



28 July 2003

Company Announcements Office
Australian Stock Exchange Limited
10th Floor
20 Bond Street
SYDNEY NSW 2000

Dear Sir

QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2003

HIGHLIGHTS

- An active quarter of exploration at the Yandearra Project has revealed:
 - Significant Indee-style exploration targets at Holly, Mistletoe and Spruce Prospects.
 - Strong gold in soil anomalism associated with the John Bull Shear Zone within the Pilbara Well Greenstone Belt.
 - Reverse circulation drilling at Station Peak Mine produced a number of intercepts including 2m @ 8.5g/t Au from 47m.

EXPLORATION ACTIVITIES

Yandearra, WA – Gold/PGE/Base Metals (Right to 100%, subject to a royalty)

The Yandearra Project is located in the West Pilbara Gold Field approximately 100 kilometres south-southwest of Port Hedland and immediately south of the 0.5 Moz Indee Gold Project. The 1,500 square kilometre project is largely located on the Yandearra Aboriginal Reserve which has only recently been open to exploration and is virtually unexplored by modern exploration methods.

Field work in the project area during the quarter has focused on soil, auger and stream sediment geochemical programs testing high priority target areas identified by the company. A small reverse circulation drilling program was also completed at the Station Peak and Egina Prospects. Office based activities focussed on a full interpretation of the aeromagnetic data flown earlier in the year. These activities have generated numerous gold – platinum group elements – base metal targets. These will be advanced over the remainder of the field season.

The potential for Indee-style gold targets within the Central and Wohler Shear Zones has been tested by a broad geochemical auger sampling program in areas dominated by transported cover. The **Mistletoe, Holly, Spruce, Fir** and **Gillies** Prospects have been identified as areas of interest (Figure 1). Each prospect area has low-level gold and arsenic anomalism in favourable structural settings that will be actively pursued with further detailed exploration work.

