

**GRANGE**  
RESOURCES LIMITED  
A.C.N. 009 132 405

**STOCK EXCHANGE ANNOUNCEMENT**

**PRELIMINARY FINAL REPORT**

12 September 2003

The Directors of Grange Resources Limited (“**Grange**” or “**the Company**”) are pleased to release the consolidated results for the group and the attached preliminary final report for the financial year ended 30 June 2003.

Grange recorded a consolidated operating loss of \$2.20 million for the year ended 30 June 2003, compared with a consolidated operating loss of \$1.60 million in the previous financial year. The operating loss was largely attributable to the Company experiencing unforeseen delays in the production and therefore shipping of copper concentrate from the Reward Deeps/Conviction underground project.

In August 2003 the Company announced the manager of the Reward Deeps/Conviction underground mine had appointed a new mining contractor. The Company expects to be profitable in the next financial year with production of copper concentrate from the Reward Deeps/Conviction underground mine expected to continue throughout the next financial year until July 2004.

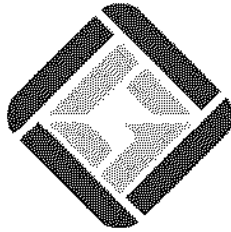
Grange had consolidated net assets of \$11.10 million at the end of the financial year, comprising largely of the following:

- \$4.94 million held in cash investments and receivables;
- \$3.04 million held in copper inventories;
- \$3.35 million being the value attributable to mining assets;

The Company decreased its cash reserves by \$8.58 million during the financial year, recording deficits from operating activities of \$4.15 million and investing activities of \$4.49 million.

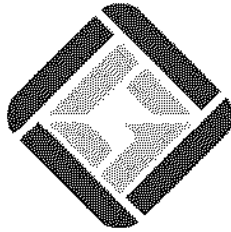
The major activities and highlights for the Company during the financial year included:

- The Company’s on-going capital management programme delivered further concentration of wealth to shareholders by reducing the number of Shares on issue in the capital of the Company throughout the year. The capital management initiatives throughout the year included the following:
  - a selective share buy-back approved by shareholders and subsequently completed in December 2002, where the Company bought 5,681,683 Shares at a price of 11 cents per Share and 26,830,168 convertible redeemable preference shares for a total price of \$1.00;
  - the redemption and subsequent cancellation of 46,339,633 convertible redeemable preference shares in June 2003 for a total consideration of \$463.40; and



**GRANGE**  
RESOURCES LIMITED  
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- the completion of an on-market share buy-back in June 2003, where the Company over a six month period bought-back 7,361,691 shares for a total consideration of \$1,627,590.52; and
- During the year 336,208 tonnes of ore grading 4.35% copper from the Reward Deeps and Conviction underground mine were processed through the Thalanga plant for the production of 48,338 tonnes of copper concentrate grading 27.47% copper and 0.8 g/t gold. The Company's first shipment of 9,332 tonnes of copper concentrate from the Reward Deeps project was exported from Townsville on 20 April 2003. Based on ore estimates at the end of the year, the Reward Deeps project is scheduled to produce approximately 179,000 tonnes of concentrate containing 27.5% copper by May 2004 with Grange's share of concentrate production being 53,600 tonnes over the life of the project.
- Encouraging intersections of copper mineralisation (including 15.7m @ 5.75% Cu and 7.7m @ 10.42% Cu) in massive sulphides were recorded from underground diamond drilling at Lower Reward Deeps. The Lower Reward Deeps resource is estimated to contain 172,800 tonnes @ 4.16% copper and 0.88 g/t gold. The resource remains open at depth.
- Royalties continued to be received from the Freshwater project during the year. During the March 2003-quarter Barrick Gold of Australia Limited provided statements of ore reserves and mineral resources as at 31 December 2002. The Plutonic East ore reserves at 31 December 2002 have increased from 385,000 tonnes @ 6.4g/t Au as at 31 December 2001 to 457,000 tonnes @ 6.5g/t Au, which represents a 19% increase in tonnes and a 20% increase in contained gold. The Plutonic East mineral resources as at 31 December 2002 have increased from 298,000 tonnes @ 6.4g/t Au as at 31 December 2001 to 1,551,000 tonnes @ 6.5g/t Au which represents an increase of over 400% in both tonnage and contained gold.
- Placer Dome Asia Pacific commenced mining operations at Red Hill during February 2003 with the main focus being on establishing the pit perimeter and developing the pit to a consistent operational level. By the end of the year the pit had been developed to a depth of 10 metres below surface for a planned final depth of 153 metres below surface. Total ore production from within the Red Hill mining lease for the year was 290,043 @ 1.19 g/t gold. Total ore hauled to the Paddington processing facility for the calendar year was 286,143 tonnes @ 1.19 g/t gold. Based on the current mining schedule it is estimated that royalty payments to Grange should commence at the end of the second quarter of 2004.



