

*International Goldfields Limited
and Controlled Entities*

(ABN 71 095 047 920)

*Annual Financial Report
For the Year Ended
30 June 2004*

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CORPORATE DIRECTORY

EXECUTIVE CHAIRMAN

Antony William Paul Sage

TECHNICAL DIRECTOR

Robert William Annett

NON-EXECUTIVE DIRECTOR

Timothy Paul Turner

COMPANY SECRETARY

Timothy Paul Turner

PRINCIPAL & REGISTERED OFFICE

18 Oxford Close
LEEDERVILLE WA 6007
Telephone: (08) 9388 0744
Facsimile: (08) 9382 1411

AUDITORS

Ord Partners
Level 2, 47 Colin Street
WEST PERTH WA 6005

SHARE REGISTRAR

Advanced Share Registry Services
Level 7, Adelaide Terrace
PERTH WA 6000
Telephone: (08) 9221 7288
Facsimile: (08) 9221 7869

STOCK EXCHANGE LISTING

Australian Stock Exchange
(Home Exchange: Perth, Western Australia)
Code: IGL

BANKERS

National Australia Bank
50 St George's Terrace
PERTH WA 6000

DIRECTORS' REPORT

Your directors present their report on the Company and its controlled entities for the financial year ended 30 June 2004.

1. DIRECTORS

The names of directors in office at any time during or since the end of the year are:

Mr Antony Sage
Mr Nathan McMahon (resigned 15 August 2003)
Mr Clive Jones (resigned 15 December 2003)
Mr Kent Hunter (resigned 16 September 2004)
Mr Bob Annett (appointed 15 December 2003)
Mr Timothy Turner (appointed 16 September 2004)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

2. PRINCIPAL ACTIVITIES

The principal activity of the economic entity during the financial year was mineral exploration.

There were no significant changes in the nature of the economic entity's principal activities during the financial year.

3. OPERATING RESULTS

The consolidated loss of the economic entity after providing for income tax amounted to \$723,317 (2003: \$285,292).

4. DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

5. REVIEW OF OPERATIONS

During the year exploration and development have focussed on the delineation of gold resources and reserves at the Mt Ida and Evanston projects, and the commencement of mining operations at Mt Ida.

Estimated global gold resources at Mt Ida stand at 100,000 ounces, while estimated gold reserves at the Baldock Lode, as prepared by Golder Associates, are 46,000 ounces at a grade of 21.2g/t.

At Mt Ida mining operations commenced, and re-development of the Timoni Mine shaft is completed to the 6th level. A cross cut is being driven to the Baldock Lode and a bulk sample is expected to be completed by Christmas 2004.

There is now good geological evidence that gold mineralisation occurs as a series of shallow south plunging zones, with a vertical spacing between shoots of around 150m, within an extensive and continuous fault zone – 'the host structure' - which extends for a considerable strike distance outside of the immediate Mt Ida mine area. The entire length of the host structure remains prospective for further gold bearing quartz lodes.

DIRECTORS' REPORT (CONT.)**5. REVIEW OF OPERATIONS (Cont.)**

The Company controls over 500 square kilometres within the Mt Ida project and regional exploration has met with success on the eastern margin of the Copperfield granite. A number of targets await RC drilling.

At the Evanston Project geophysical interpretation, data review and fieldwork have been conducted to better understand the controls on mineralisation in the Marda Greenstone Belt. Several new gold targets have been generated in the northern portion of the tenement package. Considerable progress has been made to obtain all approvals through the Native Title process.

In Romania ground exploration has been undertaken at the Gladna prospect with encouraging results. The tenement is currently being renewed for a further period of 3 years, meanwhile drill hole data are currently being obtained from the State Government exploration database following the discovery of a number of drill holes located in the vicinity of the Gladna copper-gold project.

The Company has continued its policy of providing cost effective access to exploration projects which provide shareholders with significant exposure to exploration upside. During the past year the Company has entered into several joint venture arrangements with companies such as Cazaly Resources Ltd, Great Australian Resources NL and Republic Gold Ltd.

6. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following significant changes in the state of affairs of the Company occurred during the financial period:

On 18 February 2003 the directors of the Company and the directors of International Goldfields Limited (now International Goldfields (Romania) Limited) agreed to merge the two companies.

On 11 July 2003 the merger was implemented by way of scheme of arrangement (Scheme). Under the terms of the Scheme, International Goldfields (Romania) Limited shareholders received six International Goldfields Limited (formerly Hamill Resources Limited) shares for every seven International Goldfields (Romania) Limited shares held. A total of 58,392,224 ordinary fully paid shares were issued at a market value of \$0.25, representing a net investment in International Goldfields of \$14,598,056.

- On 15 July 2003 the Company changed its name to International Goldfields Limited.
- On 25 July 2003 the Company issued 5,070,000 new ordinary fully paid shares at 30 cents per share to selected European investors.
- On 14 October 2003 the Company issued 7,797,405 new ordinary fully paid shares at 37 cents per share to selected European institutional investors.
- On 27 November 2003 the Company issued 1,621,000 new ordinary fully paid shares at 37 cents per share to selected European investors.
- On 10 December 2003 the Company issued 127,471 new ordinary fully paid shares at 39.2 cents per share for the acquisition of exploration assets.
- On 10 December 2003 the Company issued 85,714 new ordinary fully paid shares on conversion of 25 cent options, raising \$21,428.
- On 31 December 2003 the Company issued 17,211,396 new ordinary fully paid shares on conversion of 20 cent options, raising \$3,442,280.

DIRECTORS' REPORT (CONT.)**6. SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

- On 17 February 2004 the Company issued 238,607 shares pursuant to the underwriting agreement for the exercise of \$0.20, 31 December 2003 options.
- On 30 June 2004 the Company issued 8,474,712 shares pursuant to the exercise of \$0.25, 30 June 2004 options.

7. AFTER BALANCE DATE EVENTS

On 12 July 2004 the Company issued 11,000 ordinary fully paid shares at 25 cents each pursuant to the underwriting agreement for the exercise of the \$0.25 options expiring 30 June 2004 to various parties.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

8. FUTURE DEVELOPMENTS

Mining operations at the Mt Ida Project will continue throughout the forthcoming year. On the Baldock Lode a bulk sample is planned to be completed by Christmas 2004, and full production is expected to commence in March 2005. Additional mining studies will be undertaken to bring both the newly discovered Meteor Lode and the Whinnen Lode into the mine plan.

At Evanston mining studies (open pit) will be undertaken on the existing resources at Marda Central and the King Brown deposit.

The economic entity will continue its mineral exploration activity at and around its three main projects namely, Mt Ida (WA), Evanston (WA) and Sacu (Romania) in addition to its other projects with the object of identifying a commercial resource.

9. ENVIRONMENTAL ISSUES

The economic entity is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

10. INFORMATION ON DIRECTORS

Antony William Paul Sage Non-Executive Chairman

Qualifications B.Com, FCPA, CA, FTIA

Experience Mr Sage has in excess of 21 years experience in the fields of corporate advisory services, funds management and capital raising. Mr Sage is based in Western Australia and has been involved in the management and financing of listed mining companies for the last 12 years.

Interest in Shares and	Fully Paid Ordinary Shares	11,720,075
Options	35 Cent, 30 June 2005 Options	1,103,400
	40 Cent, 31 August 2005 Options	700,000

