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COMPANY ANNOUNCEMENTS OFFICE

TECHNICAL REPORT – QUARTER ENDED 31ST DECEMBER 2003

1. SUMMARY

TasGold Ltd (TasGold) is a gold focused mineral exploration company, whose primary projects are located in three gold +/- base metal districts in SW, north-central and NE Tasmania.

Highlights from the quarter include:

- Implementation of the company's 'year round drilling' philosophy utilising its man portable diamond drilling rig (depth capability to 300m in NQ core).
- Granting of the Gowrie Park EL (29/2003) in north –central Tasmania, that was won by competitive tender. The EL contains Inferred Resources of approximately 40,000 ounces of gold at a grade of 3.5 g/t (in 2 discrete deposits) associated with the Dolcoath granite. Drilling (immediately subsequent to granting) of 4 diamond core holes for 232.5m, returned a best result of **3.5m of 4.0 g/t gold along with 5.1% lead + 4.2% zinc + 0.4% copper.**
- Drilling of 6 diamond core holes for 359.9m and 2 reverse circulation drill holes for 136m at the Lisle Project - EL 2/92, with a best result of **0.8m of 11.2 g/t gold.**
- Mobilisation to the SMRV project was initiated in December, in preparation for drilling in early January (that commenced on 6/1/2004).

2. DETAILS

TasGold made the following release to ASX on 9th October, 2003.

“DETAILS OF THE GOWRIE PARK (MOINA) PROJECT – EL 29/2003 NORTHERN TASMANIA

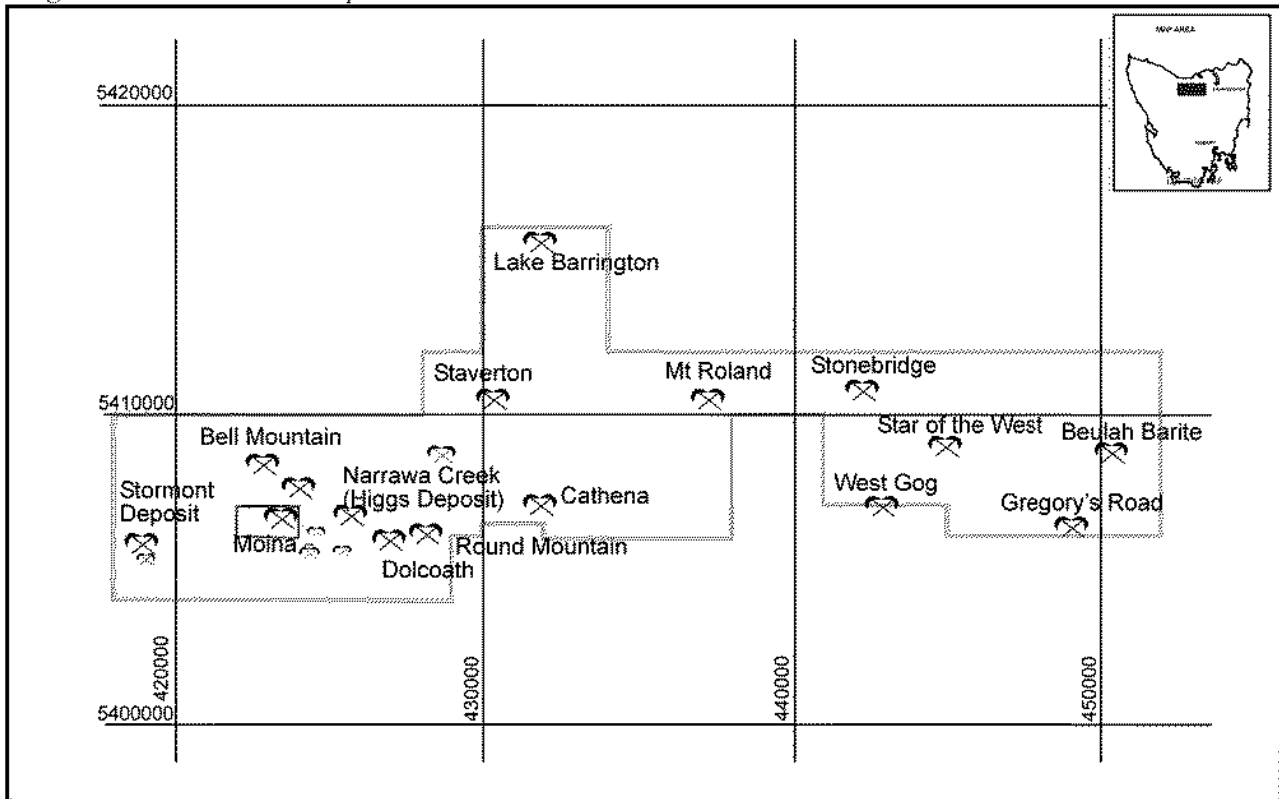
TasGold expects to be granted (subject to Ministerial approval) a 202 km² Exploration License in easily/ moderately accessible north central Tasmania, that has more than 35 named mineral occurrences /workings and two existing gold resources, with a total inferred resource of approximately 40,000 ounces at 3.5 g/t gold. The area was won through Mineral Resources Tasmania's competitive tender or Exploration Release system and the company intends to undertake extensive diamond drilling to expand the resources and evaluate some of the many soil anomalies (many of which remain untested by drilling).

Targets are gold and base metal mineralisation within part of the Dolcoath Granite aureole and surrounding rocks. Results in drill holes such as near true width of 25.4m of 4.33 g/t Au (including 1.3m of 23.1g/t Au, plus 1m of 14.21g/t Au plus 1.15m of 12.13 g/t Au), 42m of 9.56 g/t Au in trench and 36.5 g/t Au at the end of development work in a short adit show significantly more work is warranted.

The Higgs deposit at Narrawa Creek, has an inferred resource of 215,000 tonnes at 3.5 g/t Au, 1.5% Pb, 1.3% Zn and 23 g/t Ag and the Stormont Deposit has an inferred resource of 135,000 tonnes of 3.44 g/t Au and 0.21% Bi. Other deposits in the general region, but outside the EL attest to the area's high geological prospectivity. It is

planned to increase the known gold resources at the Higgs and Stormont Deposits.