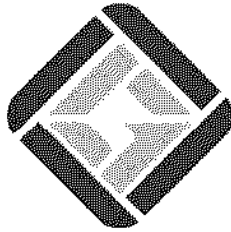
**GRANGE**  
RESOURCES LIMITED  
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- Horseshoe Gold Mine Pty Ltd (“Horseshoe”) a wholly owned subsidiary of Grange reached agreement with Gleneagle Gold Limited (“Gleneagle”) on the terms of an option agreement and subsequent joint venture arrangement over the Wembley Gold Project. The Wembley Gold Project is located approximately 120 kilometres north north east of Meekatharra and comprises mining lease M52/801 and mining lease application MLA52/587. The Durack gold deposit of 557,000 tonnes grading 2.18g/t gold (39,000 contained ounces) is located within mining lease M52/801.

Significant events that have occurred after the balance date include:

- In July 2003 shareholders of the Company approved an on market share buy-back to acquire up to a maximum of 6,675,522 of the fully paid ordinary shares representing 10% of the capital of the Company over a six month period commencing 1 August 2003;
- During July 2003 Gleneagle exercised the option to farm in to the Wembley Project and the joint venture has now commenced. Under the terms of the joint venture arrangement Gleneagle can earn an 80% interest in the tenements by spending \$500,000 on exploration within 4 years with minimum expenditure levels of \$150,000 during years 1 and 2 of the 4-year earn in period. Gleneagle can elect to withdraw from the agreement after expenditure of \$150,000. Horseshoe’s 20% interest will be free carried to a decision to mine. Within 60 days after a decision to mine has been made by Gleneagle, Horseshoe can elect to contribute pro-rata to expenditure, sell its 20% interest or convert its 20% interest to a royalty of \$20.00 per recovered ounce for the first 40,000 ounces of production and a 3% gross revenue royalty on any production thereafter. Gleneagle has pre-emptive rights on Horseshoe’s 20% interest and
- On 6 September 2003 Hillgrove Gold Limited and Grange announced their intention, through an equally and jointly owned nominee to make an off-market takeover bid for all the fully paid ordinary shares in Selwyn Mines Limited (Receivers and Managers appointed). The bid was designed to secure 1,500 sq. km. exploration and mining tenement package that is located in the Eastern Succession of the Mt. Isa Inlier in North West Queensland. The tenements have the potential to host mineralization that may support the development of large tonnage, low grade mining operations for copper and gold. The region is recognised as one of the world’s most significant mineralised provinces and includes Century, Ernest Henry and Mt. Isa.

The Company’s primary focus during the next financial year will be to maximise the potential returns from its existing mining operations at Reward Deeps/Conviction underground mine and identify and exploit new investment opportunities such as the Selwyn assets in the resources sector.



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For more information visit the Grange website at [www.grangeresources.com.au](http://www.grangeresources.com.au), or alternatively contact Alec Pismiris on (08) 9321 1118.

**ALEC PISMIRIS**  
Company Secretary

# Appendix 4E

## Preliminary final report

Introduced 1/1/2003

Name of entity

<b>GRANGE RESOURCES LIMITED</b>
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ABN or equivalent company reference

Half yearly  
(tick)

Preliminary  
final (tick)

Financial year ended ('current period')

<b>80 009 132 405</b>
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<b>30 JUNE 2003</b>
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### Results for announcement to the market

\$A'000

Revenues from ordinary activities	down	72%	to	6,879
Profit (loss) from ordinary activities after tax attributable to members	down	38%	to	(2,208)
Net profit (loss) for the period attributable to members	down	38%	to	(2,208)

<b>Dividends (distributions)</b>	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Previous corresponding period	Nil	Nil

+Record date for determining entitlements to the dividend

Not applicable
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The Company does not propose to pay a dividend for the current period.

