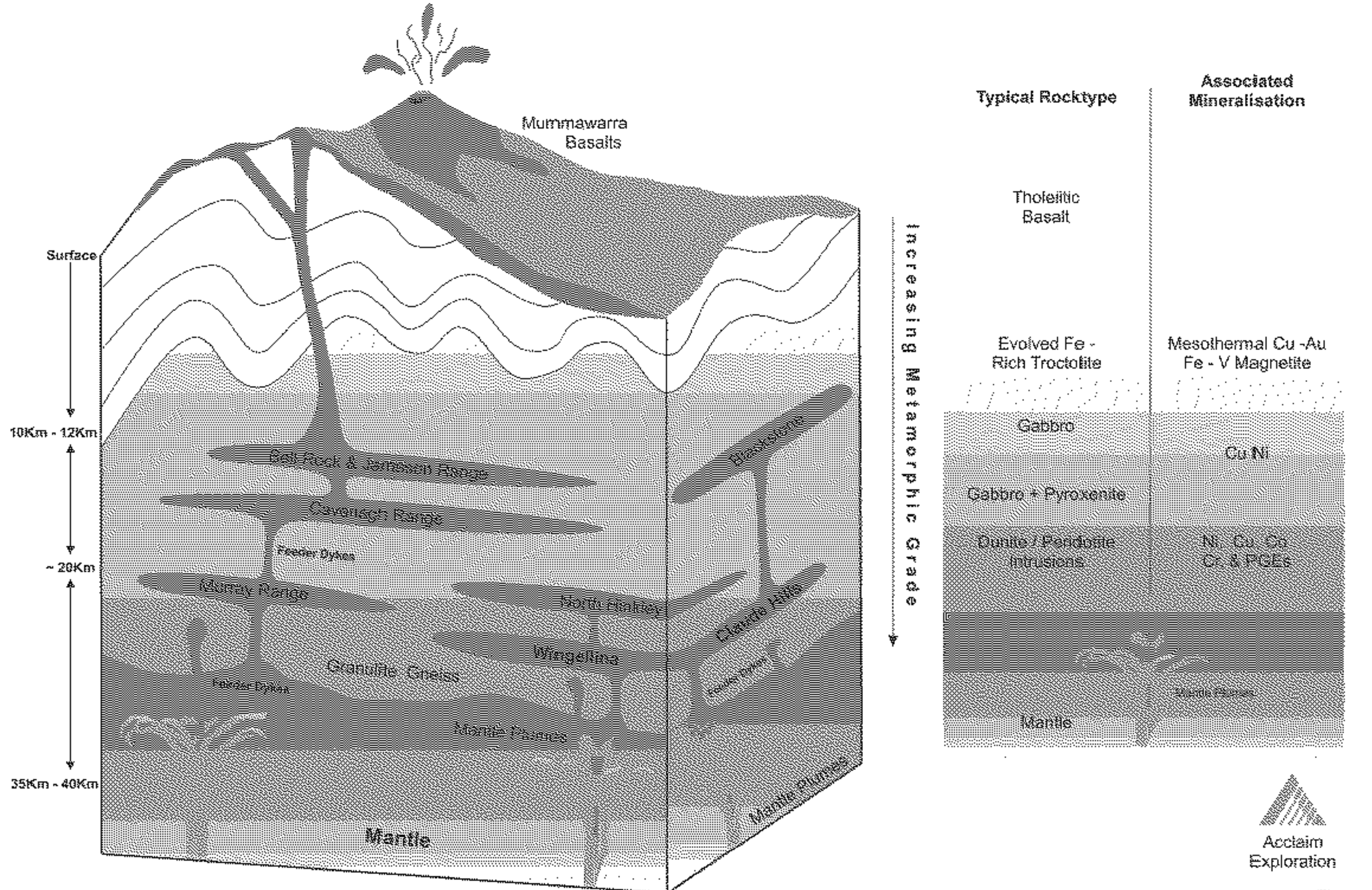


Figure 3

ssxPM005 24.9.03

DIRECTORS' REPORT

Your Directors present their report on the financial statements for the year ended 30 June 2004.

Directors

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

Name	Position	Expertise
A G Waller (Appointed 18/9/03)	Non-Executive Chairman	Finance and Company Management
D J Head (Appointed 1/12/03)	Non-Executive Director	Operations and Metallurgical
C S Willis	Non-Executive Director	Finance and Company Management
D F Thomson	Executive Director	Operations and Geological
BR Matich (Resigned 5/9/03)	Managing Director	Mining Company Management

Principal Activity

The principal activity of the consolidated entity during the financial year was mineral exploration and investment.

There were no significant changes in the nature of the principal activities of the consolidated entity during the financial year.

Operating Results

The loss of the consolidated entity, after income tax and outside equity interest, amounted to $484,063.

Dividends Paid or Recommended

No dividends have been paid or recommended by the Directors for the year ended 30 June 2004.

Review of Operations

In the opinion of the Directors, the operations of the consolidated entity for the financial year, likely developments in the operations of the consolidated entity and the expected results of those operations as known at the date of this report have been covered generally herein and in the Operations Report which is contained in this Annual Report.

Significant Changes in State of Affairs

During the year, the company raised $3,171,325 by the placement of:

- 43,755,000 ordinary fully paid shares at an issue price of 1.5 cents each on 21 August 2003; and

- 50,300,000 ordinary fully paid shares at an issue price of 5 cents each on 9 December 2003.

After Balance Date Events

No matters or circumstances have arisen, since the end of the financial year, which significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial years.

Likely Developments and Results

Comments on likely developments and expected results have been covered generally herein and in the Operations Report which is contained in this Annual Report.

Further information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental Issues

The consolidated entity's operations are subject to various environmental regulations under both Commonwealth and State Government legislation. The directors have complied with these regulations and are not aware of any breaches of the legislation during the current financial year which are material in nature.

INFORMATION ON DIRECTORS

Directors

SPECIAL RESPONSIBILITIES QUALIFICATIONS and EXPERIENCE

Andrew G Waller
Non Executive Chairman
Mr Waller's background is in technology development / manufacturing, property development and resources. He was the founder of the telecommunications division of the UDC Group Pty Ltd that formed Cable and Telecoms Limited. Mr Waller was an executive director of Cable and Telecoms Limited and is a director of Baycrest Pty Ltd. Mr Waller is also a director of Nuenco NL.

Mr Waller has extensive public company experience, particularly in the area of capital raising and business development.

Donald J Head (AWASOM)
Non Executive Director
Mr Head is a metallurgist with more than 30 years experience in the mining industry. He has held several senior management positions with WMC Ltd, including a number of years as the manager of the Kwinana Nickel Refinery. He is a fellow of the Australian Institute of Mining and Metallurgy and currently runs his own metallurgical consulting business providing services to several mining and construction groups. He was a

non-executive director of Tectonic Resources NL and Abelle Ltd. Mr Head brings a substantial knowledge of metallurgy and the nickel industry to the group which should prove an invaluable asset as the continued exploration, assessment and future development of the company's nickel assets advance.

Donald F Thomson
Executive Director
Mr Thomson holds a Bachelor of Science degree with Honours in geology with 20 years experience and is a member of Australian Institute of Mining and Metallurgy. He worked with Newcrest for 9 years in mining and exploration, and was closely involved in the discovery of the Gilbey's gold deposit at Dalgaranga. He was also involved in drill-outs at New Celebration and Telfer, and regional exploration throughout Western Australia and the Northern Territory. As Exploration Manager of Johnson's Well Mining, he lead the team responsible for the discovery of gold resources totalling 2 million ounces, including the 1.2 million ounce Rosemont gold deposit.

Craig S Willis
Non Executive Director
Mr Willis has considerable project management and technology development experience, having held a number of public and private company directorships. He has significant experience in dealing with government instrumentalities pertaining to contract negotiations between private and public entities. He has previously project managed a number of successful operational developments within Australia Post.

Directors' Interest in Shares and Options

The particulars of shares and options in the Company, held by the Directors or an associate of the Directors of the Company as of the date of this report are as follows:

Name of Director	Shares	Options
A G Waller	-	-
D J Head	1,200,000	-
D Thomson	1,470,000	-
C S Willis	-	-

Directors' and Executive Officers' Emoluments

The Company's policy for determining the nature and amount of emoluments of board members and senior executives of the company is as follows:

Remuneration levels are competitively set to attract the most qualified and experienced directors and senior executive officers. Remuneration is not based on company performance. Refer Note 21 for emoluments of directors.

Directors' meetings

During the financial year 12 meetings of the Company's directors were held in respect of which each director of the Company attended the following number of meetings:

	Directors Meetings		Audit Committee	
Name of Director	***Meetings eligible to attend***	***Number attended***	***Meetings eligible to attend***	***Number attended***
A Waller	9	9	2	2
D Head	6	5	-	-
D Thomson	12	12	-	-
C Willis	12	12	2	2
B Matich	2	2	-	-

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received, or become entitled to receive, any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts or the fixed salary of a full-time employee of the Company or of a related corporation) by reason of a contract made by the Company or a related corporation with the Directors or with a firm of which the Director is a member, or with a Company in which the Director has a substantial financial interest.

Share options

During the financial year 212,928,535 options to subscribe for ordinary fully paid shares exercisable at 20 cents expired on 30 April 2004.

At 30 June 2004 the following options were on issue.

Number	Exercise Price	Expiry Date
8,000,000	25 cents	08.10.2005

None of the option holders have any right to participate by virtue of the options in any share issue of any other corporation.

No shares have been issued by virtue of the exercise of an option during the year or to the date of this report.

Proceedings on behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the directors.

C S Willis
Non Executive Director
Perth, 30 September 2004

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE

Board of Directors

The Board's primary role is the protection and enhancement of long-term shareholder value.

To fulfil this role, the Board is responsible for oversight of the management and the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

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

ASX Principles of Good Corporate Governance

The Board has reviewed its current practices in light of the ASX Principles of Good Corporate Governance and Best Practice Guidelines 2004 with a view to making amendments where applicable after considering the Company's size and resources it has available.

As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of any additional formal corporate governance committees will be given further consideration.

During the financial year the Company has complied with each of the 10 Essential Corporate Governance Principles and the corresponding Best Practice Recommendations, other than in relation to the matters specified below:

Principle Ref	Recommendation Ref	Notification of Departure	Explanation for Departure
1	1.1	Formalise and disclose the functions reserved to the Board and those delegated to management	As from 25 June 2004 the Company achieved compliance. Prior to this time the functions were delegated and practised but without formalisation and disclosure.
2	2.4	The Company does not have a Nomination Committee	The role of the Nomination Committee has been assumed by the full Board. The size and scope of the Company's activities does not justify the establishment of such a Committee.
3	3.1 & 3.2	There was no written code of conduct for directors and executives or a written securities trading policy	On 25 June 2004 the Company adopted a code of conduct for executives and a written securities trading policy. These documents reflect the existing but undocumented practices of the Company's directors, executives and employees in this area.
4	4.2, 4.3 & 4.4	The Audit Committee comprises only two members	Given the composition and size of the Board it is considered appropriate that the Audit Committee comprise of only two members. The Board considers that a two member committee is sufficient to properly fulfil the objectives of the Audit Committee.
5	5.1	Written policies and procedures to ensure compliance with ASX Listing Rule disclosure requirements were adopted on 25 June 2004	Prior to 25 June 2004 the Company had undocumented policies for compliance.

ASX Principles of Corporate Governance (Cont.)

6	6.1	Formalisation of a communications strategy with shareholders	In line with adherence to continuous disclosure requirements of ASX all shareholders are kept informed of major developments affecting the company. This disclosure is through regular shareholder communications including the Annual Report, Half-Year Report, Quarterly Reports and the distribution of specific releases covering major transactions or events. The Company's auditors attend all shareholders' meetings.
7	7.1	The Board or appropriate board committee should establish policies of risk oversight and management	While the Company does not have formalised policies on risk management the Board recognises its responsibility for identifying areas of significant business risk and for ensuring that arrangements are in place for adequately managing these risks. This issue is regularly reviewed at Board meetings.
8	8.1	The process for evaluation of the Board, individual directors and key executives was not disclosed	The Company will consider formal procedures for evaluation in its 2004/2005 financial year.
9	9.2	The Company does not have a Remuneration Committee	The role of the Remuneration Committee has been assumed by the full Board. The size and scope of the Company's activities does not justify the establishment of such a Committee. No director participated in any deliberation regarding his own remuneration or related issues.
9	9.5	No Remuneration Committee Charter	All matters of remuneration were scrutinised by and determined by the Board.
10	10.1	There was no disclosed code of conduct for the Company	On 25 June 2004 the Company adopted a code based on the existing business practices promoted in the Company.

Skills, Experience, Expertise and Term of Office of each Director

A profile of each director containing the applicable information is set out in the Directors' Report.

Identification of Independent Directors

The independent directors of the Company Mr A Waller, Mr D Head and Mr C Willis. Messrs Waller, Head and Willis all meet the criteria for independence as set out in Box 2.1 of the ASX Principles and Recommendations ("Independence Criteria").

Independent Professional Advice

If a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of his/her office as a director, then, provided the director first obtains approval for incurring such expense form the chairperson, the Company will pay the reasonable expenses associated with obtaining such advice.

Appointments to Other Boards

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other Boards.

Ethical Standards

All Directors and employees are expected to act with the utmost of integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

Conflict of Interest

In accordance with the Corporations Act 2001 and the Company's Constitution, Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. Where the Board believes that a significant conflict exists the Director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered.

Directors Dealings in Company Shares

The Constitution permits Directors to acquire shares in the Company. Company policy prohibits Directors from dealing in Company shares whilst in possession of price sensitive information. Directors must notify the Company Secretary once they have bought or sold shares in the Company or exercised options over ordinary shares. In accordance with the provisions of the Corporations Act 2001 and the Listing Rules of the Australian stock Exchange, the Company on behalf of the Directors must advise the Australian Stock Exchange of any transactions conducted by them in shares and/or options in the Company.

Nomination Committee

The full Board carries out the functions of the Nomination Committee. The Board did not meet formally as the Nomination Committee during the financial year, however any relevant matters were discussed on as-required basis from time to time during regular meetings of the Board.

Audit Committee

The members of the Audit Committee are Mr Andrew Waller and Mr Craig Willis.

The Audit Committee meets at least bi-annually, in respect of the full year and half year reports.

Performance Evaluation of the Board and its Members

During the financial year an evaluation of the Board and its members was not formally carried out. To date, there has been no formal process in place for performance evaluation. During the reporting period an evaluation of the Board was informally carried out by the Chairman.