Figure 1. EL Area and Prospect Locations



Targets include narrow high grade vein deposits, large tonnage (~50Mt), low to medium grade (~2-4g/t) intrusive related stockwork Au or porphyry Cu-Au deposits, Carlin style deposits and skarns. The company also intends to take a district scale approach to the Fossey Mountain Trough and re-evaluate existing stream /surface geochemistry and work up new prospects of merit in the area as appropriate.

It is TasGold's intent to drill existing well defined targets and establish further resources and reserves. The company considers that the acquisition of this area significantly complements our existing tenement portfolio and creates the third project area we need to enable year round exploration activities to proceed with maximum cost efficiency, giving us the diversification and targets to run our drilling rig as much as realistically possible.

SUMMARY OF PROPOSED EXPLORATION:

Most of the proposed work program for year one will occur in the Narrawa Creek (Higgs Deposit + satellites) area with the drilling of approximately 50 holes (2,200m). The work program proposed for year two consists of drill evaluation of the Stormont Mine area NW extensions and satellite occurrences.

If positive results are returned during year 1 it is likely that drilling would also be continued at Narrawa Creek in year 2 and also be initiated at the Stormont Mine area in year 1 instead of year 2 as now projected. Regional work will consist of gridding, soil sampling and rock chip sampling at the Star of the West and West Gog, with Airborne EM anomaly ground follow-up in the Stormont Mine sector, possibly with ground EM to accurately locate targets on the ground prior to drilling.

DETAILS OF PROPOSED EXPLORATION:

Higgs Deposit / Narrawa Creek

- It is TasGold's intent to systematically drill test the Higgs Deposit (conformable bands of disseminated to semi-massive sulphides [pyrite-pyrrhotite-galena-sphalerite] and gold hosted by biotite-altered Moina Sandstone and interbanded skarn), with 26 diamond drill holes for 1,100m. In addition, we have allocated 700m for contingency holes to infill several geochemical/ geophysical trends and further test the depth extent of several specific zones of mineralisation.

- Evaluation / re-interpretation of grid based gold in soil geochemistry shows that many of the gold in soil anomalies have only been partly tested. The largest and most cohesive gold in soil anomaly >0.2 g/t Au (~300m x 100m) has not been drill tested at all and TasGold proposes to test these targets with 20 short holes for 700m.
- Total initial drilling, as noted above, equals 59 holes for 2,500m
- In addition, the basic cyanide leachability of the ore will be assessed.
- Infill soil sampling in the southern sector of the gridded area for gold may be undertaken to assess extensions to known mineralisation.
- Compile all data into a useable GIS format.

Stormont Deposit

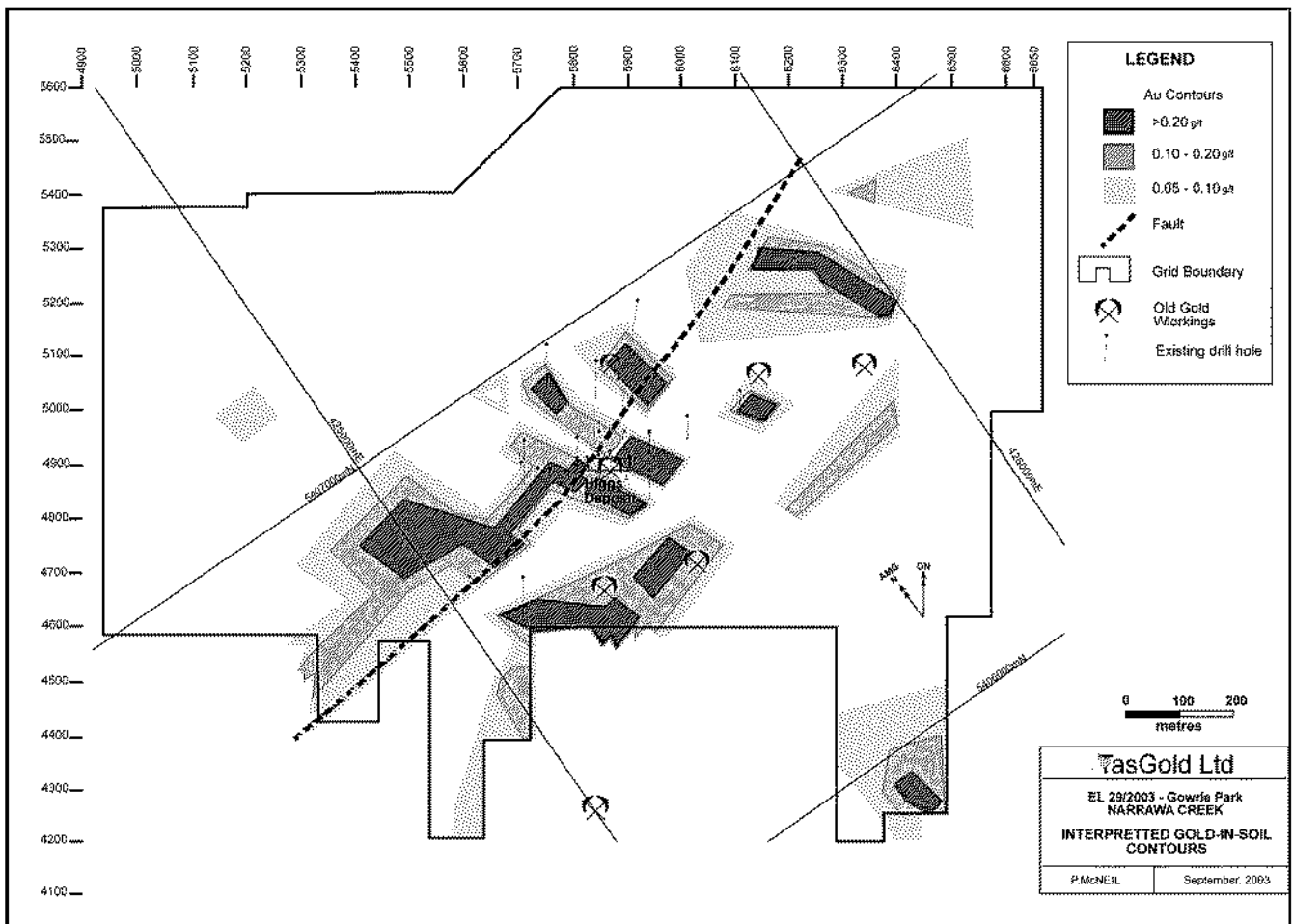
- All data will be compiled into a useable GIS format in year 1 and it will be drill evaluated in year 2.
- The Stormont Deposit has had a reasonable amount of drilling undertaken on it, however, data assessment shows that there is still substantial scope to increase resources in several areas. These areas include the NW strike extension of the known deposit, the untested western sector of the western syncline to the west of SD21 and the north of SD20 and also areas proximal to the eastern thrust.
- Basic cyanide leachability of the ore will be assessed.

