

Golden Deeps Ltd

A.C.N. 054 570 777

1st Floor, 8 Parliament Place, West Perth WA 6005

PO Box 1618, West Perth WA 6872

Tel: (08) 9481-7833

Fax: (08) 9481-7835

Email: ged@goldendeeps.com

Website: www.goldendeeps.com

31 January 2007

The Manager - Companies
Australian Stock Exchange
Exchange Centre
20 Bond Street
SYDNEY NSW 2000

Quarterly Report for the 3 months ended 31 December 2006

1. Madagascar Gold Projects.

Antanimbary

The project is located approximately 200 kilometres northwest from Antananarivo, the capital city of Madagascar. It was acquired in November, 2005 and comprises an area of 18.75 square kilometres. Work to date by Golden Deeps has included rock chipping, auger soil sampling and a BQ diamond drill hole, with results including 2m @ 37.78 gpt Au.

This data is currently being assessed to allow the targeting of future exploration.

Kelimaizina

The Kelimaizina Gold Project is located approximately 260 kilometres northwest from Antananarivo, the capital of Madagascar and consists of four mineral tenements totalling 262.50 square kilometres.

As previously reported, the Company has now completed three auger drill programmes centred on the former Kelimaizina laterite open cut. A total of 363 auger holes were drilled for 459 samples.

The auger drill results have defined a strong, coherent zone of surface gold mineralization. Using as a cut-off the 200 parts per billion contour, the mineralized zone extends for approximately 500 metres in a north south direction and varies to approximately 100 metres in an east west direction. This gold anomalous zone will become the target for a follow-up diamond drill programme commencing in May 2006.

Mineralisation appears to occur where there is a change in strike, from the regional northeast - southwest trend, to a north - south trend. This change in strike can be inferred to represent a dilational jog structure.

A reconnaissance diamond drilling was completed in December, a consisted of two diamond drill holes, that targeted the primary mineralisation below the existing open pit. These drill holes encountered a number of thin zones of quartz veining and sulphide mineralisation. The samples generated from this program are currently being assayed at UltraTrace Laboratories in Perth, with results expected in the coming weeks.

2. Garden Gully (M 15/675), Western Australia

The Garden Gully tenement is located adjacent to the Coolgardie town site, on the Tindal's trend. Analysis of the Company's exploration data has shown several areas of potential ore grade mineralisation within the tenement area which require further drill testing; a number of joint venture opportunities are currently being assessed.

3. Blue Funnel (M 16/19), Western Australia

The Blue Funnel open pit is located on the Zuleika Shear, approximately 17 kilometres to the north-east of Kundana, and was mined in the late 1980's for 205 579 t @ 3.22 gpt Au; potential for additional resources below the existing pit floor is strong.

No field work was carried out on the project during the quarter, however the company is currently examining various options for the rehabilitation of the workings from the historical mining operations, in line with DoIR requirements.

4. Twin Hills (M 29/21), Western Australia

The Twin Hills project is located 27 kilometres to the northeast of Menzies in the Eastern Goldfields. The historic Twin Hills mine hosted high-grade gold mineralisation and shows the potential for additional resources at depth and along strike.

A detailed analysis of the existing drill data showed the ore system plunging steeply to the southwest, however further field work has been undertaken.

D N ZUKERMAN
Director

Competent Person Declaration

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Timothy Putt of Exploration and Mining Information Systems, who is a member of The Australasian Institute of Geoscientists. Timothy Putt has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Timothy Putt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears".