AUSTMINEX NL

ABN 56 005 470 799

QUARTERLY REPORT

FOR THE 3 MONTHS TO

31 MARCH 2003

Summary of Activities

Corporate

- Completed acquisition of Focus Minerals Ltd, including St Francis tenements, with 228,000 ounces of gold in Resource and a number of advanced gold projects in Kalgoorlie-Coolgardie-Widgiemooltha region of Western Australia
- Head office moved to Perth and Kalgoorlie to reflect the change in business focus
- Two new Directors appointed to the Board
- Appointment of Mr Chuck McCormick and Ms Kate Hobbs as joint Chief Executive Officers
- A placement raised $750,000 in March.

Exploration

- Completed 4,200 metres RC drilling on Dreadnought Project with substantial high-grade intercepts below the existing Central Zone Resource, and best results including 14 metres @ 9.6 g/t and 7 metres @ 9.1 g/t Au in the NW Zone.
- Completed 2,000 metres RC drilling on Boundary Project, with a scoping program designed to test for extensions of mineralization east from the Boundary Pit. Significant gold assays were obtained over 600 metres strike, with best intercepts of 2m @ 11.03 g/t gold and 1 metre at 10.8 g/t gold.
- Drilled 1,223 metres at Grosmont Pit with best intercepts of 12 metres at 17.55 g/t Au and 3 metres at 26.94 g/t Au.
- Commenced a study to evaluate the possibility of a cutback of the Norris, Coronation, K-Zone and Grosmont Pits to access the current Resource of 555,000 tonnes at 4.32 g/t Au.

Plans for June Quarter

Exploration

- Drilling of 6,000 metres of RC has commenced at The Mount.
- A further 2,000 metres of RC and 1,000 metres of diamond drilling will commence at Dreadnought in early May to allow calculation of a new Resource and start of pre-feasibility studies for the NW Zone.
- A further 1,000 metres of drilling at Grosmont to test for extensions of the very high-grade intercepts obtained in March to the west and south.
- Review of Lord Bob Resource, with development of plan for further drilling to allow a Reserve calculation.

GENERAL

The acquisition of Focus Minerals Ltd, including a large tenement holding from St Francis Group, was approved by an Extraordinary General meeting held on 21 March 2003, and was settled on 31 March. This acquisition delivered ownership to Austminex of over 200 km^2 of advanced gold properties in the Kalgoorlie-Coolgardie-Widgiemooltha area, one of the world's great gold-mining provinces. The properties contain a number of historic and current mines, and host projects with Resources of 2.1 million tonnes at average grade of 3.45 g/t gold containing 235,528 ounces of gold (Austminex share 228,000 ounces). The Nepean nickel mine and substantial nickel exploration targets also lie within the tenements, and the Board is considering the future management of these assets.

A placement of 10,641,200 shares was completed in late March at $0.07, raising $744,884. In addition $125,000 was paid on some partly paid shares in January to be fully paid. This contributed almost $870,000 to fund ongoing exploration. The total shares issued rose as a result of the acquisition of Focus and the placement to 138,778,562 million shares.

The cash position of the company was $678,000 at 31 March 2001.

Mr Don Taig and Ms Kate Hobbs, directors of Focus, joined the Board of Austminex in March. The decision was taken to close the Melbourne office and relocate to Perth and Kalgoorlie, to reflect the changed business focus of the Company. Managing Director Mr Tom Eadie will not relocate to Perth, and will retire in June. Mr Chuck McCormick and Ms Kate Hobbs were appointed joint Chief Executive Officers.

In early April Mr Mike Eager and Mr Bruce Paterson retired from the Board, and Mr Jack Toby was appointed Company Secretary.

GOLD EXPLORATION

Dreadnought

Austminex and its 100% owned subsidiary, Focus Minerals Ltd, have completed 4,100 metres of RC drilling at Dreadnought Project, south of Coolgardie, to infill the Resource of 970,000 tonnes at 3.0 g/t gold, and to test for extensions at depth and to the south and west. Results included the following:-

Hole	Northing	Easting	Azimuth	Dip	From (m)	To (m)	Intercept (m)	Grade (g/t gold)
8760-04	8760	4930	196	-89	192	202	10	2.51
including							2	8.0
8740-06	8740	4800	90	-60	194	196	2	4.8
					201	207	6	4.7
8720-12	8720	4800	90	-60	177	191	14	9.6
8600-03	8600	4820	90	-60	98	105	7	9.1

The results on the two more northerly lines accord well with similar mineralisation intersected in the NW Zone in previous drilling:-

Hole	Northing	Easting	Azimuth	Dip	From (m)	To (m)	Intercept (m)	Grade (g/t gold)
8760-03	8760	4900	90	-60	100	112	12	10.7
8700-04	8700	4880	150	-60	140	154	14	4.2
					174	178	4	6.6
8680-07	8680	4881.41	97	-60	152	159	7	9.4

Plan for next Quarter:- 2,000 metres of RC drilling and 1,000 metres of diamond drilling to define a Reserve in the NW Zone. An internal resource review will be carried out aimed at bringing the project to pre-feasibility in the third Quarter.

The Mount

A soil geochemistry survey was carried out over the entire area of prospecting licences which surround the central Mount mining lease. Assay results showed that large areas of the project are highly anomalous in gold, and in nickel and cobalt. The most anomalous gold results (200 – 967 ppb gold) form cohesive anomalies which are strongly coincident with anomalous copper. Gold at The Mount is associated with copper mineralisation. The anomalies indicate that the gold-bearing lodes cropping out on The Mount continue at least 1 kilometre further to the north than had been previously known.