Regional

Regional exploration will be limited in year 1 to evaluation of:

- Stonebridge Prospect with mapping and sampling of the Mount Read volcanics down to the West Gog Prospect.
- Star of the West, with a program of gridding, soil sampling and rock chip sampling.
- Field checking / ground truthing of the documented recent generation helicopter EM anomalies that could be vectors to gold mineralisation.

Figure 2. Narrawa Creek Interpreted Gold in Soil Geochemistry



AREA SUMMARIES

Various prospects / sectors of EL 29/2003 are discussed below in logical groupings based on geographic location and the specific ERA they were previously grouped into. ERA 590 is the small block in the west of EL 29/2003 (see figure 1) and it is divided into eastern (Narrawa) and western (Stormont) sectors. In addition, ERA 587 was juxtaposed to ERA 590 (located to the east) and regional targets are mostly grouped therein.

ERA 590 EASTERN SECTOR SUMMARY (After Purvis, 2000)

Targets are gold and base metal mineralisation within part of the Dolcoath Granite aureole. The area has had several diamond drilling and helicopter borne EM surveys completed. Diamond drilling outlined an inferred resource at Higgs Gold Mine of 215,000 tonnes at 3.5 g/t Au, 1.5% Pb, 1.3% Zn and 23 g/t Ag. Further work is warranted to expand the Higgs resource and test other targets associated with the Narrawa Creek Fault Zone and elsewhere.

TENEMENT

The terrain is rugged and forested, but accessible via several unsealed roads and numerous all-weather 4-wheel drive tracks. A sealed Road traverses the area. It is predominantly Crown Land. It includes State Forest (Multiple Use Forest Land, RFA – Informal Reserves, Land Vested in the HEC and a small amount of Private Property. The Retention Licence 8810, held by AngloGold and Rio Tinto over the Moina fluorite deposit, is near the centre of the ELA.

GEOLOGY

The upper part of the Moina Sandstone is partly calcareous with thin bands of siltstone and carbonate (now altered to skarn), transitional to the overlying massive limestone of the Gordon Formation. It is in these upper transitional rocks that the best of the old gold mines occur.

At Higgs there is a small outcropping gold-base metal deposit comprising conformable bands of disseminated to semi-massive sulphides (pyrite-pyrrhotite-galena-sphalerite) and gold hosted by biotite-altered Moina Sandstone and interbanded skarn.

PREVIOUS EXPLORATION & MINING

Small-scale mining and prospecting commenced in the area before 1900 and continued intermittently until the 1980's. Most activity was directed at the numerous veins and greisens bearing tin-tungsten (\pm bismuth-molybdenum).

Previous exploration and small scale mining delineated significant gold and lead-zinc mineralisation in the catchment of Narrawa Creek, centred on the old Higgs and Narrawa Reward gold mines.

Shear hosted gold (and silver-lead) was discovered at the Narrawa Reward Mine beside Narrawa Creek in 1893. In 1934 gold (and lead) disseminated mineralisation was discovered and worked at the Higgs Mine 200m to the SW.

The first systematic exploration was in 1981-82 when CRA tested the base-metal and tin-tungsten potential of the altered sediments on the granite margin. To follow up anomalies detected by airborne DIGHEM-magnetics, CRA cut a large grid over the Narrawa Creek catchment and undertook soil sampling, VFL EM, UTEM and ground magnetics.

The VFL EM and UTEM delineated broadly coincident conductive zones associated with both old goldmines, with the responses extending hundreds of metres beyond the workings. A major E-W trending structure along Narrawa Creek was inferred from the magnetics (Flis, 1982).

CRA drilled three moderate depth diamond holes. Two holes beneath the Narrawa Reward Mine intersected low lead-zinc-gold values (best 3.7m of 1.2% Pb, 1.2% Zn, 0.3% g/t Au).

In 1986 Gold Fields Exploration (GFEL) started work on the CRA grid with C-horizon soil sampling and channel sampling of the old workings. They assayed CRA's Narrawa Reward holes for gold, getting best intersections of 9m of 0.24 g/t Au (DG1) and 6m of 0.28 g/t Au (DG2).

sandstone (Moina Sandstone) and an upper unit of limestone (Gordon Limestone). Between the Moina Sandstone and Gordon Limestone, the 'Transition Beds' comprise mainly calcareous siltstone with lesser intercalated calcareous sandstone and limestone.

The Dolcoath Granite is a medium to coarse grained alkali-feldspar I-type granite. It does not outcrop on the western side of the RL but has been intersected 200m below surface in drill-holes at Moina near the former 20/92 tenement's eastern end. The granite outcrops two kilometres further east on former EL 37/97. Gravity data indicates this outcrop lies at the eastern end of a shallowly buried E-W trending granite crest, that slopes gently west and directly underlies the licence at depths mostly <500m.

The intrusion has extensively altered and mineralised the adjacent Ordovician sediments. Mineralisation comprises gold, bismuth, zinc, fluorine, tin and tungsten, with lesser amounts of lead, silver and molybdenum. Styles range from veins and lodes to massive or disseminated stratiform bodies.