+ See chapter 19 for defined terms.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE**

		Current period - \$A'000	Previous corresponding period - \$A'000
1.1	Revenues from ordinary activities	6,879	24,610
1.2	Expenses from ordinary activities	(9,059)	(26,122)
1.3	Borrowing costs	(28)	(93)
1.4	Share of net profits (losses) of associates and joint venture entities	-	-
<b>1.5</b>	<b>Profit (loss) from ordinary activities before tax</b>	<b>(2,208)</b>	<b>(1,605)</b>
1.6	Income tax on ordinary activities	-	-
<b>1.7</b>	<b>Profit (loss) from ordinary activities after tax</b>	<b>(2,208)</b>	<b>(1,605)</b>
1.8	Profit (loss) from extraordinary items after tax	-	-
<b>1.9</b>	<b>Net profit (loss)</b>	<b>(2,208)</b>	<b>(1,605)</b>
1.10	Net profit (loss) attributable to outside <sup>+</sup> equity interests	-	-
<b>1.11</b>	<b>Net profit (loss) for the period attributable to members</b>	<b>(2,208)</b>	<b>(1,605)</b>
<b>Non-owner transaction changes in equity</b>			
1.12	Increase (decrease) in revaluation reserves	-	-
1.13	Net exchange differences recognised in equity	-	-
1.14	Other revenue, expense and initial adjustments recognised directly in equity (attach details)	-	-
1.15	Initial adjustments from UIG transitional provisions	-	-
1.16	Total transactions and adjustments recognised directly in equity	-	-
<b>1.17</b>	<b>Total changes in equity not resulting from transactions with owners as owners</b>	<b>-</b>	<b>-</b>
<b>Earnings per security (EPS)</b>		Current period	Previous corresponding period
1.18	Basic EPS	(3.02) cents	(1.93) cents
1.19	Diluted EPS	(3.02) cents	(1.93) cents

+ See chapter 19 for defined terms.

**Notes to the condensed consolidated statement of financial performance**

**Profit (loss) from ordinary activities attributable to members**

	Current period - \$A'000	Previous corresponding period - \$A'000
1.20 Profit (loss) from ordinary activities after tax	(2,208)	(1,605)
1.21 Less (plus) outside <sup>†</sup> equity interests	-	-
<b>1.22 Profit (loss) from ordinary activities after tax, attributable to members</b>	<b>(2,208)</b>	<b>(1,605)</b>

**Revenue and expenses from ordinary activities**

	Current period - \$A'000	Previous corresponding period - \$A'000
1.23 Revenue from sales or services	6,088	24,046
1.24 Interest revenue	384	242
1.25 Other relevant revenue	407	322
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	6,879	24,610
1.26 Details of relevant expenses:		
Cost of sales	(5,887)	(12,977)
Administration costs	(1,648)	(1,824)
Devaluation of exploration assets	(31)	(771)
Write down and loss on sale of fixed assets	-	(412)
Other expenses from operating activities	(393)	(803)
Total expenses	-----	-----
	(7,959)	(16,787)
1.27 Depreciation and amortisation excluding amortisation of intangibles	(1,100)	(9,335)
<b>Capitalised outlays</b>		
1.28 Interest costs capitalised in asset values	-	-
1.29 Outlays capitalised in intangibles (unless arising from an <sup>†</sup> acquisition of a business)	-	-

<sup>†</sup> See chapter 19 for defined terms.

### Consolidated retained profits

	Current period - \$A'000	Previous corresponding period - \$A'000
1.30 Retained profits (accumulated losses) at the beginning of the financial period	(22,831)	(21,226)
1.31 Net profit (loss) attributable to members	(2,208)	(1,605)
1.32 Net transfers from (to) reserves <i>(details if material)</i>	-	-
1.33 Net effect of changes in accounting policies	-	-
1.34 Dividends and other equity distributions paid or payable	-	-
<b>1.35 Retained profits (accumulated losses) at end of financial period</b>	<b>(25,039)</b>	<b>(22,831)</b>

### Intangible and extraordinary items

<i>Consolidated - current period</i>				
	Before tax \$A'000  (a)	Related tax \$A'000  (b)	Related outside +equity interests \$A'000  (c)	Amount (after tax) attributable to members \$A'000  (d)
2.1 Amortisation of goodwill	-	-	-	-
2.2 Amortisation of other intangibles	-	-	-	-
<b>2.3 Total amortisation of intangibles</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2.4 Extraordinary items (details)	-	-	-	-
<b>2.5 Total extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Comparison of half year profits

*(Preliminary final report only)*

	Current year - \$A'000	Previous year - \$A'000
3.1 Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year	(931)	536
3.2 Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	(1,277)	(2,141)

+ See chapter 19 for defined terms.