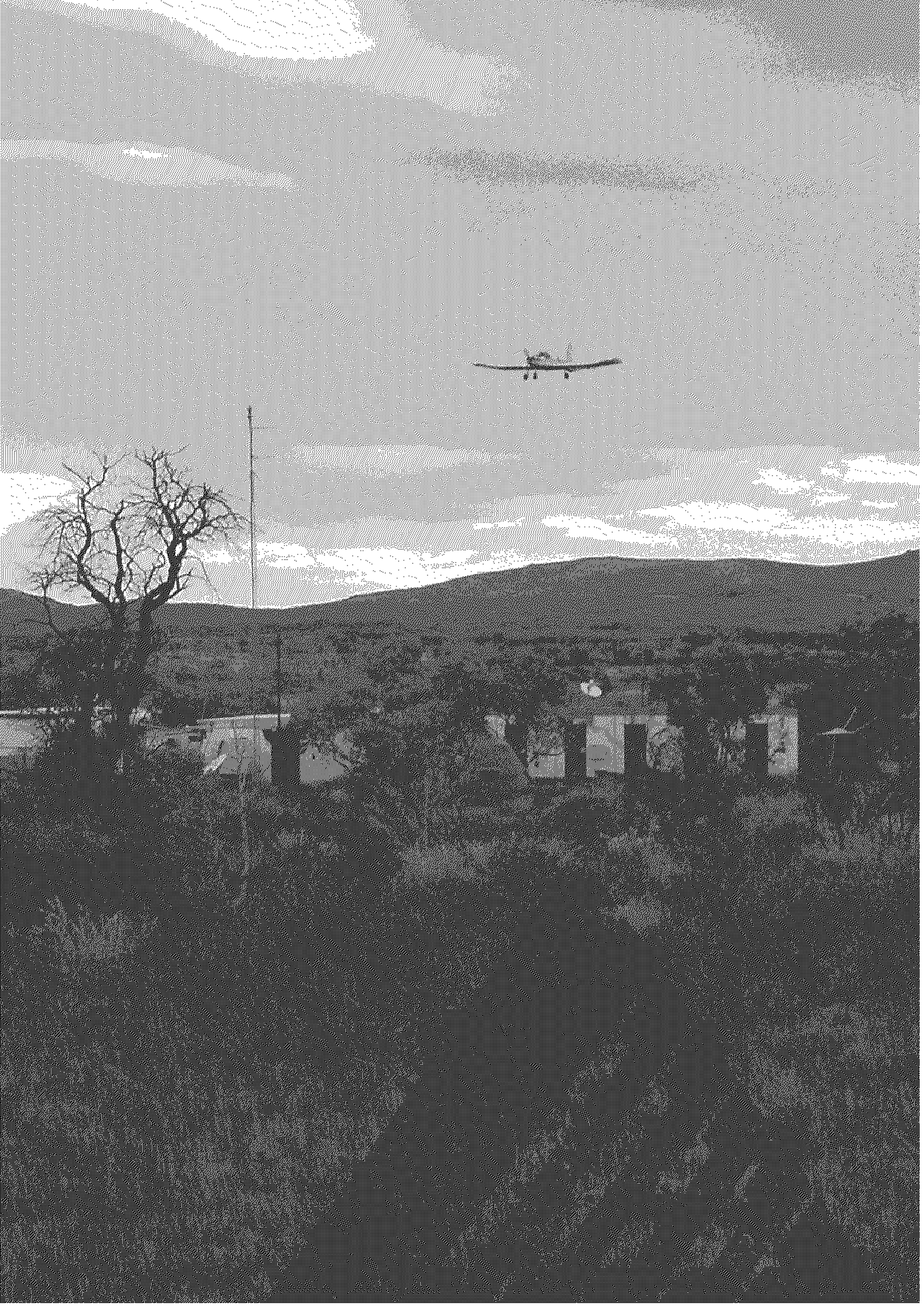
Company's Remuneration Policies

Remuneration levels for executives are competitively set to attract the most qualified and experienced candidates, taking into account prevailing market conditions and individual's experience and qualifications.

Each of the non-executive directors receives a fixed fee for their services as directors. There is no direct link between remuneration paid to any of the directors and corporate performance such as bonus payments for achievement of certain key performance indicators.

Existence and Terms of any Schemes for Retirement Benefits for Non-Executive Directors

There are no retirement benefits for non-executive directors.



STATEMENTS OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004

	Notes	Consolidated		Parent	
		2004	2003	2004	2003
		$	$	$	$
Revenue from ordinary activities	2	**75,100**	59,144	**64,420**	44,996
Depreciation	3	**(48,091)**	(87,114)	**(8,681)**	(16,636)
Carrying value of property, plant & equipment and investments sold		**(14,906)**	(52,019)	**(3,286)**	(36,334)
Administration expenditure		**(496,166)**	(448,436)	**(536,516)**	(520,451)
Loss from ordinary activities before income tax expense		**(484,063)**	(528,425)	**(484,063)**	(528,425)
Income tax expense relating to ordinary activities	4	**-**	-	**-**	-
Net loss attributable to members of Acclaim Exploration NL	14	**(484,063)**	(528,425)	**(484,063)**	(528,425)
Share issue costs		**(71,425)**	(24,850)	**(71,425)**	(24,850)
Total revenues, expenses and valuation adjustments attributable to members of Acclaim Exploration NL and recognised directly in equity		**(71,425)**	(24,850)	**(71,425)**	(24,850)
Total changes in equity other than those resulting from transactions with owners as owners		**(555,488)**	(553,275)	**(555,488)**	(553,275)
Basic earnings per share - cents	19	**(0.12)**	(0.18)		
Diluted earnings per share - cents	19	**(0.12)**	(0.18)		

The accompanying notes form part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2004

	Notes	Consolidated 2004 $	Consolidated 2003 $	Parent 2004 $	Parent 2003 $
CURRENT ASSETS					
Cash assets	5	**2,181,359**	26,714	**2,181,359**	26,714
Receivables	6	**8,157**	56,975	**8,157**	56,975
TOTAL CURRENT ASSETS		**2,189,516**	83,689	**2,189,516**	83,689
NON-CURRENT ASSETS					
Receivables	6	**-**	-	**5,589,244**	5,184,260
Investments	7	**12,613**	15,899	**7,442,211**	7,445,497
Property, plant and equipment	9	**114,197**	157,274	**39,925**	31,972
Mineral interests	10	**13,135,742**	12,606,508	**31,203**	30,717
TOTAL NON-CURRENT ASSETS		**13,262,552**	12,779,681	**13,102,583**	12,692,446
TOTAL ASSETS		**15,452,068**	12,863,370	**15,292,099**	12,776,135
CURRENT LIABILITIES					
Payables	11	**424,815**	448,317	**264,846**	361,082
Provisions	12	**22,028**	-	**22,028**	-
TOTAL CURRENT LIABILITIES		**446,843**	448,317	**286,874**	361,082
NON-CURRENT LIABILITIES					
Payables	11	**-**	25,665	**-**	25,665
TOTAL NON-CURRENT LIABILITIES		**-**	25,665	**-**	25,665
TOTAL LIABILITIES		**446,843**	473,982	**286,874**	386,747
NET ASSETS		**15,005,225**	12,389,388	**15,005,225**	12,389,388
EQUITY					
Contributed equity	13	**30,853,973**	27,754,073	**30,853,973**	27,754,073
Reserves	14	**262,809**	262,809	**262,809**	262,809
Accumulated losses	14	**(16,111,557)**	(15,627,494)	**(16,111,557)**	(15,627,494)
TOTAL EQUITY		**15,005,225**	12,389,388	**15,005,225**	12,389,388
Commitments for Expenditure	18				
Contingent Liabilities	17				

The accompanying notes form part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2004

	Notes	Consolidated 2004 $	Consolidated 2003 $	Parent 2004 $	Parent 2003 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments to suppliers and employees		**(552,537)**	(323,649)	**(578,825)**	(464,017)
Interest received		**60,200**	5,333	**60,200**	5,333
NET CASH USED IN OPERATING ACTIVITIES	22 (a)	**(492,337)**	(318,316)	**(518,625)**	(458,684)
CASHFLOWS FROM INVESTING ACTIVITIES					
Exploration expenditure/recoup		**(442,438)**	(1,454,340)	**(486)**	(72,820)
Purchase of plant and equipment		**(16,634)**	-	**(16,634)**	-
Purchase of investments		**-**	(701)	**-**	(701)
Proceeds on sale of investments		**3,286**	-	**3,286**	-
Proceeds on sale of fixed assets		**10,680**	53,811	**-**	39,663
Loan to subsidiaries		**-**	-	**(404,984)**	(1,286,686)
NET CASH USED IN INVESTING ACTIVITIES		**(445,106)**	(1,401,230)	**(418,818)**	(1,320,544)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from share and option issues (net)		**3,099,900**	1,720,745	**3,099,900**	1,720,745
Repayment of hire purchase		**(7,812)**	(6,321)	**(7,812)**	(6,321)
NET CASH INFLOW FROM FINANCING ACTIVITIES		**3,092,088**	1,714,424	**3,092,088**	1,714,424
NET INCREASE (DECREASE) IN CASH HELD		**2,154,645**	(5,122)	**(2,154,645)**	(64,804)
CASH AT BEGINNING OF YEAR		**26,714**	31,836	**26,714**	91,518
CASH AT END OF YEAR	5	**2,181,359**	26,714	**2,181,359**	26,714

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report has also been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

Acclaim Exploration NL is a listed public company, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the consolidated entity in the preparation of the financial statements.