The basal section of the limestone and parts of the 'Transition Beds' have been converted to various unmineralised and mineralised skarn facies. These include chlorite-magnetite-sulphide skarn, pyroxene/amphibole-garnet skarn, and the finely and irregularly banded magnetite-fluorite skarn or "wrigglite", which forms the huge stratiform Moina fluorite deposit and for which the area is particularly noted.

On the former EL 20/92 area, skarns are largely preserved in NW-trending synclines, having been eroded in the pre-Tertiary off anticlinal folds and other uplifted areas. Known occurrences of stronger mineralisation within the skarns, at Stormont Mine, Ti Tree Creek and Fletchers Adit, are associated with NW-trending thrust faults.

There is also widespread silica-biotite alteration and mineralisation in the Moina Sandstone. Only minor mineralisation is known within the sandstone on EL 20/92 but to the east on RL 8810 and EL 37/97 it is significant, including tin-tungsten bearing veins (eg: Shepherd and Murphy Mine at Moina) and auriferous stratiform sulphide bodies (eg: Higgs Deposit at Narrawa Creek). The effects are most common in the upper sections of the sandstone where it was apparently partly calcareous.

PREVIOUS EXPLORATION AND MINING

Historic operations were minor, with the largest being the Stormont Mine, where a 40m long and 8m deep open-cut with 40m long adit were excavated in a body of mineralised skarn between 1928-34. The mine produced 6.3t of bismuth concentrate containing 63% bismuth and 91 oz of gold.

A similar but more weakly mineralised Au-Bi skarn was prospected at Fletchers Adit on the south bank of the Lea River 1km NE of Stormont Mine. There is no record of production from Fletchers.

Alluvial gold was worked in the Lea River downstream of the Stormont Mine and Fletchers Adit occurrences. Hard rock gold, hosted by thin quartz veins in a fault in Ordovician sandstone with conglomerate bands, was prospected by shafts 15m deep at the Stormont Gold Mine on the northern slopes of Mt. Stormont. Again, there is no record of production.

There is no record or visible sign of historic prospecting in the Ti Tree Creek skarn. Modern large-scale systematic exploration of the EL 20/92 area was initiated by Mt Lyell Co. in 1965. After an aeromagnetic survey, they cut a grid extending from the Lea River to the Cradle Mountain Road. They followed up with detailed grids over the skarns at Ti Tree Creek and the Stormont Mine - Fletchers Adit area.

Magnetic and bismuth-in-soil anomalies delineated over the Ti Tree Creek skarn were investigated by 700m of costeaning and two test lines of pole-dipole IP. IP anomalies and costean rock chip intersections up to 10m of 0.48% Bi were obtained. Drilling was recommended but not done.

In the Stormont Mine - Fletchers Adit area Mt Lyell undertook soil sampling and gradient array IP. They delineated a large skarn with modest bismuth-in-soil and IP anomalies north of the Lea River opposite Fletchers Adit, but did no drilling. No further work was done at Stormont Mine because their estimate for the mineralised skarn body (250,000 tonnes) was regarded as too small. Mt Lyell withdrew in 1972. In 1972-73 the Department of Mines drilled two holes into the Ti Tree Creek skarn. DOM2 (101m) intersected 15m of skarn at surface with a best interval of 3.2

of 0.19% Bi & 'trace' Au. DOM3 (95m) intersected 13m of skarn and calc-silicate under 10m of Tertiary basalt, for a best result of 1m of 0.11% Sn.

From 1974-79 the licence area was part of a major exploration effort by Comalco, who discovered and drilled out the Moina Deposit (26 million tonnes of 18% CaF₂). They searched the surroundings for similar mineralisation, gridding almost the entire area at 50m spacing and carrying out mapping, soil sampling, magnetics, some IP and drilling.

At Ti Tree Creek, Comalco determined the DOM2 skarn contained up to 5.6% F. Chip sampling of outcropping magnetite-pyrite skarn returned values up to 0.65 g/t Au over 4m. They drilled hole SMD31 (41m) to test a magnetic peak, intersecting 7m of magnetite skarn with low values: 0.15 g/t Au & 1% F. They did a gradient array IP survey over Stormont Mine and Fletchers Adit which indicated skarn extensions SW of Stormont, and east and west of Fletchers. However, they did no drilling at either prospect.

On the Tertiary-covered lowlands, 1km north east of Ti Tree Creek, Comalco drilled 3 holes testing magnetic anomalies. Two intersected wriggilite (magnetite-fluorite skarn) averaging 10.7% CaF₂: 17m in SMD17 and 21m in SMD23, but no gold. SMD20's target MIP anomaly proved to be clay-filled limestone caverns, but 16m of calc-silicate under the limestone was not assayed. DOM1, a 325m vertical stratigraphic hole, intersected the thickest limestone section at Moina at 21-179m downhole.

The basal 9m of the limestone comprised calc-silicate skarn and minor wriggilite, containing 0.5m of 8% F, 0.13% Bi and 'trace' Au. Comalco was followed on the Moina project by two JV partners, Shell and CRA. CRA re-assayed most of the Comalco holes for gold, concentrating on those in and around the Moina deposit. They confirm the higher gold values in the Hugo skarn and showed the eastern part of the Moina Deposit contained irregular spotty values of 0.2-0.4 g/t Au.

In 1981, Shell drilled LGD1 (254m) at 5407500mN / 420650mE within EL 20/92, to test a coincident magnetic / gravity anomaly on the Moina Sandstone ridge west of Lake Gairdner. Below 101m the hole was in magnetite-veined Mt Read Volcanics. It was devoid of mineralisation. In 1983, Gold Fields Exploration took up the Stormont area after it was dropped by the Comalco JV. GFEL's target was gold and they determined all streams draining north from Mt. Stormont were anomalous in gold. Channel sampling of the old workings at Stormont Mine returned values up to 42m of 9.56 g/t Au & 0.5% Bi. Sampling of the final face in the adit, showed the old miners stopped in ore grading 36.5 g/t Au and 1.1% Bi.