## COMMENTARY - CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

- Revenue from sales is down 75% to 6,088,000 due to the timing of the Company's shipments. Only one shipment of copper concentrate has been delivered during the financial year compared with 4 shipments in the previous financial year.

• **CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000	
<b>Current assets</b>				
4.1	Cash	3,771	12,357	5,727
4.2	Receivables	1,165	1,423	440
4.3	Investments	-	-	-
4.4	Inventories	3,045	351	3,935
4.5	Tax assets	-	-	-
4.6	Other (provide details if material)	42	35	47
<b>4.7</b>	<b>Total current assets</b>	<b>8,023</b>	<b>14,166</b>	<b>10,149</b>
<b>Non-current assets</b>				
4.8	Receivables	310	426	309
4.9	Investments (equity accounted)	-	-	-
4.10	Other investments	-	-	-
4.11	Inventories	-	-	-
4.12	Exploration and evaluation expenditure capitalised (see para .71 of AASB 1022)	772	696	749
4.13	Development properties (+mining entities)	3,358	3,784	3,866
4.14	Other property, plant and equipment (net)	268	284	284
4.15	Intangibles (net)	-	-	-
4.16	Tax assets	-	-	-
4.17	Other (provide details if material):			
	Unrealised receivable on currency hedge	2,115	-	-
	Security Deposit (cash backed)	1,615	-	1,577
	Other	-	-	103
<b>4.18</b>	<b>Total non-current assets</b>	<b>8,438</b>	<b>5,190</b>	<b>6,888</b>
<b>4.19</b>	<b>Total assets</b>	<b>16,461</b>	<b>19,356</b>	<b>17,037</b>
<b>Current liabilities</b>				
4.20	Payables	865	859	1,037
4.21	Interest bearing liabilities	-	-	-
4.22	Tax liabilities	-	-	-
4.23	Provisions exc. tax liabilities	416	1,175	1,275
4.24	Other (provide details if material)	-	-	47
	Unrealised payable on currency hedge	2,115	-	-
<b>4.25</b>	<b>Total current liabilities</b>	<b>3,396</b>	<b>2,034</b>	<b>2,359</b>
<b>Non-current liabilities</b>				
4.26	Payables	-	-	-
4.27	Interest bearing liabilities	1	1	1
4.28	Tax liabilities	-	-	-
4.29	Provisions exc. tax liabilities	1,958	1,831	1,489
4.30	Other (provide details if material)	-	-	103
<b>4.31</b>	<b>Total non-current liabilities</b>	<b>1,959</b>	<b>1,832</b>	<b>1,593</b>
<b>4.32</b>	<b>Total liabilities</b>	<b>5,355</b>	<b>3,866</b>	<b>3,952</b>
<b>4.33</b>	<b>Net assets</b>	<b>11,106</b>	<b>15,490</b>	<b>13,085</b>

+ See chapter 19 for defined terms.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

<b>Equity</b>				
4.34	Capital/contributed equity	30,271	32,447	30,973
4.35	Reserves	5,874	5,874	5,874
4.36	Retained profits (accumulated losses)	(25,039)	(22,831)	(23,762)
<b>4.37</b>	<b>Equity attributable to members of the parent entity</b>	<b>11,106</b>	<b>15,490</b>	<b>13,085</b>
4.38	Outside <sup>†</sup> equity interests in controlled entities	-	-	-
<b>4.39</b>	<b>Total equity</b>	<b>11,106</b>	<b>15,490</b>	<b>13,085</b>
4.40	Preference capital included as part of 4.37	-	-	-

**Notes to the condensed consolidated statement of financial position**

**Exploration and evaluation expenditure capitalised**

	Current period \$A'000	Previous corresponding period - \$A'000
5.1	696	1,298
5.2	107	169
5.3	(31)	-
5.4	-	(771)
5.5	-	-
<b>5.6</b>	<b>772</b>	<b>696</b>

**Development properties**

	Current period \$A'000	Previous corresponding period - \$A'000
6.1	3,784	8,884
6.2	615	3,549
6.3	-	-
6.4	-	-
6.5	-	-
6.6	(1,041)	(8,649)
<b>6.7</b>	<b>3,358</b>	<b>3,784</b>

<sup>†</sup> See chapter 19 for defined terms.