Principles of Consolidation

The consolidated financial statements comprise the financial statements of Acclaim Exploration NL and all of its controlled entities. A controlled entity is any entity controlled by Acclaim Exploration NL. Control exists where Acclaim Exploration NL has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Acclaim Exploration NL to achieve the objectives of Acclaim Exploration NL. A list of controlled entities is contained in Note 8 to the financial statements.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

Outside interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

Property, Plant and Equipment

Property, plant and equipment are carried at cost or at independent or directors' valuation, less, where applicable, any accumulated depreciation or amortisation.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The depreciable amount of all fixed assets is depreciated over their useful lives commencing from the time the asset is held ready for use. Depreciation is calculated on the diminishing value basis using rates based upon the estimated useful life of each depreciable asset.

The gain or loss on disposal of all fixed assets, including revalued assets, is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in operating profit before income tax of the consolidated entity in the year of disposal.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Assets	Depreciation Rate
Plant and equipment	20 – 40% diminishing value

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004 (Cont).

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Exploration, development and joint venture expenditure
Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Investments
Investments are brought to account at cost. The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the shares' current market value or the underlying net assets in the particular entities.

Dividends are brought to account in the statements of financial performance when received.

Income Tax
The consolidated entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the accounting profit adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income are brought to account as either a provision for deferred income tax or as a future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

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 taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Cash
Cash, for the purposes of the Statements of Cash Flows includes cash on hand, at bank and on short term deposit, net of bank overdrafts.

Interest in Joint Venture
The Consolidated Entity's share of the assets, liabilities, revenue and expenses of joint ventures are included in the appropriate items of the statements of financial positions and statements of financial performance. Details of the consolidated entity's interests are shown in Note 15.

Recoverable Amount
Non-current assets are not carried at an amount above their recoverable amount, and where carrying values exceed this recoverable amount assets are written down. In determining recoverable amount the expected net cash flows have been discounted to their present value using a market determined risk adjustment discount rate.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

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

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

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

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

Employee entitlement expenses and revenues arise in respect of the following categories:

- Wages and salaries, non-monetary benefits, annual leave, long service leave, sick leave and other leave entitlements; and
- Other types of employee entitlements,

are charged against profits on a net basis in their respective categories.

Share Capital
Ordinary share capital is recognised at the fair value of the consideration received by the company.

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

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

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

Dividends
Control of a right to receive consideration for the investment in assets is attained, usually evidenced by approval of the dividend at a meeting of shareholders.

Earnings per Share
Basic earnings per share is determined by dividing the net profit or loss from ordinary activities after income tax expense by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is determined by dividing the net profit or loss from ordinary activities after income tax expense adjusted for the effect on earnings of potential ordinary shares, by the weighted average number of ordinary shares (both issued and potentially dilutive) outstanding during the financial year.

Goods and Services Tax (GST)
Revenue, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and Payables in the Statements of Financial Position are shown inclusive of GST.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Cont).

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Comparative figures
Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

International Financial Reporting Standards
Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the current financial year, being 1 July 2004. The adoption of Australian equivalents to IFRS will be first reflected in the consolidated entity's financial statements for the half-year ending 31 December 2005 and the year ending 30 June 2006.

The Company's Board of Directors are continuing to assess the significance of these changes and prepare for their implementation. This process involves evaluating the key differences in accounting policies and their financial impact, and identifying the changes to the company's financial reporting systems.

Set out below are the key areas where accounting policies will change and may have an impact on the financial report of the Company. At this stage the Company has not been able to reliably quantify the impacts on the financial report.

Exploration Expenditure

An IFRS on exploration for and evaluation of mineral resources has not yet been issued. Consequently, the consolidated entity is unable to determine the change in policies and related impacts, if any, that may arise on adoption of IFRS on its exploration-related operations and balances at balance date.

Classification of Financial Instruments
Under AASB 139 Financial Instruments: Recognition and Measurement, financial instruments will be required to be classified into one of five categories which will, in turn, determine the accounting treatment of the item. The classifications are loans and receivables – measured at amortised cots, held to maturity – measured at amortised cost, held for trading – measured at fair value with fair value changes charged to net profit or loss, available for sale – measured at fair value with fair changes taken equity and non-trading liabilities – measured at amortised cost. This will result in a change in the current accounting policy that does not classify financial instruments. The future financial effect of this change in accounting policy is not yet known as the classification and measurement process has not yet been fully completed.

Impairment of Assets
Under the Australian equivalent to IAS 36 Impairment of Assets the recoverable amount if an asset is determined as the higher of the net selling price and value in use. This will result in a change in the group's current accounting policy which determines the recoverable amount of an asset on the basis of net cash flows. Under the new policy it is likely that impairment of assets will be recognised sooner and that the amount of write-downs will be greater. Reliable estimation of the future financial effects of this change in accounting policy is impracticable because the conditions under which impairment will be assessed are not yet known.

Share based payments
Under AASB 2 Share based Payments, the Company will be required to determine the fair value of options issued to employees as remuneration and recognise an expense in the Statement of Financial Performance. This standard is not limited to options and also extends to other forms of equity based remuneration. It applies to all share-based payments issued after 7 November 2002which have not vested as at 1 January 2005. Reliable estimation of the future financial effects of this change in accounting policy is impracticable as the details of future equity bases remuneration plans are unknown.

Income taxes
Under the Australian equivalent to IAS 12 Incomes Taxes, the Company will be required to use a balance sheet liability method which focuses on the tax effects of transactions and other events that affect amounts recognised in either the Statement of Financial Position or a tax-based balance sheet. The most significant impact will be the recognition of a deferred tax liability in relation to the asset revaluation reserve. Previously, the capital gains tax effects of asset revaluations were not recognised. It is not expected that there will be any further material impact as a result of adoption of this standard.

	Consolidated 2004 $	Consolidated 2003 $	Parent 2004 $	Parent 2003 $
2 REVENUE				
Revenue from operating activities				
Interest received – other corporations	**60,200**	5,333	**60,200**	5,333
Revenue from non-operating activities				
Sale of investments	**4,220**	-	**4,220**	-
Sale of property, plant & equipment	**10,680**	53,811	**-**	39,663
Total revenue from ordinary activities	**75,100**	59,144	**64,420**	44,996
3 EXPENSES AND LOSSES/(GAINS)				
(a) **Expenses**				
Depreciation of plant and equipment	**48,091**	87,114	**8,681**	16,636
(b) **Losses/(Gains)**				
Loss on sale of fixed assets	**940**	(1,792)	**940**	(3,328)
Profit on sale of investments	**(934)**	-	**(934)**	-
4 INCOME TAX				
The prima facie tax on loss from ordinary activities differs from the income tax provided in the financial statements as follows:				
Loss from ordinary activities	**(484,063)**	(528,425)	**(484,063)**	(528,425)
The prima facie income tax payable (benefit) on loss from ordinary activities at 30%	**(145,219)**	(158,527)	**(145,219)**	(158,527)
Tax effect of permanent differences				
Other non-allowable items	**934**	37,552	**934**	16,409
Future income tax benefits not brought to account				
Timing differences of a revenue nature	**(152,192)**	(352,224)	**6,462**	(22,398)
Tax losses carried forward	**296,477**	473,199	**137,823**	164,516
Income tax expense attributable to ordinary activities	**-**	-	**-**	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Cont).

		Consolidated		Parent	
		2004	2003	**2004**	2003
		$	$	**$**	$
4	**INCOME TAX (cont)**				
	Future income tax benefits relating to tax losses have not been brought to account as their realisation is not virtually certain. The estimate of future income tax benefits not brought to account at 30% is:				
	Division 36 Losses	**3,256,341**	2,959,864	**1,294,112**	1,156,289
	Capital losses	**254,647**	254,647	**254,647**	254,647

The income tax benefit of carried forward tax losses will only be available if the consolidated entity complies with deductibility conditions imposed by law.

At the date of this report the directors have not assessed the financial effect, if any, that implementation of the tax consolidation system may have on the Company and consolidated entity, and, accordingly, the directors have not made a decision whether or not to elect to be taxed as a single entity.