From 1988 to 1990 GFEL drilled 21 holes at Stormont Mine and 9 near Fletchers Adit. The most significant intersections were in the Stormont skarn; 13m of 4.1 g/t Au, 0.46% Bi (SD1); 2.1m of 12.8 g/t Au, 0.35% Bi (SD3) and 5.4m of 2.5 g/t Au, 0.1% Bi (SD10).

At Fletchers the holes were all north of the Lea River and outlined a large area of weakly auriferous skarn mostly beneath thin Tertiary basalt. Best intersection was 2m of 1.5 g/t Au in FD7. One hundred metres away, the northern most hole (FD8) had a 35m gold anomalous section with 21m assaying 0.3 g/t Au.

Despite the encouraging drill results GFEL withdrew in 1991. In the five years Goldstream-Titan had EL 20/92, the exclusive focus of groundwork on the licence was drilling at Stormont Mine.

The only work done by Goldstream-Titan on the EL outside Stormont was a high-resolution helicopter-borne aeromagnetic survey of the whole 25 square kilometre tenement in 1996.

They also drilled the Hugo Skarn (Zn-Au-Bi) on RL 8810, where they had a JV from 1993-97 with the present owners, RTZ and Anglogold Ltd. In 1999-2000, Jervois drilled 5 short vertical diamond drillholes (TC01-05) totalling 188m at the Ti Tree Creek skarn testing geological and geophysical targets. Best intersections were 1 metre of 1.32 g/t Au in TC04 and 1 metre of 1.2 g/t Au in TC05.

Ti Tree Creek

A review of the data suggests this area of skarn had received insufficient testing by previous explorers. There are two prominent parallel NW trending magnetic anomalies flanked to the south by a smaller anomaly associated with

an area of high magnetic gradient that occurs over outcropping auriferous magnetite-pyrite skarn adjacent to a NW-trending thrust fault.

Left untested (TC03 did not test it) is the northern anomaly, being the SE peak of the main anomaly and the area of outcropping magnetite-pyrite skarn.

GEOLOGY AND MINERALISATION

The Central Syncline's main mineralised zone extends for 350m along the SW side of the Stormont fault and is hosted by folded skarn with its eastern margin constrained by a steeply dipping NE trending thrust fault. The NW end appears to be more strongly mineralised and this is the area of historic workings and the noted resource.

The host rock is pyroxene- garnet-magnetite skarn that has been partly oxidised and contains common native bismuth and bismuthinite plus low overall sulphides.

The information used to calculate the resource is listed below:

<i>Open cut west wall</i>	<i>(along strike)</i>	<i>32m of 4.8 g/t Au, 0.56% Bi</i>
<i>No 2 crosscut</i>	<i>(across strike)</i>	<i>10m of 5.34 g/t Au, 0.31 % Bi</i>
<i>SD1 (vertical)</i>	<i>(4.5 to 17.5m)</i>	<i>13m of 4.12 g/t Au, 0.46% Bi</i>
<i>SD36(vertical)</i>	<i>(0 to 16.7m)</i>	<i>16.7m of 1.98 g/t Au, 0.03% Bi</i>
<i>SD39 (-70 to ENE)</i>	<i>(0 to 19.6m)</i>	<i>19.6m of 2.95 g/t Au, 0.09 % Bi</i>

NB: SD1 was tricone drilled for the top 4.5m and is likely to be mineralised to surface.

The gold grade was determined from the weighted average of the intercepts noted above with the body dimensions assumed to be 90m long, 30m wide and 17m thick. The inferred resource was determined to be 135,000 tonnes of 3.44 g/t Au plus 0.21% Bi.

Channel sampling along strike in the adit returned 42m of 9.56 g/t Au + 0.50% Bi, but this does not appear to be representative of the overall grade and was not used in the calculation. Other issues with previous drilling/sampling indicates much better overall potential than that shown by the resource calculation.

EASTERN (ERA 587) SECTOR SUMMARY (After Callaghan, 2003)

This area covers an inlier of Mt Read Volcanics located in the Fossey Mountain Trough in the north of Tasmania. Two mineralising events are evident in the district, being Cambrian syn-volcanic mineralisation and later Devonian granite related skarn and vein mineralisation. Numerous Prospects associated with the Cambrian mineralising event occur between Cethana and Beulah. The Devonian granite related mineralisation is concentrated around the Dolcoath granite in the Lorinna-Moina district.

Most of the Devonian Au deposits are small (but sometimes high grade) structurally controlled veins hosted in the siliciclastic Moina sandstone. There is good potential for skarn, Carlin style and intrusive related gold mineralisation associated with the Dolcoath granite and its host rocks.

Gold was first discovered in the late 1800's with numerous alluvial and hard rock workings, particularly in the Lorinna-Moina district and the Minnow River district. The northern Mt Read Volcanics have not been subject to the extensive exploration that has occurred in the western Mt Read volcanics. Most exploration has concentrated on finding VHMS mineralisation with little or no targeting of gold mineralisation. Gold Mineralisation around the Dolcoath granite has been sporadically targeted by mid size and junior exploration companies. The bulk of the modern exploration was completed by CRAE and Goldfields during the 1980's.

Numerous prospects exist in the southern and western parts of this large area

Star of the West

Alluvial gold was recovered from the Minnow River in the late 1800's (Thureau, 1881). Numerous hard rock workings were developed in the same period on the southern banks of the river. Gold mineralisation was reported to be hosted in lenticular quartz veins within a quartz-hornblende porphyry dyke intruding volcanoclastic siltstones and within the "matrix" of the porphyries. Veining was apparently localised along the porphyry-slate contact. The

workings were reported to have a head grade of 4.5g/t Au (Thoreau, 1881) and between 0.7 and 10 g/t (Reid 1924) but no record of tonnages or total production are available. Several adits and numerous shafts were sunk into the host porphyry with the main workings being the Star of the West and the Star of the East.