## COMMENTARY - CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

- The decrease in cash balances is due mainly to the payment of a cash backed bank guarantee to be used for minesite rehabilitation and the payments for capital development and mining expenses
- Inventory levels are higher than last year as another shipment is anticipated shortly after balance date
- The decrease in share capital is due to a share buy back that the Company conducted during the year as well as funds received upon the exercise of options

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+ See chapter 19 for defined terms.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

		Current period \$A'000	Previous corresponding period - \$A'000
<b>Cash flows related to operating activities</b>			
7.1	Receipts from customers	6,425	25,155
7.2	Payments to suppliers and employees	(10,953)	(14,004)
7.3	Dividends received from associates	-	-
7.4	Other dividends received	-	-
7.5	Interest and other items of similar nature received	406	242
7.6	Interest and other costs of finance paid	(28)	(93)
7.7	Income taxes paid	-	-
7.8	Other (provide details if material)	-	-
<b>7.9</b>	<b>Net operating cash flows</b>	<b>(4,150)</b>	<b>11,300</b>
<b>Cash flows related to investing activities</b>			
7.10	Payment for purchases of property, plant and equipment	(40)	(79)
7.11	Proceeds from sale of property, plant and equipment	-	17
7.12	Payment for purchases of equity investments	-	-
7.13	Proceeds from sale of equity investments	-	-
7.14	Loans to other entities	-	-
7.15	Loans repaid by other entities	-	-
7.16	Other (provide details if material):		
	-Payment for exploration, evaluation and development	(722)	(3,704)
	-Payment for security deposit	(1,615)	-
	-Payment for shares bought back	(2,236)	(568)
	-Refund of security deposit	117	-
<b>7.17</b>	<b>Net investing cash flows</b>	<b>(4,496)</b>	<b>(4,334)</b>
<b>Cash flows related to financing activities</b>			
7.18	Proceeds from issues of <sup>+</sup> securities (shares, options, etc.)	60	-
7.19	Proceeds from borrowings	-	-
7.20	Repayment of borrowings	-	(1,313)
7.21	Dividends paid	-	-
7.22	Other (provide details if material)	-	-
<b>7.23</b>	<b>Net financing cash flows</b>	<b>60</b>	<b>(1,313)</b>
<b>7.24</b>	<b>Net increase (decrease) in cash held</b>	<b>(8,586)</b>	<b>5,653</b>
7.25	Cash at beginning of period (see Reconciliation of cash)	12,357	6,704
<b>7.26</b>	<b>Cash at end of period</b> (see Reconciliation of cash)	<b>3,771</b>	<b>12,357</b>

+ See chapter 19 for defined terms.

## COMMENTARY - CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

- Cashflows decreased by \$8,586,000 mainly due to the share buyback, the payment of exploration and development capital and the payment for operating expenditures. Variations in cashflows are not unexpected in the mining industry.

### Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. *(If an amount is quantified, show comparative amount.)*

None
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### Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current period \$A'000	Previous corresponding period - \$A'000
8.1 Cash on hand and at bank	234	302
8.2 Deposits at call	3,294	11,776
8.3 Bank overdraft	-	-
8.4 Other (provide details)	243	279
<b>8.5 Total cash at end of period</b>	<b>3,771</b>	<b>12,357</b>

### Other notes to the condensed financial statements

<b>Ratios</b>	Current period	Previous corresponding Period
<b>9.1 Profit before tax / revenue</b> Consolidated profit (loss) from ordinary activities before tax as a percentage of revenue	(32.10)%	(6.52)%
<b>9.2 Profit after tax / <sup>+</sup>equity interests</b> Consolidated net profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	(19.88)%	(10.36)%

### Earnings per security (EPS)

10. Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 18 of AASB 1027: *Earnings Per Share* are as follows.

Weighted average ordinary shares used in the calculation of the basic and diluted EPS: 73,069,416 shares.
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+ See chapter 19 for defined terms.

<b>NTA backing</b>	Current period	Previous corresponding Period
11.1 Net tangible asset backing per <sup>+</sup> ordinary security	Not applicable	Not applicable

### Discontinuing Operations

*(Entities must report a description of any significant activities or events relating to discontinuing operations in accordance with paragraph 7.5 (g) of AASB 1029: Interim Financial Reporting, or, the details of discontinuing operations they have disclosed in their accounts in accordance with AASB 1042: Discontinuing Operations)*

#### 12.1 Discontinuing Operations

Not applicable
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### Control gained over entities having material effect

13.1 Name of entity (or group of entities)	Not applicable
13.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was <sup>+</sup> acquired	-
13.3 Date from which such profit has been calculated	Not applicable
13.4 Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	-

### Loss of control of entities having material effect

14.1 Name of entity (or group of entities)	Not applicable
14.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	-
14.3 Date to which the profit (loss) in item 14.2 has been calculated	Not applicable
14.4 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	-
14.5 Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	-

<sup>+</sup> See chapter 19 for defined terms.