The financial effects of the implementation of the tax consolidation system on the Company and consolidated entity has not been recognised in the financial statements.

		Consolidated 2004	Consolidated 2003	Parent 2004	Parent 2003
	Balance of Franking account at year end – Class C			**214,784**	214,784
5	**CASH**				
	Cash at bank	**2,181,359**	26,714	**2,181,359**	26,714
6	**RECEIVABLES**				
	Current				
	Other debtors	**8,157**	56,975	**8,157**	56,975
	Non Current				
	Loan to subsidiaries	-	-	**6,258,247**	5,853,263
	Provision for non-recoverability	-	-	**(669,003)**	(669,003)
		-	-	**5,589,244**	5,184,260

Terms and conditions relating to the above financial instruments:

(i) Other debtors are non-interest bearing and generally repayable within 30 days.

(ii) Details of the terms and conditions of related party receivables are set out in note 21.

		Consolidated 2004	Consolidated 2003	Parent 2004	Parent 2003
7	**INVESTMENTS**				
	Non Current				
	Shares				
	- in subsidiaries (Note 8)	-	-	**7,429,598**	7,429,598
	- in other corporations	**10,000**	10,000	**10,000**	10,000
	- in other listed corporations – at cost	**2,613**	5,899	**2,613**	5,899
		12,613	15,899	**7,442,211**	7,445,497

Listed shares are readily saleable with no fixed terms. There would be no material capital gains tax payable if these assets were sold at the reporting date.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Cont).

8 INVESTMENT IN SUBSIDIARIES

Name of Entity	Percentage Owned		Class of share	Cost of Company's Investments		Contribution to Consolidated Profit/(Loss) From Ordinary Activities After Income Tax Expense	
	2004	2003		**2004**	2003	**2004**	2003
	%	%		**$**	$	**$**	$
Parent							
Acclaim Exploration NL						**(484,063)**	(528,425)
Controlled Entities							
Austral Nickel Pty Ltd	100	100	Ordinary	**1,405,802**	1,405,802	-	-
Hinckley Range Pty Ltd	100	100	Ordinary	**6,023,796**	6,023,796	-	-
				7,429,598	7,429,598	**(484,063)**	(528,425)

Acclaim Exploration NL, Hinckley Range Pty Ltd and Austral Nickel Pty Ltd are all companies incorporated in Australia. The principal activity of the controlled entities during the year was mineral exploration.

	Consolidated		Parent	
	2004	2003	**2004**	2003
	$	$	**$**	$
9 PROPERTY, PLANT AND EQUIPMENT				
Plant and equipment - at cost	**263,306**	269,696	**62,154**	45,520
Less: Accumulated depreciation	**(149,109)**	(112,422)	**(22,229)**	(13,548)
	114,197	157,274	**39,925**	31,972
Reconciliation				
Carrying amount at beginning	**157,274**	296,407	**31,972**	84,942
Additions	**16,634**	-	**16,634**	-
Disposals	**(11,620)**	(52,019)	**-**	(36,334)
Depreciation expense	**(48,091)**	(87,114)	**(8,681)**	(16,636)
	114,197	157,274	**39,925**	31,972

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Cont).

	Consolidated		Parent	
	2004	2003	**2004**	2003
	$	$	**$**	$
10 MINERAL INTERESTS				
Costs carried forward in respect of:				
Exploration and evaluation phase - at cost				
- Balance at beginning of year	**12,606,508**	10,184,790	**30,717**	71,811
- Goodwill on consolidation	**-**	1,575,000	**-**	-
- On Acquisition of Subsidiary	**-**	178,648	**-**	-
- Expenditure incurred (recouped)	**529,234**	668,070	**486**	(41,094)
	13,135,742	12,606,508	**31,203**	30,717
- Expenditure written off	**-**	-	**-**	-
	13,135,742	12,606,508	**31,203**	30,717

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

	Consolidated 2004	Consolidated 2003	Parent 2004	Parent 2003
11 PAYABLES				
Current				
Trade creditors	**202,949**	214,854	**42,980**	127,619
Other creditors and accruals	**196,200**	225,650	**196,200**	225,650
Hire Purchase Liability (a)	**25,666**	7,813	**25,666**	7,813
	424,815	448,317	**264,846**	361,082
Non-Current				
Hire Purchase Liability (a)	**-**	25,665	**-**	25,665
(a) Hire Purchase Liability				
Hire purchase repayments	**25,883**	35,248	**25,883**	35,248
Unexpired terms charges	**(217)**	(1,770)	**(217)**	(1,770)
	25,666	33,478	**25,666**	33,478

Terms and conditions relating to the above financial instruments:

(i) Trade creditors are non-interest bearing and are normally settled on 30 day terms.
(ii) Other creditors are non-interest bearing and are normally settled within 30 days.

	Consolidated 2004	Consolidated 2003	Parent 2004	Parent 2003
12 PROVISIONS				
Current				
Employee benefits	**22,028**	-	**22,028**	-
Number of employees	**3**	-	**3**	-

The aggregate employee benefits is comprised of annual leave.

13 CONTRIBUTED EQUITY

	Consolidated 2004 $	Consolidated 2003 $	Parent 2004 $	Parent 2003 $
(a) Issued and paid up capital				
Ordinary shares fully paid	**27,653,973**	24,554,073	**27,653,973**	24,554,073
Ordinary shares of 10 cents paid to 8 cents	**3,200,000**	3,200,000	**3,200,000**	3,200,000
	30,853,973	27,754,073	**30,853,973**	27,754,073

(b) Movement in shares on issue

	Note	2004 Shares	2004 $	2003 Shares	2003 $
(i) Ordinary shares fully paid					
Balance at beginning of year		**291,702,699**	**24,554,073**	219,685,699	22,058,328
Issue at 3.5 cents	13(e)(ii)	-	-	27,017,000	945,595
Issue at 3.5 cents	13(e)(iii)	-	-	45,000,000	1,575,000
Issue at 1.5 cents	13(e)(v)	**43,755,000**	**656,325**	-	-
Issue at 5 cents	13(e)(vi)	**50,300,000**	**2,515,000**	-	-
Less transaction costs		-	**(71,425)**	-	(24,850)
Balance at end of year		**385,757,699**	**27,653,973**	291,702,699	24,554,073
(ii) Ordinary shares partly paid					
Balance at beginning of year					
Shares of 10 cents paid to 6 cents		-	-	40,000,000	2,400,000
Shares of 10 cents paid to 8 cents		**40,000,000**	**3,200,000**	-	-
Call of 2 cent per share	13(e)(i)	-	-	-	800,000
Balance at end of year Shares of 10 cents paid to 8 cents		**40,000,000**	**3,200,000**	40,000,000	3,200,000
Total issued and paid up shares		**425,757,699**	**30,853,973**	331,702,699	27,754,073
(c) Uncalled Capital					
Shares of 10 cents paid to 8 cents		**40,000,000**	**800,000**	40,000,000	800,000
	40,000,000	800,000	40,000,000	800,000	

(d) Share Options

	Note	2004 Options	2003 Options
Options exercisable at 20 cents, on or before 20 April 2004			
Balance at beginning of year		**212,928,535**	199,420,035
Expired during the year		**(212,928,535)**	-
Issue	13(e)(ii)	**-**	13,508,500
Balance at end of year		**-**	212,928,535
Options exercisable at 25 cents on or before 8 October 2005			
Balance at beginning of year		**8,000,000**	-
Issue	13(e)(iv)	**-**	8,000,000
Balance at end of year		**8,000,000**	8,000,000
Total Options on Issue		**8,000,000**	220,928,535

13 CONTRIBUTED EQUITY (Cont)

(e) Detail of share and option issues

(i) On 6 December 2000, 40,000,000 partly paid shares were issued at an issue price of $0.10 each paid to $0.01 each on application. Subsequently a further payment of $0.01 per share was made on 6 March 2001. Further calls of $0.01 were made on 26 June 2001, 10 August 2001, 7 November 2001, 10 April 2002 and $0.02 in July 2002. The funds raised from the issue and calls were utilised to fund exploration programmes in relation to the company's existing projects and in particular exploration on the Wingellina Nickel Project.