Very little work has been completed since. CRAE completed a very limited reconnaissance sampling program in 1980 and 1981 (Clementson and Flis, 1983). One line of soil samples was taken defining a 200m weakly anomalous zone with values between 12 and 56 ppb Au. Seven rock chip samples were taken with a maximum of 1.2 g/t Au from outcropping porphyry at the top of the hill. An attempt was made to channel sample the adits but they had caved before the area of interest.

West Gog

The West Gog area has had no systematic exploration prior to 2001. Auriongold followed up stream sediment anomalies with gridding, soil sampling mapping and rock chip sampling. Numerous gossans, iron stones and bleached and veined volcanics were mapped and extensive though low grade Au-As and basemetal soil and rock chip anomalies (Cu to 3.3%) were defined just to the south of TasGold's EL 29/2003 boundary. The anomalies remain open to the north and east into TasGold's EL.

This area warrants further low cost investigation including mapping, rock chip sampling and possibly gridding, soil sampling and a gradient array IP survey. The Gog Range Greywacke/andesite contact may be a potential focal point for economic mineralisation. Trenching and RC drilling of defined soil anomalies would be warranted should the soil anomalies be extended into EL 29/2003.

Gregory's Road

Amax minerals (Poltock R, in Vivian 1994) identified a zone of brecciation, silicification and tourmalinisation of a feldspar-hornblende-quartz diorite in the far west of their EL. Limited rock chip sampling returned assays to 0.2 g/t Au. A prominent BLEG stream sediment anomaly of 2,800 ppb gold was recorded from a stream draining this area.

Stonebridge

The Stonebridge prospect was originally mined for barite in the early 1900's. CRA gridded the district completing soil geochemistry and UTEM over the prospect. Work concentrated on locating the barite veining and was focussed on finding base metal VHMS mineralisation associated with the barite. A gossan was located in the south of the prospect with anomalous base metals and Au (best sample 0.2 % Cu, of 2% Pb, 1100ppm As, 0.5ppm Au and 42g/t Ag, Rand and Noonan, 1989).

Rand and Noonan (1989) also identified a quartz-hematite stock work veined diorite with Cu to 0.5% and Au to 0.3 ppm returned from rock chips. No follow up work was completed.

Beulah Barite

The Beulah barite prospect was mined for barite by the Electrolytic Zinc Company in the 1920's. The barite occurs as a number of veins hosted in sheared mafic to andesitic volcanics of the Beulah Formation. The Beulah Formation has been correlated with the Que-Hellyer volcanics that host the Hellyer and Que river mines (Rand and Noonan, 1989). The Barite Prospect and surrounding volcanics have been extensively explored in the past for basemetal VHMS deposits by CRA, Aberfoyle and RGC. Detailed mapping and several geophysical, geochemical and drilling programs failed to detect significant VHMS mineralisation.

Cethana

The Cethana prospect is a 6km long belt of sericite-pyrite altered felsic volcanics with anomalous lead and zinc. Mineralisation appears to consist of disseminated and possibly syngenetic sulphides in altered volcanics. The western and central part is dominated by volcanoclastics while the western margin contains more coherent volcanics with more veining and anomalous Cu values.

CRAE investigated this prospect in detail in the 1980's during follow up of the initial Asarco stream sediment survey. Fourteen drill holes were completed to test soil geochemistry (>1000ppm Pb ± Zn), IP and UTEM anomalies. Most holes intersected low-grade lead zinc mineralisation (1-2% combined Pb/Zn). The best result was from drill hole DD77CC5 with results of 1.8m of 3.9% Zn, 0.8% Pb, 1.2% Cu 185 g/t Ag and 0.7 g/t Au from what appears to be syngenetic mineralisation in chloritised volcanics.

The area was subsequently explored by Noranda, RGC and Plutonic with additional soil geochemistry, geophysical surveys and drilling programs. Similar weakly Pb-Zn mineralised sericite-pyrite altered rhyolitic volcanics were intersected.

Staverton

Low grade lead-zinc mineralisation is hosted in schistose, highly sericite-silica-pyrite±tourmaline ±carbonate altered basaltic to andesitic volcanics over 900m strike length. Two drill holes have been completed at the prospect, one percussion hole by CRAE and a diamond hole by Plutonic (MacDonald 1993). Only the percussion hole intersected significant, low grade base metal mineralisation: PD83SP1 20-44 24m of 0.9% Pb, 0.5%Ag, 10 g/t Ag.

Petrographic analysis suggests the alteration is pre-deformation and therefore not likely to be related to Devonian granitoids. EM, IP, ground magnetic and geochemical sampling have been completed over the prospect with the best anomalies drilled.

Lake Barrington

The Lake Barrington Prospect consists of pyritic copper stockwork mineralisation with some Ag and Au credits hosted in carbonate altered felsic volcanics. The mineralisation was outlined as a 400m Cu soil and coincident IP anomaly by CRAE after follow up of a stream sediment basemetal anomaly. IP and mise-a-la-masse surveys were subsequently completed on the grid. Four diamond drillholes were completed in the early 1980's with best results of:

DD80LB1	179.4-179.5	0.1m of 14% Cu, 0.8% Pb, 0.6% Zn and 1.4 g/t Au
		222.0-223.3 1.3m of 1.3% Cu, 0.2% Pb, 1.0% Zn
		239.0-240.0 1.0m of 0.36%Cu, 0.6%Pb, 0.9% Zn.
		242.9-246.1 3.2m of 1.2%Cu, 0.1% Pb, 0.6 % Zn
DD82LB3	140.8-141.0	0.2m of 9.1%Cu, 52 g/t Ag
		156.5-172.5 15.9m of 1.2%Cu, 12 g/t Ag
		207.9-209.0 1.2m of 1.6%Cu, 18 g/t Ag
DD83LB4	48.0-49.0	1.0m of 1.9%Cu, 5 g/t Ag
		225.8-226.3 0.5m of 4.8% Cu, 36 g/t Ag, 3.2 g/t Au

The vein style of alteration is unlikely to form deposits of economic size. The IP defined a 400m anomaly that has been adequately tested.