Plan for next Quarter:- 6,000 metres RC drilling has commenced within the mining lease to test the continuity of the high-grade quartz lodes and to allow definition of a gold Resource. This will be followed in the third Quarter by a further 6,000 metres of RC drilling and 2,000 metres of diamond drilling aimed at identifying a gold Reserve within the mining lease, and testing the new gold-in-soil anomalies extending north through the surrounding prospecting licences.

Boundary

Boundary Project consists of a granted mining lease wholly owned by Austminex and a portion of freehold land which is held under option. The mining lease hosts a Resource of 178,000 tonnes at 3.5 g/t gold around the Boundary Mine. The freehold land contains the Golden Eagle underground mine which was active from the 1920s until 2001. RC drilling of 2,000 metres within the freehold section of Boundary Project was carried out in the Quarter, to test the southern limb of the mineralised structure which hosts the Boundary Mine. Best results include the following:-

Hole	Northing	Easting	Azimuth	Dip	From (m)	To (m)	Intercept (m)	Grade (g/t gold)
GE-12	5599.3	10315.9	197	-60	59	61	2	4.36
GE-6	5499.4	10235.6	224	-60	39	42	3	2.45
					67	79	12	2.01

Drilling by previous owners, of material which was not removed during mining, included the following results:-

Hole	Northing	Easting	Azimuth	Dip	From (m)	To (m)	Intercept (m)	Grade (g/t gold)
BD026	5180.3	10188.9	185	-61	114	129	15	9.75
BD077	5079.1	10104.5	180	-60	35	41	6	9.62
BD091	5090.4	10109.8	180	-60	28	33	5	7.22
BD099	5190.2	10096.9	180	-60	14	18	4	9.97
					32	36	4	6.66
BD100	5189.3	10086.3	180	-60	17	22	5	3.92
BD114	5293.4	10143.0	189	-63	30	32	2	3.21
					63	65	2	1.08
					66	76	10	4.21
					78	91	13	2.15
					92	98	5	2.17
BD134	5289.9	10124.4	180	-60	10	13	3	5.39
EGERC3	5464.7	10597.1	234	-60	36	40	4	5.07
EGERC36	6095.5	10298.4	187	-60	4	6	2	14.40
EGERC44	5523.9	10222.0	188	-60	14	30	16	3.37

Future Plans:- 2,000 metres of RC drilling is planned to begin in the third Quarter to test the northern limb of the mineralised structure, and to infill existing drilling within the mining lease.

Norris

Norris Project consists of a number of granted mining leases containing the Norris, Coronation and K-Zone mines which produced 36,700 ounces of gold in the 1990s. A Resource of 555,000 tonnes at 4.32 g/t gold has been defined around the pits. Extensive historical exploration and mine data has been obtained from various sources, and a 4-month project has begun to compile the data and develop a database to act as a basis for future planning.

A number of advanced targets have been identified from the compilation, and 1,233 metres of RC drilling to test one such target under the shallow Grosmont pit returned the following best results:-

Hole	Northing	Easting	Azimuth	Dip	From (m)	To (m)	Intercept (m)	Grade (g/t gold)
GRT001	9924.411	12205.724	380	-90	41	43	2	3.13
GRT002	9923.234	12243.191	380	-90	28	34	6	2.78
					36	39	3	2.36
GRT003	9922.615	12272.944	380	-90	30	31	1	2.06
					36	42	6	2.98
GRT005	9936.022	12352.840	380	-90	42	45	3	3.84
GRT007	9922.652	12414.759	380	-90	35	36	1	14.30
					53	57	4	5.43
GRT008	9918.104	12394.671	380	-90	67	70	3	26.94
including					68	69	1	78.60
GRT010	9911.121	12413.316	380	-90	65	77	12	17.55
including					75	76	1	158.00
GRT011	9905.946	12432.947	380	-90	12	13	1	5.24
GRT012	9904.502	12396.608	380	-90	85	86	1	37.90
GRT013	9898.373	12411.597	380	-90	84	89	4	2.25

Drilling carried out in the same area by previous tenement holders in the 1970s and 1980s includes the following reported best results:-

Hole No	From	To	Intercept (m)	Grade (g/t Au
N480	83	88	5	9.99
N481	43	49	6	7.17
N482	40	42	2	12.82
GD06	12	18	6	6.00
GD10	12	32	20	6.74
GD21A	44	48	4	23.4
GD23	46	50	4	4.59
DH22	18	27	9	5.86
D122	12	22	10	4.94
GO1	30	32	2	55.11
GO5	48	50	2	833.0

A number of other projects have already been identified from the data review which have existing assay data which will be drilled with the intent of defining Resources.

NICKEL

The Nepean nickel project, south of Coolgardie, contains the Nepean nickel mine which produced

32,200 tonnes of nickel between 1970 and 1987. A Resource of over 400,000 tonnes at 2.29% nickel remains in the mine, and studies have been undertaken during the Quarter to evaluate whether the mine can be re-opened. In addition negotiations are under way with a number of nickel mining companies regarding joint exploration of the mine and surrounding tenements for nickel.

BASE METALS

The decision has been taken to divest the base metals assets in NSW and Victoria, and negotiations are underway regarding sale of Benambra. The divestment is expected to be completed in the second Quarter.

EXPENDITURE

The Proforma Statement of Consolidated Cash Flows is a separate report.

The geological information in this report is supplied by Mr Charles McCormick, a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), who is defined as a Competent Person under the JORC Code of the AusIMM. Mr McCormick is joint Chief Executive Officer of Austminex.

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