(ii) On 21 December 2002, 27,017,000 ordinary shares and 13,508,500 options were issued at an issue price of 3.5 cents per share, thereby raising $945,595. The funds raised from the issue were utilised to fund future exploration programmes in relation to the company's existing projects and in particular exploration on the Wingellina Nickel Project.

(iii) On 26 February 2003 45,000,000 ordinary shares were issued as consideration for the acquisition of Austral Nickel Pty Ltd. The shares were issued at 3.5 cents, representing a total issue price of $1,575,000.

(iv) On 11 October 2002, 8,000,000 options were issued for no consideration to Resource Surveys Pty Ltd a company associated with Mr E Eshuys, a former director of the company, pursuant to a services agreement approved by shareholders on 30 November 2001.

(v) On 12 August 2003, 43,755,000 ordinary shares were issued at an issue price of 1.5 cents per share, thereby raising $656,325. The funds raised from the issue were utilised to fund future exploration programmes in relation to the company's existing projects and in particular exploration on the Wingellina Nickel Project.

(vi) On 9 December 2003, 50,300,000 ordinary shares were issued at an issue price of 5 cents per share, thereby raising $2,515,000. The funds raised from the issue were utilised to fund future exploration programmes in relation to the company's existing projects and in particular exploration on the Company's Wingellina and Claude Hills tenements.

(f) Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.

14 RESERVES AND ACCUMULATED LOSSES

	Consolidated		Parent	
	2004	2003	**2004**	2003
	$	$	**$**	$
Share option reserve (a)	**262,809**	262,809	**262,809**	262,809
Accumulated losses (b)	**(16,111,557)**	(15,627,494)	**(16,111,557)**	(15,627,494)

(a) Share option reserve

(i) Nature and purpose of reserve

The share option reserve contains amounts received on the issue of options over unissued capital of the company.

(b) Accumulated losses

Balance at beginning of year	**(15,627,494)**	(15,099,069)	**(15,627,494)**	(15,099,069)
Net loss from ordinary activities	**(484,063)**	(528,425)	**(484,063)**	(528,425)
Balance at end of year	**(16,111,557)**	(15,627,494)	**(16,111,557)**	(15,627,494)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Cont).

15 SEGMENT REPORTING

The consolidated entity is involved in the mineral exploration industry solely within Australia.

16 JOINT VENTURES

The consolidated entity has interests in the following unincorporated joint ventures.

Gold Exploration Joint Venture

	% Interest	Carrying Value
Bowriver Joint Venture	70	13,971

The carrying value of the consolidated entity's interest in these joint ventures is included in Note 10. The contribution of these exploration joint ventures to the loss of the consolidated entity for the year was $ NIL.

17 CONTINGENT LIABILITIES

Native Title

The consolidated entity has been notified by the Native Title Tribunal of native title claims covering a number of mineral tenements held by Acclaim Exploration NL and issued by the Western Australian Department of Mineral & Petroleum Resources. Until further information arises in relation to the claims and their likelihood of success, the consolidated entity is unable to assess the likely effect, if any, of the claims.

18 COMMITMENTS FOR EXPENDITURE

Mineral Tenement Expenditure

In accordance with the Department of Mineral and Petroleum Resources the consolidated entity has obligations to pay tenement rentals and to perform minimum work on mineral tenements held. These obligations vary from time to time in accordance with the tenements held and are expected to be fulfilled in the normal course of operations of the consolidated entity so as to avoid forfeiture of any tenement.

Minimum expenditure requirements

	Consolidated		Parent	
	2004	2003	**2004**	2003
	$	$	**$**	$
Not later than one year	459,367	283,069	-	-
Later than 1 year but not later than 2 years	459,367	283,069	-	-
Later than 2 years but not later than 5 years	1,378,101	849,207	-	-
	2,296,835	1,415,345	-	-

	Consolidated		Parent	
	2004	2003	**2004**	2003
	$	$	**$**	$

19 EARNINGS PER SHARE

	Consolidated 2004 $	Consolidated 2003 $	Parent 2004 $	Parent 2003 $
(a) Reconciliation of Earnings to Net Loss				
Net loss	**(484,063)**	(528,425)		
Adjustments to Net loss	**-**	-		
Earnings used in calculation of basic and diluted earnings per share	**(484,063)**	(528,425)		
(b) The weighted average number of shares outstanding during the year used in the calculation of basic earnings per share	**390,610,131**	286,851,362		

There are no potential ordinary shares on issue that are considered to be dilutive, therefore basic earnings per share also represents diluted earnings per share.

20 REMUNERATION OF AUDITORS

Amount received or due and receivable by the auditors of the consolidated entity for:

	Consolidated 2004 $	Consolidated 2003 $	Parent 2004 $	Parent 2003 $
Auditing or reviewing the financial statements	**8,500**	6,024	**8,500**	6,024
Other services	**-**	-	**-**	-
	8,500	6,024	**8,500**	6,024

21 DIRECTOR AND EXECUTIVE DISCLOSURES

Directors

Non Executive Chairman
A Waller (Appointed 18 September 2003)

Executive Director
D F Thomson (Exploration)
B R Matich (Resigned 5 September 2003)

Non Executive Director
D J Head (Appointed 1 December 2003)
C S Willis

Executive (other than directors) with the greatest authority for strategic direction and management

As the Board of the Company has total authority for the strategic direction and management of the consolidated entity, no person within the consolidated entity has been classified as a "specified executive".

Details of remuneration

Details of the remuneration of each director of Acclaim Exploration NL, including their personally-related entities, are set out in the following table.

Director	Year	Primary		Post Employment	Equity	Other	
		Salary and fees $	Cash Bonus $	Superannuation $	Options $	$	Total $
A G Waller	2004	75,675	-	-	-	-	75,675
	2003	-	-	-	-	-	-
D J Head	2004	15,925	-	-	-	-	15,925
	2003	-	-	-	-	-	-
D F Thomson	2004	107,503	-	-	-	-	107,503
	2003	-	-	-	-	-	-
C S Willis	2004	45,222					45,222
	2003	-	-	-	-	-	-
B R Matich	2004	18,000	-	-	-	-	18,000
	2003	67,278	-	-	-	-	67,278

Equity instruments disclosures relating to directors and executives

Option holdings

There were no options over ordinary shares in the Company held by a director of Acclaim Exploration NL or by their personally-related entities.

Share holdings

The numbers of shares in the Company held during the financial year by each director of Acclaim Exploration NL, including their personally-related entities, are set out below.

Director	Held at 1 July 2003	Purchases	Exercise of Options	Sales	Held at 30 June 2004
A G Waller	-	-	-	-	-
D J Head	-	1,200,000	-	-	1,200,000
D F Thomson	1,470,000	-	-	-	1,470,000
C S Willis	-	-	-	-	-
B R Matich	4,845,120	-	-	-	4,845,120#

\# Balance at date of resignation of Mr Matich, being 5 September 2003.

Other transactions with directors

Consultancy fees of $45,000 were paid at normal commercial rates to Glentril Investments Pty Ltd, a company controlled by Mr A G Waller, for the provision of management services.

Consultancy fees of $17,272 were paid at normal commercial rates to Giarc Investments Pty Ltd, a company controlled by Mr C S Willis, for the provision of management and administration services.

The above fees have been included in directors remuneration disclosed above.

The terms and conditions of the transactions with directors and director-related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arms length basis.

No amounts were receivable from directors and their director-related entities at balance date arising from these transactions.

No amounts were payable to directors and their director-related entities at balance date arising from these transactions.

Wholly owned group

Details of interests in wholly owned controlled entities are set out in Note 8.

	Consolidated 2004 $	Consolidated 2003 $	Parent 2004 $	Parent 2003 $
22 CASH FLOW INFORMATION				
(a) Reconciliation of loss from ordinary activities after tax to the net cash flows from operations				
Loss from ordinary activities after tax	**(484,063)**	(528,425)	**(484,063)**	(528,425)
Non-Cash Items				
Depreciation	**48,091**	87,114	**8,681**	16,636
Write off of capitalised expenditure	**-**	-	**-**	-
Profit on sale of fixed assets	**940**	(1,792)	**-**	(3,328)
Provision for employee benefits	**22,028**	-	**22,028**	-
Changes in Assets and Liabilities				
(Increase)/Decrease in accounts receivable	**48,818**	22,924	**48,818**	(25,707)
Increase/(Decrease) in accounts payable	**(128,151)**	101,863	**(114,089)**	82,140
Net cash flows (used in) operating activities	**(492,337)**	(318,316)	**(518,625)**	(458,684)

(b) Acquisition of Subsidiary

During the prior year 100% of the controlled entity, Austral Nickel Pty Ltd was acquired.
Details of this transaction are as follows:

	Note	Consolidated 2004 $	Consolidated 2003 $	Parent 2004 $	Parent 2003 $
Purchase consideration				-	1,575,000
Cash consideration				-	-
Cash outflow/inflow				-	-
Assets and liabilities held at acquisition date:					
Mineral interests				-	178,648
Shareholder loan				-	(178,648)
				-	-
Goodwill on consolidation	12			-	1,575,000

(c) Non Cash Financing and Investing Activities

During the prior year, the Company purchased 100% of Austral Nickel Pty Ltd for $1,575,000. The consideration for the purchase was satisfied by the issue of 45,000,000 shares.

23 FINANCIAL INSTRUMENTS

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities is as follows:

2004

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed interest rate maturing 1 Year or less	1 to 5 years	Non-interest Bearing	Total
	%	$	$	$	$	$
Financial Assets						
Cash	4.1	2,181,359	-	-	-	2,181,359
Receivables		-	-	-	8,157	8,157
Total Financial Assets		2,181,359	-	-	8,157	2,189,516
Financial Liabilities						
Accounts Payable		-	-	-	399,149	399,149
Hire purchase liability	7.2	-	25,666	-	-	25,666
Total Financial Liabilities		-	25,666	-	399,149	424,815

2003

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed interest rate maturing 1 Year or less	1 to 5 years	Non-interest Bearing	Total
	%	$	$	$	$	$
Financial Assets						
Cash	1.2	26,714	-	-	-	26,714
Receivables		-	-	-	56,975	56,975
Total Financial Assets		26,714	-	-	56,975	83,689
Financial Liabilities						
Accounts Payable		-	-	-	440,504	440,504
Hire purchase liability	7.2	-	7,813	25,665	-	33,478
Total Financial Liabilities		-	7,813	25,665	440,504	473,982

(a) Net Fair Values

The net fair values of other loans and amounts due are determined by discounting the cash flows, at market interest rates of similar borrowings, to their present value.

For other assets and other liabilities the net fair value approximates their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

(b) Credit Risk

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Company and consolidated entity.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Acclaim Exploration NL;

The directors of the company declare that:

1 the financial statements and notes are in accordance with the Corporations Act 2001; and

(a) comply with Accounting Standards and the Corporations Regulations 2001; and

(b) give a true and fair view of the financial position as at 30 June 2004 and of the performance for the year ended on that date of the company and consolidated entity;

2 in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

C S Willis

DIRECTOR

Perth, 30 September 2004

INDEPENDENT AUDIT REPORT

To the members of

ACCLAIM EXPLORATION N.L.

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position as at 30 June 2003, statement of financial performance, statement of cash flows and accompanying notes to the financial statements for the year then ended, and the directors' declaration of Acclaim Exploration N.L. ("the company"). The financial report includes the consolidated financial statements of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether or not the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Audit opinion

In our opinion, the financial report of Acclaim Exploration N.L. is in accordance with:

(a) the Corporations Act 2001, including:

(i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2003 and of their performance for the year then ended; and

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

(b) other mandatory financial reporting requirements in Australia.

HLB MANN JUDD
Chartered Accountants

Perth, Western Australia
September 2003

N G NEILL
Partner

INFORMATION RELATING TO SHAREHOLDERS AND OPTIONHOLDERS AT 23 SEPTEMBER 2004

		Ordinary Shares Fully Paid Listed	Partly Paid Shares
1	**Number of shareholders and option holders**	3,327	64
2	**Distribution of shareholders/option holders**		
	Category 1 - 1,000	70	-
	1,001 - 5,000	365	-
	5,001 - 10,000	430	1
	10,001 - 100,000	1,977	36
	100,001 and over	485	27
	Total number of holders	3,327	64
	Total on Issue	385,757,699	40,000,000
	Shareholders with unmarketable parcel	611	
3	**Percentage of total holdings held by or on behalf of twenty largest shareholders**	36.28	96.90
4	**Substantial shareholders**		
	Fair Ever Inc	45,000,000	

5 **Twenty Largest Ordinary Fully Paid Shareholders**

		Number of Fully Paid Shares	% of Total
1	Fair Ever Inc	45,000,000	11.67
2	Fidelity & Security Nominees Pty Ltd	16,914,604	4.38
3	Yandal Investments Pty Ltd	8,000,000	2.07
4	Talina Property Holdings SA	7,825,000	2.03
5	Allstates Finance Pty Ltd	7,228,084	1.87
6	Corridor Nominees Pty Ltd	7,120,000	1.85
7	Ajava Holdings Pty Ltd	6,000,000	1.56
8	BB Nominees Pty Ltd	5,736,070	1.49
9	GEB Capital Limited	5,000,000	1.30
10	Mammoth Nominees Pty Ltd	5,000,000	1.30
11	Reynolds (Nominees) Pty Ltd	5,000,000	1.30
12	Westpac Custodian Nominees Limited	4,174,662	1.08
13	Goldfields Bearing Supplies Pty Ltd	3,400,000	0.88
14	Lionel Henry Evans	2,600,000	0.67
15	K Biggs Enterprises Pty Ltd	2,460,000	0.64
16	David Nolan	2,000,215	0.52
17	Barrios Pty Ltd	1,939,000	0.50
18	Half Middelton Investments Pty Ltd	1,600,000	0.41
19	Donald Fergusson Thomson	1,470,000	0.38
20	Robert Bain Thomas <RB Thomas Super Fund A/c>	1,455,211	0.38
	TOTAL	**139,922,846**	**36.28**

INFORMATION RELATING TO SHAREHOLDERS AND OPTION HOLDERS AT 23 SEPTEMBER 2004

6 Twenty Largest Partly Paid Shareholders

		Number of Optionholders	% of Total
1	Corrider Nominees Pty Ltd	18,609,900	46.52
2	Geb Capital Limited	5,000,000	12.50
3	Ms Tina Bazzo	3,510,000	8.78
4	Jade Asset Pty Ltd	2,010,000	5.02
5	Watershore Holdings Pty Ltd	1,480,000	3.70
6	Ruby Net Pty Ltd	1,400,000	3.50
7	Ms Melissa Anne Vorlicek	1,200,000	3.00
8	Mrs Dagmar Blochlova	900,000	2.25
9	Mrs Margaret Downes	590,000	1.48
10	Cleveland Pty Ltd	500,000	1.25
11	Kelanco Pty Ltd	500,000	1.25
12	Social Investments Pty Ltd	500,000	1.25
13	Mr Adam James Lienart	490,000	1.23
14	Mr Jeremy Robert Pockley	460,000	1.15
15	Summerset Investments Pty Ltd	400,000	1.00
16	Mr John Charles Geary	350,000	0.88
17	Dacin Nominees Pty Ltd	255,000	0.64
18	Brooks Investments (WA) Pty Ltd	200,000	0.50
19	JBBM Pty Ltd	200,000	0.50
20	Lynette Joy Jones	200,000	0.50
	TOTAL	**38,754,900**	**96.90**

7 Voting rights

* Ordinary fully paid shares - upon show of hands one vote for every registered shareholder and upon a poll, one vote for each share held.
* Contributing shares - upon a poll proportional to the called up capital.

9 Quotation

The Company is listed on the Australian Stock Exchange Limited ("ASX") and the home exchange is Perth. The ASX code is AEX for the listed fully paid shares and AEXCA for contributing shares.