Mt Roland Prospect

During 1979 a grid was established in the vicinity of the original Mt Roland Ag-Pb Mine. The grid was soil and rock chip sampled with samples analysed for Cu, Pb, Zn and Mn. A dipole-dipole IP survey located two chargeability zones; the first being a narrow resistivity low commencing near the old adit (target A) and the second a 400m long, broad weak anomaly (target B). Two costeans were excavated to test these IP anomalies. The Mount Roland Adit was mapped and sampled in detail. The host is described as a light green silicified, chloritised and sericitised volcanic and the mineralisation is described as abundant pyrite±sphalerite±galena disseminated throughout the rock. Geochemical results indicate that the system is zinc rich and Cu, Ag poor. The best assay was 5m of 1.6% Zn, 0.3 % Pb, 0.45 g/t Au.

Diamond drillhole DD 80MR1 (229.5m) was designed to test the IP target. The hole intersected mixed andesite/dacite lavas and volcanoclastics. Various sections of the hole were analysed for Cu, Pb, Zn, Ag and alternate samples were also analysed for Au, Sn and W. Assay results were disappointing.

Subsequent gridding, UTEM surveys drilling and DHEM surveys were completed by Aberfoyle with disappointing results."

TasGold made the following release to ASX on 14th November, 2003.

“HIGGS DEPOSIT DIAMOND DRILLING COMMENCES - NORTHERN TASMANIA

A 5 week drilling programme, utilising TasGold's specialised man portable diamond drilling rig has commenced at the Narrawa Reward Prospect – Higgs Deposit..”

TasGold made the following release to ASX on the 17th November, 2003

“DRILLING RESULTS TO 11.2 G/T GOLD AT THE ENTERPRISE PROSPECT - NE TASMANIA

TasGold is pleased to announce that diamond drilling (with it's man-portable drilling rig) at the Enterprise Prospect, Lisle Project, has continued to successfully track the gold mineralised structural zone and the subordinate gold mineralised quartz veins contained therein.

The best drill intersection returned was 0.8m of 11.2 g/t gold from the West Vein, which is still open in all directions, but may be pinching downdip (pinching and swelling of the thickness of the vein is common in these types of systems). Hole ED 002 showed that there are three discrete veins within the mineralised envelope in the Enterprise region. In addition, there are also at least 2 different veins known to occur further north at the gold Crest and Virginia Ridge Prospects, toward the northern end of the >1 kilometre long gold in soil anomaly.

The Enterprise Prospect has always proven difficult to drill, regardless of the method utilised. The weathered, strongly/ moderately oxidised, altered and micaceous granite is slippery and the quartz vein zones are highly fractured, resulting in low core recoveries. Several of the short holes failed to test their near surface targets because of high core losses.

The tables below present drill related location, orientation, intercept and assay data for the diamond and recent RC drill holes.

Diamond Drill Results											
BHID	Easting	Northing	RL	Dip	Azm	Depth (m)	From (m)	To (m)	Length (m)	Au (g/t)	Comments
ED001	525989	5441163	117	-50	90	14.0	6.8	8.6	1.8	1.94	West Vein, poor core recoveries
ED002	525977	5441153	121	-50	90	140.0	17.5	18.3	0.8	11.2	West Vein.
							67.2	67.4	0.2	3.5	Enterprise Vein
							113.2	114	0.6	2.9	
ED003	525977	5441153	121	-90	0	25.4			NSA	Very poor core recovery. Loss from 7.4 to 20.9m	
ED004	525989	5441143	119	-90	0	21.0	6	7.5		NSA	West Vein-poor recovery (40%)
ED005	525989	5441143	119	-50	90	20.7				NSA	No core recovery.
ED006	525937	5441153	126	-50	90	138.8					results pending

RC Drill Results											
BHID	Easting	Northing	RL	Dip	Azm	Depth (m)	From (m)	To (m)	Length (m)	Au (g/t)	Comments
E015	526000	5441340	121	-90	0	64.0	42	44	2.0	2.2	
							54	57	3.0	2.1	Enterprise Vein
							inc.	55	56	1.0	4.9
E016	525970	5441355	122	-90	0	72.0	35	36	1.0	0.5	Bit shanked before target depth

Results from the last diamond drill hole (ED 006) are still awaited and will be reported on in due course. The data from RC and diamond drilling accomplished this year at Enterprise Prospect will now be assessed to determine if additional drilling is warranted to test the depth and strike extensions of the known veins.

Diamond drilling is planned for the Gold Crest, Panama and Lone Star South Prospects (Lisle Project) in about 8 months, following the initial drilling program at Gowrie Park – Higgs Deposit (now underway), the full summer program at the SMRV (January through April, 2004) and the second program at Gowrie Park (May through June 2004).”

TasGold made the following release to ASX on the “11th December, 2003

“INITIAL DIAMOND DRILLING RESULTS - HIGGS DEPOSIT, GOWRIE PARK EL, NORTHERN TASMANIA

The Gowrie Park Exploration License (202 km²) has more than 35 named mineral occurrences /workings and two existing gold resources, with a total of approximately 40,000 ounces of gold at a grade of 3.5 g/t. The Higgs Deposit at the Narrawa Reward Prospect (one of the 2 resources noted above) has an Indicated Resource of 215,000 tonnes of 3.5 g/t Au, with 1.5% Pb, 1.3% Zn and 23 g/t Ag.

TasGold commenced diamond drilling about 1 month ago to test for extensions to the known mineralisation (along strike and down dip). The company has now completed three diamond drill holes at Higgs utilising it's man portable drilling rig.

Results have been returned and compiled for the first hole (NC 018) and are detailed below. Results for a further two holes should be available in the near future.

Hole Information						Intercept			Assays			
ID	Easting	Northing	Dip	Azm (AMG)	Depth (m)	From (m)	To (m)	Length (m)	Au (g/t)	Pb (%)	Zn (%)	Cu (%)
NC018	425525	5406720	-50	213	61	29.7	33.2	3.5	4.00	5.10	4.20	0.40

The company is pleased with the results returned and note that the hole intersected the proximal eastern extension to the Higgs Deposit (located approximately 20m to the east of previous hole NC 12). The assay results confirmed the visual mineralisation in the core and show the mineralised zone has not been closed off to the east. Hole collar details, relating to locations relative to previous drill holes, will be released in the immediate future with subsequent assay results.