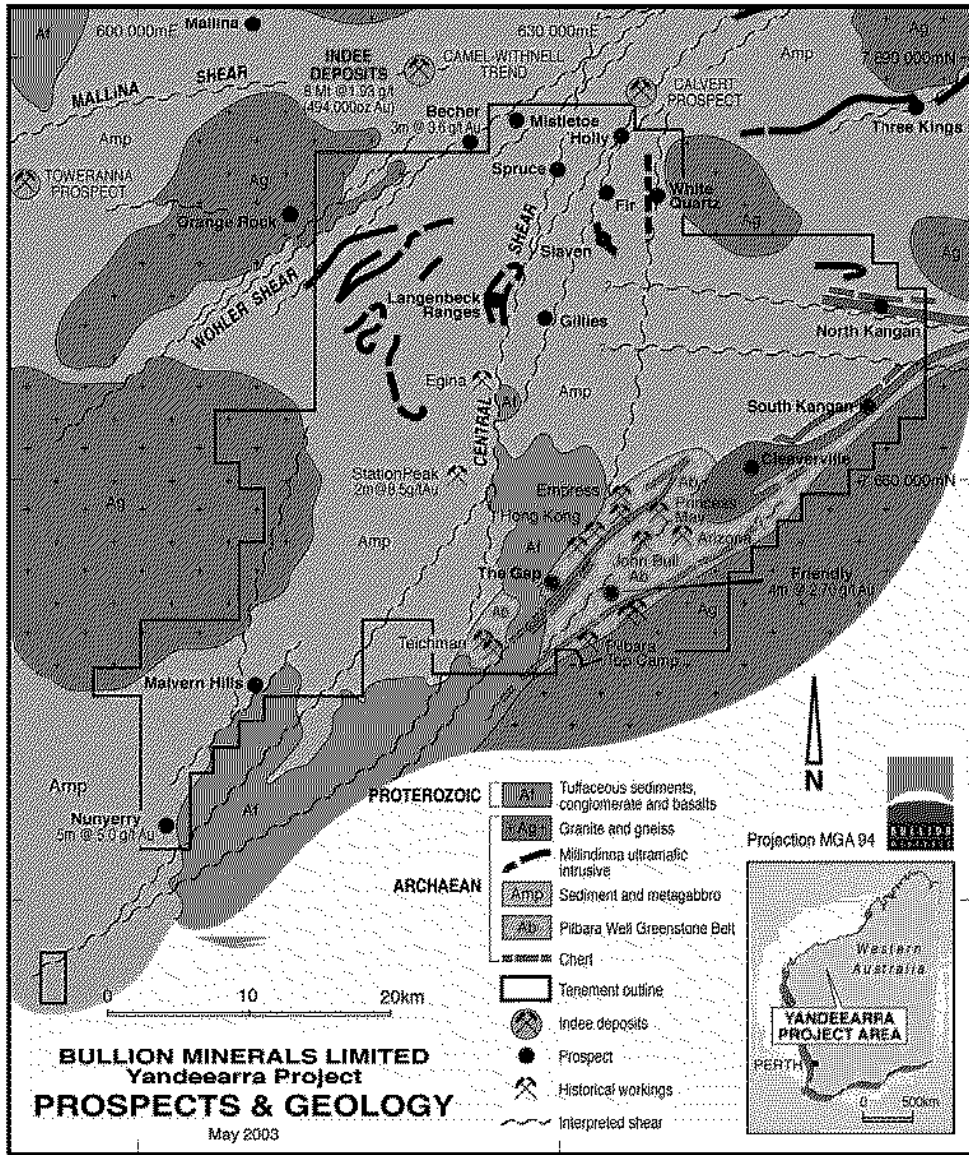


Figure 1

The Pilbara Well Greenstone Belt has been tested with a 400 x 100 metre spaced soil sampling program which has highlighted the John Bull Shear Zone which hosts the historical gold workings at the **John Bull** and **Princess May** Prospects.

Sampling has revealed a strong gold in soil anomaly trending sub-parallel to stratigraphy with over 5km of strike. A number of continuous higher grade zones of greater than 30ppb gold, up to a peak value of 1610ppb gold occur within the overall zone.

Additional infill soil sampling along the shear on a 200 x 50 metre spaced grid pattern has revealed that the most significant soil anomalism is associated with outcropping carbonate altered mafic volcanics and altered porphyry units. Shearing in contact with the porphyry units has developed small zones of stockwork quartz veins with strong silicification and



albitisation. This area has been named the **Arizona** Prospect as small historical workings have been found. Rock chip sampling and additional step-out soil programs will examine the mineralisation potential of the area.

Numerous other historical gold occurrences within the greenstone belt produced only limited gold anomalism associated with the narrow quartz – carbonate veining in mafic lithologies. This provides some encouragement of the potential for significant mineralisation within the John Bull Shear Zone.

Exploration focusing on base metal and platinum group element (PGE) targets at the **Langenbeck Ranges** continued during the quarter. The Langenbeck Ranges consist of an eight kilometre long outcropping section of the mafic-ultramafic Millindinna Intrusive Complex and provide the best exposure of the Intrusive within the project area.

Previously reported stream sediment sampling has highlighted three strongly gold-anomalous zones with a number of samples recording gold values of 50 to 1594ppb. Additional stream sediment sampling has revealed a fourth zone of coincident gold and PGE anomalism.

All four areas were soil sampled on a 100 x 50 metre spaced grid with low-level gold anomalism outlined at the **Humphries** and **Clarke** Prospects, low-level palladium anomalism at **Harmer** Prospect and gold-palladium-platinum anomalism identified at the **Mt.Langenbeck** Prospect. All areas require further ground work to establish their mineralisation potential and the possibility of extending the gold and PGE investigations to other occurrences of the Millindinna Intrusive within the project area.

Reverse circulation drilling was completed during the quarter at the **Station Peak Mine** and the **Egina** Prospect. Eleven RC drillholes for 690 metres were drilled.

At Station Peak, RC drilling targeted the historical North Reef Main Lode which has been worked in the past from both open cut and underground mining. Drilling was planned to test for possible strike and depth extensions to the mineralisation.