SUMMARY OF MINING TENEMENTS AS AT 30 JUNE 2004

WINGELLINA

Hinckley Range Pty Ltd 100%
E69/535
E69/1090
E69/1091
MLA69/71

CLAUDE HILLS

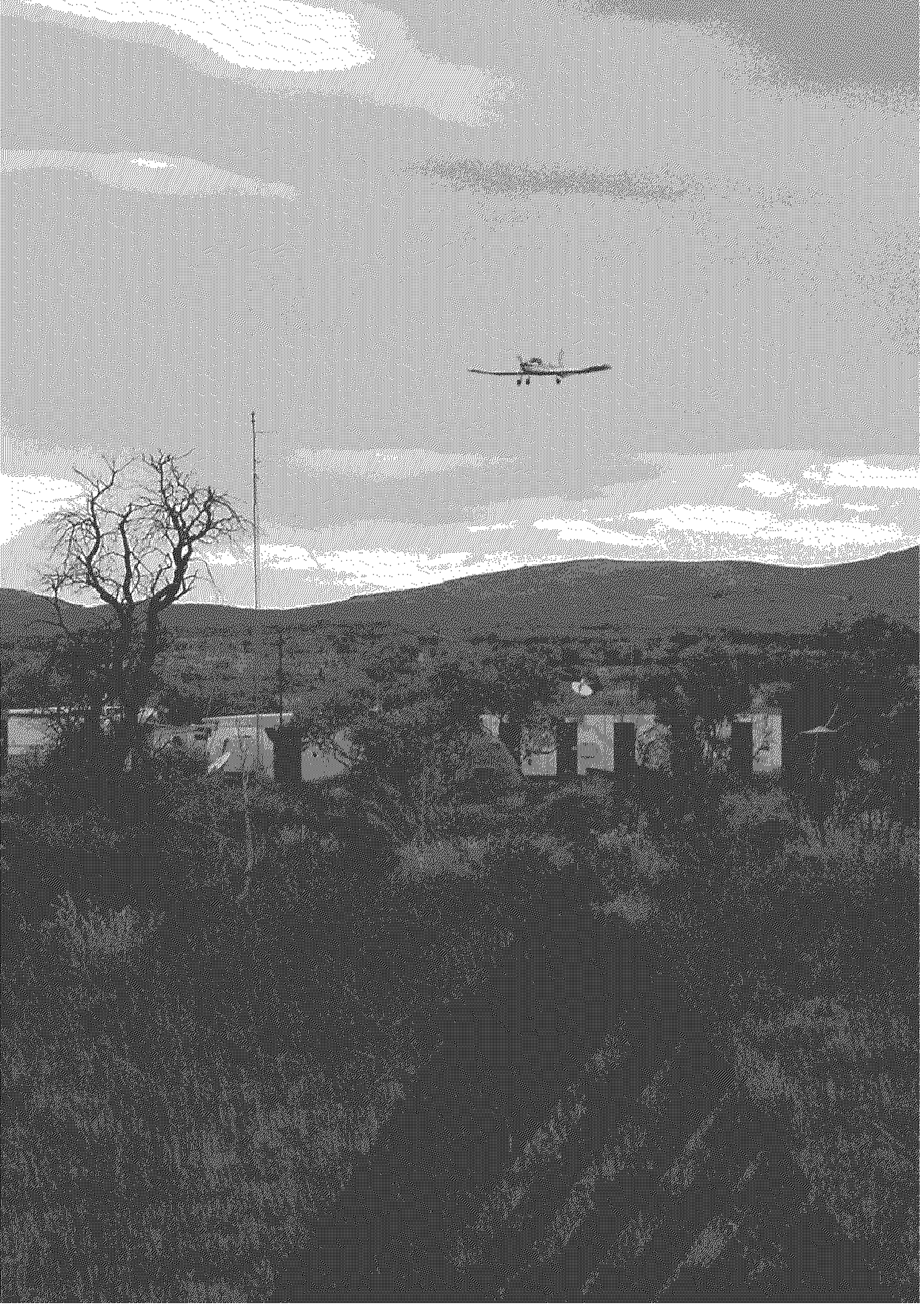
Austral Nickel Pty Ltd 100%
E2777

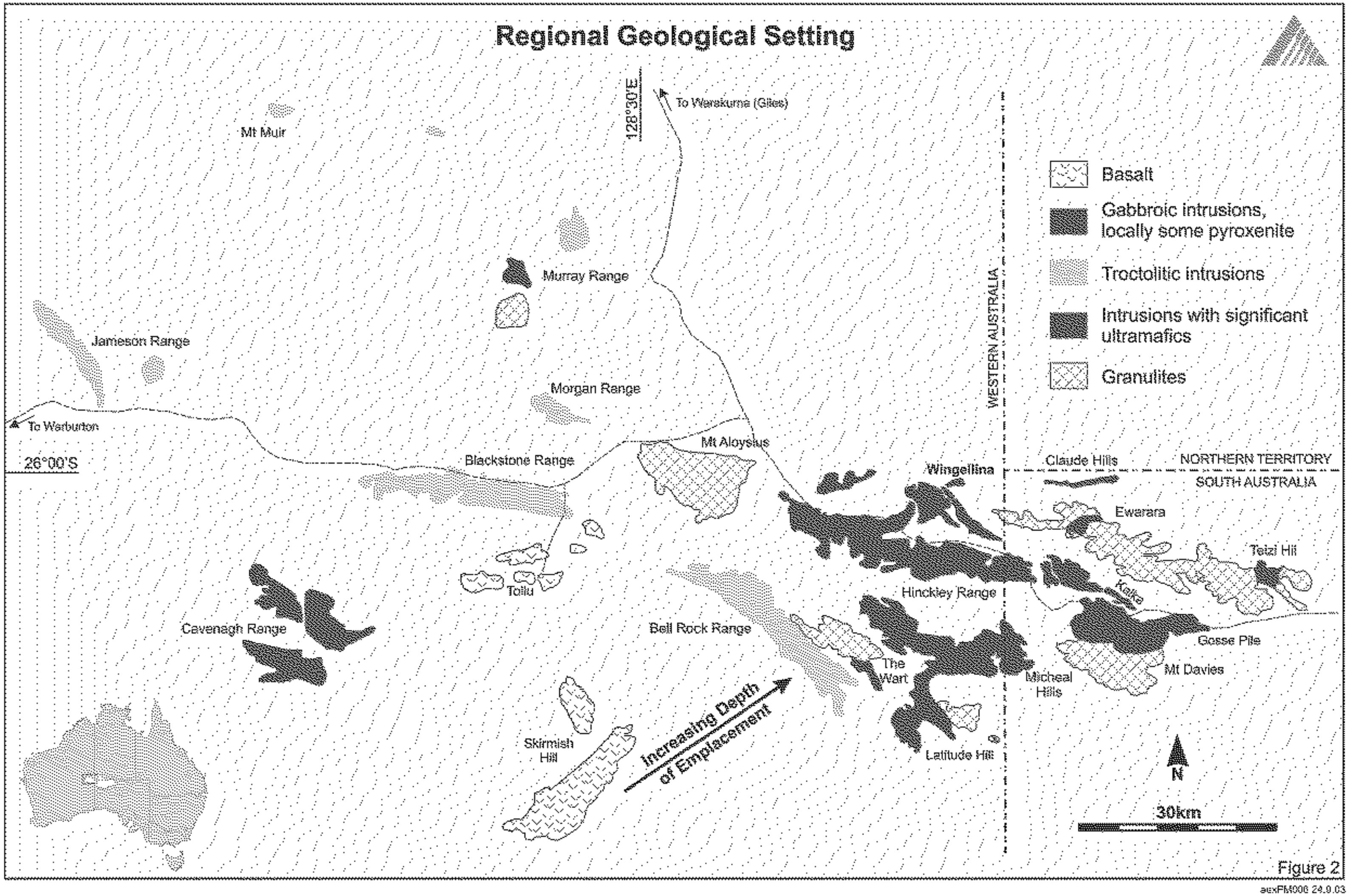
NORSEMAN

Acclaim Exploration NL 100%
ELA63/839
ELA63/840
ELA63/841

MANOOCHYDORE

Acclaim Exploration NL 100%
ELA45/2475





Geological sketch map of the Tomkinson Ranges- Blackstone - Jameson region (After Glickson etal. 1995).

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