TasGold's 4th and 5th holes at the Narrawa Reward Prospect were planned to test previously undrilled soil anomalies located to the west of the Higgs Deposit, but have been put on hold until after the rig returns from the drilling program, scheduled to commence in very early January, in the SW of Tasmania at the SMRV project.”

TasGold made the following release to ASX on the “7th January, 2004

“MAJOR DIAMOND DRILLING PROGRAM UNDERWAY AT SMRV PROJECT, SW TASMANIA

TasGold's summer work program was initiated 4/1/2004, with mobilisation of equipment and personnel to the company's main project area (the SMRV - EL's 21/99 and 20/96) and diamond drilling commenced at the Aldebaran (V34) Prospect yesterday.

The primary targets are world class mineral deposits that contain multi-million ounces of gold or equivalent, such as Barrick's high-grade gold/ silver Eskay Creek deposit (Canada) and very high-value polymetallic volcanic hosted massive sulphide and gold deposits such as Rosebery/ Hellyer (Western Tasmania).

The exploration program consists predominantly of drilling, with a total of 19 core holes proposed in 6 target zones for 3795m. The program is subject to continuous review /evaluation and completion of all the holes is subject to drilling rates achieved. TasGold's own cost effective, man portable, low environmental impact, RB37 diamond drill rig is being

utilised. A limited soil sampling program is also planned.

Details of the drilling program will be released in the near future and at other appropriate times as the rig progressively drills the various prospects. Please see TasGold's website at www.tasgold.com.au and previous releases for additional information."

The results of the drilling of the last 3 diamond core holes at Gowrie Park have not been previously released and they are noted below. Gold mineralisation was encountered in TasGold's holes 2 and 3 (NC019 and NC020), but not at potentially economic levels; there was no significant levels of lead or zinc recorded in the assays. Hole 4 (NC021) encountered significant drilling problems and was prematurely terminated prior to target depth. See the table below for details relating to these drill holes.

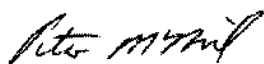
Hole Information						Intercept			Assays
BHID	Easting	Northing	Dip	Azimuth (AMG)	Depth (m)	From (m)	To (m)	Length (m)	Au (g/t)
NC019	425505	5406735	-60	213	71	28.2	29.2	1	1.00
						55.6	57.1	0.5	1.30
NC020	425482	5406735	-70	213	80	43	46	3	0.80
NC021	425375	5406761	-50	213	20.5	Hole abandoned -failed to reach target depth.			

CORPORATE

TasGold implemented a Share Purchase Plan during the quarter which raised a total of \$564,000, resulting in the issuing of an additional 3,815,528 shares.

It is planned for the company's rig to drill at the company's flagship SMRV Project in SW Tasmania for high-grade, hybrid epithermal- VHMS gold deposits (such as Eskay Creek / Henty), until the end of March, when the program is reviewed and a decision regarding further exploration is made. Favourable results would likely cause the program to be extended an additional month through April, 2004, or more. It is anticipated that the drilling rig would then recommence work at the Gowrie Park (Moina) EL - Narrawa Reward Project's as yet untested soil anomalies, then undertake additional drilling at the Potoroo and Panama Prospects at the Lisle EL and at the Lone Star South Prospect at the Lone Star EL.

The company is pleased with its December quarter accomplishments and results and thanks the company's shareholders for their support.



P.A. McNeil
Managing Director M.Sc.

This report is based on & accurately reflects information compiled by a competent person as defined in Appendix 5A of the ASX Listing Rules

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

TasGold Ltd

ABN

96 095 684 389

Quarter ended ("current quarter")

31 December 2003

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(322)	(460)
(b) development	-	-
(c) production	-	-
(d) administration	(109)	(246)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	21	32
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Mines Dept deposits	(19)	(19)
Net Operating Cash Flows	(429)	(693)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(64)	(284)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(64)	(284)
1.13 Total operating and investing cash flows (carried forward)	(493)	(977)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(493)	(977)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	564	564
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 (provide details if material)	-	-
	Net financing cash flows	564	564
	Net increase (decrease) in cash held	71	(413)
1.20	Cash at beginning of quarter/year to date	1,293	1,777
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	\$1,364	\$1,364

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	34
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Directors: salaries and consulting fees

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

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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

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+ See chapter 19 for defined terms.

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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	440
4.2 Development	-
Total	440

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	-	49
5.2 Deposits at call	1,364	1,244
5.3 Bank overdraft	-	-
5.4 Other (provide details) Fixed Term Deposits	-	-
Total: cash at end of quarter (item 1.22)	1,364	1,293

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	EL29/2003 Gowrie Park	Tenement granted	Nil	100%

+ See chapter 19 for defined terms.

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>	Nil	Nil		
7.2 Changes during quarter				
(a) Increases through issues	-	-		
(b) Decreases through returns of capital, buy-backs, redemptions	-	-		
7.3 ⁺Ordinary securities	38,151,451	27,253,861		
7.4 Changes during quarter				
(a) Increases through issues	3,815,528	3,815,528		
(b) Decreases through returns of capital, buy-backs	-	-		
7.5 ⁺Convertible debt securities <i>(description)</i>	Nil	Nil		
7.6 Changes during quarter				
(a) Increases through issues	-	-		
(b) Decreases through securities matured, converted	-	-		
7.7 Options <i>(description and conversion factor)</i>	16,487,812	16,387,812	<i>Exercise price</i> 20 cents	<i>Expiry date</i> 30 Nov 2007
	3,610,000	-	20 cents	31 Dec 2007
7.8 Issued during quarter	3,610,000	-	20 cents	31 Dec 2007
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 Debentures <i>(totals only)</i>	Nil	Nil		
7.12 Unsecured notes <i>(totals only)</i>	Nil	Nil		

+ 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 ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:
(Director/Company secretary)

23 January 2004
Date:

Print name:
Garry M. Edwards

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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+ See chapter 19 for defined terms.