**Dividends**

15.1	Date the dividend (distribution) is payable	Not applicable
15.2	+Record date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHESS approved)	Not applicable
15.3	If it is a final dividend, has it been declared?	Not applicable

**Amount per security**

		Amount per security	Franked amount per security at % tax (see note 4)	Amount per security of foreign source dividend
15.4	<b>Final dividend:</b> Current year	Nil	Nil	Nil
15.5	Previous year	Nil	Nil	Nil
15.6	<b>Interim dividend:</b> Current year	Nil	Nil	Nil
15.7	Previous year	Nil	Nil	Nil

**Total dividend (distribution) per security (interim plus final)**

	Current year	Previous year
15.8 +Ordinary securities	Nil	Nil
15.9 Preference +securities	Nil	Nil

**Half yearly report - interim dividend (distribution) on all securities or Preliminary final report - final dividend (distribution) on all securities**

	Current period \$A'000	Previous corresponding period - \$A'000
15.10 +Ordinary securities (each class separately)	-	-
15.11 Preference +securities (each class separately)	-	-
15.12 Other equity instruments (each class separately)	-	-
<b>15.13 Total</b>	-	-

+ See chapter 19 for defined terms.

The <sup>+</sup>dividend or distribution plans shown below are in operation.

Not applicable
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The last date(s) for receipt of election notices for the <sup>+</sup>dividend or distribution plans

Not applicable
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Any other disclosures in relation to dividends (distributions).

Not applicable
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**Details of associates and joint venture entities**

<b>16.1</b>	Name of associate and joint venture	Not applicable
<b>16.2</b>	Percentage holding in joint venture	Not applicable

	Current period \$A'000	Previous corresponding period - \$A'000
<b>Group's share of associates' and joint venture entities<sup>1</sup>:</b>		
16.3 Profit (loss) from ordinary activities before tax	-	-
16.4 Income tax on ordinary activities	-	-
<b>16.5 Profit (loss) from ordinary activities after tax</b>	-	-
16.6 Extraordinary items net of tax	-	-
<b>16.7 Net profit (loss)</b>	-	-
16.8 Adjustments	-	-
<b>16.9 Share of net profit (loss) of associates and joint venture entities</b>	-	-

<sup>+</sup> See chapter 19 for defined terms.

**Material interests in entities which are not controlled entities**

The economic entity has an interest (that is material to it) in the following entities. (If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition ("from dd/mm/yy") or disposal ("to dd/mm/yy").)

<b>Name of entity</b>	<b>Percentage of ownership interest held at end of period or date of disposal</b>		<b>Contribution to net profit (loss)</b>	
	<b>Current period</b>	<b>Previous corresponding period</b>	<b>Current period \$A'000</b>	<b>Previous corresponding period - \$A'000</b>
<b>17.1 Equity accounted associates and joint venture entities</b>	-	-	-	-
<b>17.2 Total</b>	-	-	-	-
<b>17.3 Other material interests</b>	-	-	-	-
<b>17.4 Total</b>	-	-	-	-

+ See chapter 19 for defined terms.

### Issued and quoted securities at end of current period

(Description must include rate of interest and any redemption or conversion rights together with prices and dates)

Category of <sup>+</sup> securities	Total number	Number quoted	Issue price per security) (cents)	Amount paid up per security (cents)
<b>18.1 Preference <sup>+</sup>securities</b> (description)	-	-	-	-
18.2 Changes during current period				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buybacks, redemptions	-	-	-	-
<b>18.3 <sup>+</sup>Ordinary securities</b>	66,755,221	66,755,221	-	-
18.4 Changes during current period				
(a) Increases through issues	500,000	500,000	-	-
(b) Decreases through returns of capital, buybacks	(13,043,374)	(13,043,374)	-	-
<b>18.5 <sup>+</sup>Convertible debt securities</b> (description and conversion factor)	-	-	-	-
18.6 Changes during current period				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted, redeemed	(100,000,000)	-	-	-
<b>18.7 Options</b> (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date (if any)</i>
	5,075,000	-	12 cents	30 June 2007
18.8 Issued during current period	-	-	-	-
18.9 Exercised during current period	500,000	-	12 cents	30 June 2007
18.10 Expired/Cancelled during current period	250,000	-	12 cents	30 June 2007
<b>18.11 Debentures</b> (description)				
18.12 Changes during current period				
(a) Increases through issues	-	-		
(b) Decreases through securities matured, converted	-	-		

+ See chapter 19 for defined terms.

