

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

FIRST AUSTRALIAN RESOURCES LIMITED

ABN

41 009 117 293

Quarter ended ("current quarter")

31 MARCH 2005

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	522	522
1.2	Payments for		
	(a) exploration and evaluation	(527)	(527)
	(b) development	(314)	(314)
	(c) production	(90)	(90)
	(d) administration	(219)	(219)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	16	16
1.5	Interest and other costs of finance paid	(11)	(11)
1.6	Income taxes paid		
1.7	Other (provide details if material)		
	Net Operating Cash Flows	(623)	(623)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a)prospects	(8)	(8)
	(b)equity investments		
	(c) other fixed assets	(91)	(91)
1.9	Proceeds from sale of:		
	(a)prospects	136	136
	(b)equity investments		
	(c)other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other		
	Net investing cash flows	37	37
1.13	Total operating and investing cash flows (carried forward)	(586)	(586)

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(586)	(586)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	1,292	1,292
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (Share Issue Expenses)		
	Net financing cash flows	1,292	1,292
	Net increase (decrease) in cash held	706	706
1.20	Cash at beginning of quarter/year to date	2,089	2,089
1.21	Exchange rate adjustments to item 1.20	8	8
1.22	Cash at end of quarter	2,803	2,803

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	65, 832
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	777	576
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	511
4.2 Development	219
Total	730

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	463	303
5.2 Deposits at call	401	534
5.3 Commercial Bills	1,939	995
5.4 US Certificates of Deposit (short term investment)	0	257
Total: cash at end of quarter (item 1.22)	2,803	2,089

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	204,962,683	204,957,683	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	15,200,000 5,000	15,200,000 --	8.5 cents 7 cents	N/A N/A
7.5 *Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options Tradeable Incentive	113,590,661 8,000,000	113,595,661 --	Exercise price 7 cents 10 cents	Expiry date 31 July 2005 16 June 2007
7.8 Issued during quarter (FAROA)	7,600,000	7,600,000	Issue Price NIL	Expiry Date 31 July 2005
7.9 Exercised during quarter	5,000	--	Exercise Price 7 cents	Expiry Date
7.10 Expired during quarter			Exercise Price	Expiry Date
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 28 April 2005

Print name: MICHAEL EVANS (DIRECTOR)

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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