Drillholes BYRC007 and BYRC008 intercept the main lode in the targeted positions with mineralisation encountered characterized by quartz veining with semi-massive pyrite.

The remaining drillholes completed in the area targeting the North Reef Main Lode tested the likely target zone but failed to produce any significant mineralisation.

Significant results from the Station Peak drilling (at 1g/t Au cut-off) include:

Hole No	North	East	Azi	Dip	From (m)	To (m)	Width (m)	Grade (g/t Au)	Lode
BYRC007	7659740	622750	000	-60	47	49	2	8.5	Main
BYRC008	7659691	622674	000	-60	26	28	2	4.3	Hanginwall
					and 71	73	2	6.4	Main



RC drilling targeting the Egina Prospect focussed on the small historical copper – gold workings. Drilling produced no significant gold mineralisation but encountered low order copper mineralisation in the clay-rich oxide zone. No deeper drilling was done to test for possible supergene or primary mineralisation at depth.

Best results from Egina (at 0.5% Cu cut-off) include:

Hole No	North	East	Azi	Dip	From (m)	To (m)	Width (m)	Grade (% Cu)
BYRC001	7666330	626913	330	-60	20	35	15	1.22
BYRC002	7666311	626879	330	-60	15	20	5	0.92

The Yandearra Project will continue to be the primary focus of Bullion's exploration effort over the coming months due to the encouraging and significant exploration targets that have been outlined. Priority targets within the project area will be advanced and drill tested as appropriate.

Great Western, WA - Gold (51%, option to earn 100%, subject to royalty)

Two RC drilling programs comprising ten holes were reported during the previous quarter.

Interpretation of the Great Western mineralisation has revealed a number of en echelon hangingwall lodes to the Main Lode. These lode positions appear to become more continuous with depth. Further evaluation of the economic potential of the area is required.

No further work was completed during the June quarter.

Phoenix, WA – Gold (Option to purchase 100%)

Exploration at the Phoenix Project, located immediately north of Coolgardie, is targeting a high-grade quartz vein lode, previously mined underground from the Phoenix Shaft.

Given the difficulty in locating the mineralised lode with drilling and the results received to date, Bullion has elected to withdraw from the option agreement and holds no ongoing interest in the tenement.

Westonia, WA – Gold (100%, subject to a royalty)

As reported to the ASX on 17 February 2003, Bullion has entered into an option agreement to sell the Westonia project to Westonia Mines Limited. Under the terms of the agreement, Bullion received a \$20,000 option fee in February and is entitled to a second fee of \$20,000 in August 2003 if Westonia Mines Limited wishes to continue in the option. To exercise the option, Westonia Mines Limited must pay Bullion a further \$50,000 by the 17th of February 2004.

Tarcoola, SA – Gold (100%)

Consultant group Adelaide Mining Geophysics Pty Ltd has completed a review of magnetic/gravity targets on the project and highlighted prospects for further geophysical and/or geochemical exploration.

Charters Towers Project, QLD – Gold/Base Metals (100%)

The Charters Towers Project consists of two full sized exploration licence applications partially covering the Mt.Windsor Volcanics south of Charters Towers. The leases form an east-west belt between Pajingo and Mount Leyshon (Figure 2). The area will be targeted for gold and base metal deposits.

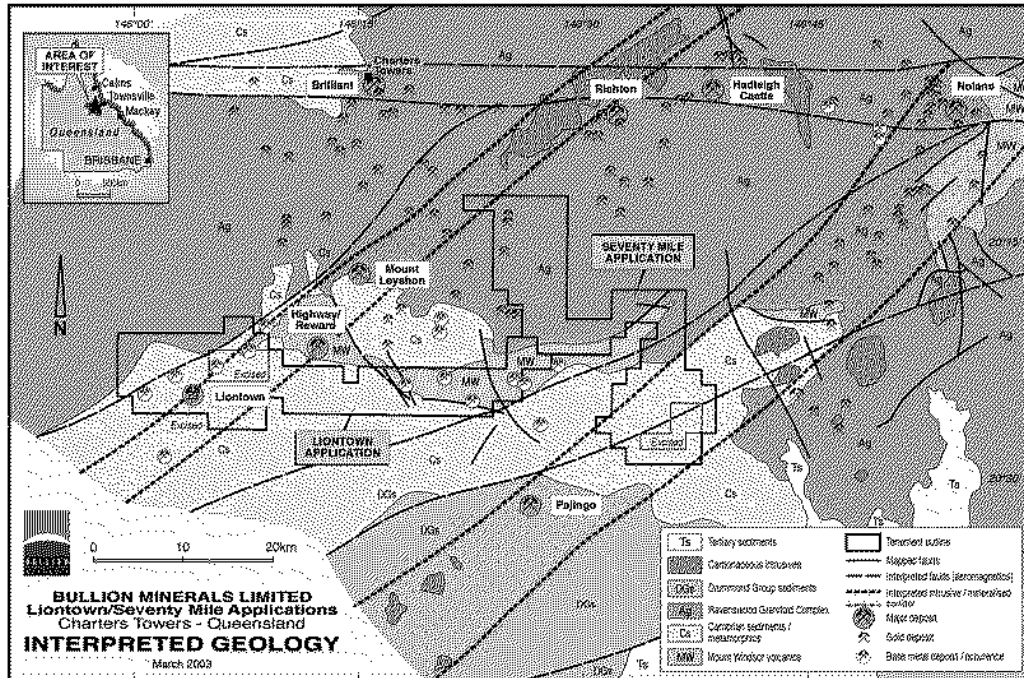


Figure 2

A comprehensive geochemical and drilling database detailing all previous exploration within the tenement boundaries has been acquired, with over 26,000 soil/stream and rock chip sample locations and nearly 1500 drillhole collars. This data will allow rapid evaluation and targeting once the licences have been granted.

Strelley, WA – Base Metal/Gold (100%)

There has been no further advance on the granting of this licence application.

The Strelley Project is located on the southeast margin of the Strelley Dome and covers in part Archaean felsic volcanics which host the Panorama base metal deposit.

Wilga Hill, WA – Gold (100%)

There has been no further advance on the granting of this exploration licence application in the prospective Laverton Tectonic Zone.

The licence covers structures that host the Fortitude gold deposit some 15 kilometres to the south and several small gold deposits to the north.



Leonora, WA – Gold (100%)

There has been no further advance on the granting of this prospecting licence application located immediately north of Leonora township.

The licence area covers greenstone stratigraphy to the east of Sons of Gwalia's Leonora operations.

Project Reviews

Reviews of new exploration and development opportunities continued during the quarter. Several reviews are still in progress.

CORPORATE

During the quarter, Mr Peter Eaton resigned as Chief Executive Officer and a Director of Bullion Minerals Limited with Mr Anthony Kiernan LL.B appointed to the board as a Non-Executive Director. Mr Tim Goyder will take on the role as Executive Chairman as an interim measure, supported by the current management team.

Mr Kiernan is a Solicitor and has considerable experience in the administration and operation of listed public companies and practices extensively in the areas of media, resources and information technology law.

Bullion has 35,340,508 shares and 33,005,830 options on issue.

The company had approximately \$350,000 in cash at the end of the quarter. The company also holds 3 million shares in Monarch Resources Limited.

Details of cash movements for the quarter are contained in the Appendix 5B Mining and Exploration Quarterly Report that will be lodged before the 31st July.

For further information please contact Tim Goyder on 08 9322 3990 or by email at info@bullionminerals.com

Yours faithfully

BULLION MINERALS LIMITED

B Young
Company Secretary

The technical aspects of this report were compiled by Mr Grant Williamson, who is a Member of the Australasian Institute of Mining and Metallurgy.

Suite 4, 29 Ord Street, West Perth, 6005
GPO Box 2890, Perth, WA, 6001
Ph (08) 9322 3990 Fax (08) 9322 5800
Email: info@bullionminerals.com
ABN 74 009 799 553