<b>18.13</b>	<b>Unsecured notes</b> <i>(description)</i>		
	Changes during current period		
18.14	(a) Increases through issues	-	-
	(b) Decreases through securities matured, converted	-	-

### Segment reporting

(Information on the business and geographical segments of the entity must be reported for the current period in accordance with *AASB 1005: Segment Reporting* and for half year reports, *AASB 1029: Interim Financial Reporting*. Because entities employ different structures a pro forma cannot be provided. Segment information in the layout employed in the entity's <sup>+</sup>accounts should be reported separately and attached to this report.)

### Comments by directors

(Comments on the following matters are required by ASX or, in relation to the half yearly report, by *AASB 1029: Interim Financial Reporting*. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.)

### Basis of financial report preparation

19.1 this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and *AASB 1029: Interim Financial Reporting*. **It should be read in conjunction with the last <sup>+</sup>annual report and any announcements to the market made by the entity during the period.** The financial statements in this report are "condensed financial statements" as defined in *AASB 1029: Interim Financial Reporting*. This report does not include all the notes of the type normally included in an annual financial report. [Delete if preliminary final report.]

19.2 Material factors affecting the revenues and expenses of the economic entity for the current period. In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations.

Revenue from sales is down 75% to 6,088,000 due to the timing of the company's shipments. Only one shipment of copper concentrate has been delivered during the financial year compared with 4 shipments in the previous year.

19.3 A description of each event since the end of the current period which has had a material effect and which is not already reported elsewhere in this Appendix or in attachments, with financial effect quantified (if possible).

Not applicable

19.4 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

Nil

<sup>+</sup> See chapter 19 for defined terms.

- 19.5 Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows. (Disclose changes and differences in the half yearly report in accordance with *AASB 1029: Interim Financial Reporting*. Disclose changes in accounting policies in the preliminary final report in accordance with *AASB 1001: Accounting Policies-Disclosure*).

The accounting policies adopted are consistent with those of the previous year except for the accounting policies with respect to:

Employee Benefits

The economic entity has adopted the revised Accounting Standard AASB 1028 "Employee Benefits", which has resulted in a change in accounting policy for the measurement of employee benefit liabilities. Previously the entity measured the provision for employee benefits based on remuneration rates at the date of recognition of the liability. In accordance with the revised Standard, the provision for employee benefits is now measured based on remuneration rates expected to be paid when the liability is settled. The effect of this change is not material to the employee benefit liability.

Foreign Currency Translation

In accordance with the revised AASB 1012 "Foreign Currency Translation" the entity has for the first time recognised foreign currency contracts that are hedges on the statement of financial position. As at 30 June 2003, this has resulted in an increase of \$2,114,900 in current liabilities, and an increase of \$2,114,900 in current assets.

- 19.6 Revisions in estimates of amounts reported in previous interim periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous +annual reports if those revisions have a material effect in this half year.

Nil

- 19.7 Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last + annual report.

Nil

- 19.8 Trends in the future performance of the the economic entity.

The performance of the economic entity is dependent upon the continuation of mining activities at the mining activities at the interests held.

- 19.9 Factors which have affected the results in the current period or which are likely to affect results in the future, including those where the effect can not be quantified.

None

+ See chapter 19 for defined terms.

**Annual meeting**

*(Preliminary final report only)*

The annual meeting will be held as follows:

Place	Level 14 The Forrest Centre 221 St Georges Terrace, Perth
Date	To be advised
Time	To be advised
Approximate date the *annual report will be available	October 2003

**Compliance statement**

1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX (see note 12).

Identify other standards used

2 This report, and the \*accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does give a true and fair view of the matters disclosed (see note 2).

4 This report is based on \*accounts to which one of the following applies.

*(Tick one)*

- |   |  |
|---|--|
| <input type="checkbox"/> The *accounts have been audited.   | <input type="checkbox"/> The *accounts have been subject to review.                  |
| <input checked="" type="checkbox"/> The *accounts are in the process of being audited or subject to review. | <input type="checkbox"/> The *accounts have <i>not</i> yet been audited or reviewed. |

5 If the audit report or review by the auditor is not attached, details of any qualifications will follow immediately they are available. *(Half yearly report only - the audit report or review by the auditor must be attached to this report if this report is to satisfy the requirements of the Corporations Act.)*

6 The entity has a formally constituted audit committee.

Sign here: .....

Date: 12 September 2003

Company Secretary

Print name: Alec Pismiris

+ See chapter 19 for defined terms.

**ATTACHMENT TO APPENDIX 4E  
PRELIMINARY FINAL REPORT  
30 JUNE 2003**

**APPENDIX A**

Income Tax Note

a)

Economic  
Entity  
2003  
\$A000

The prima facie income tax expense/(benefit) on the Operating profit/(loss) is reconciled to the income tax Provided in the accounts as follows:-

The prima facie income tax expense/(benefit) on the operating profit/(loss) at 30%

(662,608)

Tax effect of permanent differences:-

Non-deductible expenses

(662,608)

Tax of effect of timing differences not recognised

121,684

540,924

Income tax expense/(benefit)

Attributable to operating profit/(loss)

-

+ See chapter 19 for defined terms.

**ATTACHMENT TO APPENDIX 4E  
PRELIMINARY FINAL REPORT  
30 JUNE 2003**

**APPENDIX B**

**Segment Note**

**(a) Geographic Segments**

The Consolidated Entity operates predominantly in one geographic segment, Australia.

**(b) Industry Segments**

The Consolidated Entity operates predominantly in two industries – the mining and exploration industry and the technology and financial services industry.

**SEGMENT INFORMATION – PRIMARY SEGMENT**

<i>Business segments</i>	<i>Mining &amp; Exploration Industry</i>		<i>Financial Services &amp; Technology Services</i>		<i>Total</i>	
	<i>2003 \$'000</i>	<i>2002 \$'000</i>	<i>2003 \$'000</i>	<i>2002 \$'000</i>	<i>2003 \$'000</i>	<i>2002 \$'000</i>
<b>Revenue</b>						
Sales to customers outside the consolidated entity	6,088	24,046	—	—	6,088	24,046
Other revenues from customers outside the consolidated entity	351	275	—	—	351	275
Inter segment revenues	—	—	—	—	—	—
Share of net profit of equity accounted investments	—	—	—	—	—	—
Total segment revenue	6,439	24,321	—	—	6,439	24,321
Unallocated revenue					440	289
Total consolidated revenue					6,879	24,610
<b>Results</b>						
Segment result	(959)	1,098	(1)	(653)	(960)	445
Unallocated expenses					(1,688)	(2,339)
Unallocated revenue					440	289
Consolidated entity profit from ordinary activities before income tax expense					(2,208)	(1,605)
Income tax expense					—	—
Consolidated entity profit from ordinary activities after income tax expense					(2,208)	(1,605)
Extraordinary item					—	—
Net profit					(2,208)	(1,605)

+ See chapter 19 for defined terms.

## APPENDIX B

### Segment Note (continued)

<i>Business segments</i>	<i>Mining &amp; Exploration Industry</i>		<i>Financial Services &amp; Technology Services</i>		<i>Total</i>	
	<i>2003</i> <i>\$'000</i>	<i>2002</i> <i>\$'000</i>	<i>2003</i> <i>\$'000</i>	<i>2002</i> <i>\$'000</i>	<i>2003</i> <i>\$'000</i>	<i>2002</i> <i>\$'000</i>
<b>Assets</b>						
Segment assets	15,492	18,386	101	97	15,593	18,483
Unallocated assets					868	873
Total assets					16,461	19,356
<b>Liabilities</b>						
Segment liabilities	5,209	3,780	18	18	5,227	3,798
Unallocated liabilities					127	68
Total liabilities					5,354	3,866
<b>Other segment information:</b>						
Equity method investments included in segment assets	—	—	—	—	—	—
Acquisition of property, plant and equipment, intangible assets and other non-current assets	35	3,718	—	—	40	3,737
Depreciation and Amortisation	1,060	9,250	—	74	1,100	9,335
Non-cash expenses other than depreciation and amortisation	2,694	1,963	—	409	2,694	2,360

+ See chapter 19 for defined terms.