DIRECTORS' REPORT (CONT.)**10. INFORMATION ON DIRECTORS (Cont.)**

Robert William Annett	Executive Director - Technical				
Qualifications	BSc (Hons) ARSM, MAusIMM, MAIG, MIQ				
Experience	<p>Mr Annett is a geologist who has been continuously employed in the mining and exploration industry for over 25 years since graduating from the Royal School of Mines, Imperial College, London in 1978. He has explored for a wide range of commodities including gold, base metals, coal and industrial minerals throughout Australasia, SE Asia, North and South America and NW Africa.</p> <p>Bob has held a number of senior technical management positions, most recently with St Barbara Mines Limited, where he oversaw the exploration and development of over 20 gold projects in Western Australia, both open pit and underground, involving in excess of 1.6 Million resource ounces and some 750,000 production ounces.</p> <p>He joined the board of International Goldfields Limited in late 2003 and brings a wealth of experience in project identification, assessment and commercial development.</p>				
Interest in Shares and Options	<table> <tbody> <tr> <td>Fully Paid Ordinary Shares</td> <td>-</td> </tr> <tr> <td>39 Cent, 9 February 2009 Options</td> <td>500,000</td> </tr> </tbody> </table>	Fully Paid Ordinary Shares	-	39 Cent, 9 February 2009 Options	500,000
Fully Paid Ordinary Shares	-				
39 Cent, 9 February 2009 Options	500,000				
Timothy Paul Turner	Non-Executive Director				
Qualifications	B.Bus, CA				
Experience	<p>Mr Timothy Paul Turner has joined International Goldfields Limited in the dual position of Director and Company Secretary.</p> <p>As a partner with Accountants Hewitt Turner & Gelevitas, Mr Turner specialises in offshore and domestic business structuring, corporate and trust tax planning and the issuing of audit opinions. He also has in excess of 20 years experience in new ventures, capital raisings and general business consultancy.</p> <p>Mr Turner has a Bachelor of Business (Accounting and Business Administration), is a Registered Company Auditor and a Certified Practicing Accountant. He is also a Fellow of the Taxation Institute of Australia.</p>				
Interest in Shares and Options	<table> <tbody> <tr> <td>Fully Paid Ordinary Shares</td> <td>394,004</td> </tr> </tbody> </table>	Fully Paid Ordinary Shares	394,004		
Fully Paid Ordinary Shares	394,004				

11. DIRECTORS' AND EXECUTIVE OFFICERS' EMOLUMENTS

Disclosure relating to directors' and executive officers' emoluments has been included in Note 4 of the financial report.

DIRECTORS' REPORT (CONT.)**12. MEETINGS OF DIRECTORS**

The number of directors' meetings (including committees) held during the financial period each director held office during the financial period and the number of meetings attended by each director are:

Director	Directors Meetings	
	Number Eligible to Attend	Meetings Attended
A W P Sage	8	8
R W Annett	3	3
N B McMahon	2	2
C B Jones	4	4
K M Hunter	8	8

The economic entity does not have a formally constituted audit committee as the board considers that the economic entity's size and type of operation do not warrant such a committee.

13. INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer, auditor or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

14. OPTIONS

Options Granted to Executives and Directors.

- During the year 500,000 options expiring on or before 9 February 2009 were granted to a director Mr Annett at an exercise price of \$0.39, as part of his remuneration.

Unissued Shares under Option

At the date of this report unissued ordinary shares of the company under option are:

Expiry Date	Exercise Price	Number of Shares
30 June 2005	\$0.35	6,500,000
31 August 2005	\$0.40	3,100,000
22 October 2008	\$0.45	550,000
9 February 2009	\$0.39	500,000

During the year ended 30 June 2004, the following ordinary shares of the Company were issued on the exercise of options. No amounts are unpaid on any of the shares.

Expiry Date	Exercise Price	Number of Shares Issued
31 December 2003	\$0.25	85,714
31 December 2003	\$0.20	17,211,398
30 June 2004	\$0.25	8,474,712

DIRECTORS' REPORT (CONT.)

15 PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Signed on behalf of the board



**A W P Sage
Executive Chairman**

Perth, 30 September 2004

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED
30 JUNE 2004**

	NOTE	Economic Entity		Parent Entity	
		2004 \$	2003 \$	2004 \$	2003 \$
Revenues from ordinary activities	2	778,354	268,531	777,032	268,531
Employee benefits expense		(117,129)	(32,360)	(117,129)	(32,360)
Depreciation and amortisation expense		(48,085)	(29,413)	(41,808)	(29,413)
Borrowing costs expense		-	(800)	-	(800)
Exploration written off		(124,022)	-	(124,022)	-
Write down of investments to recoverable amount		(188,330)	(128,125)	(188,330)	(128,125)
Consulting expenses		(279,052)	(72,675)	(261,089)	(72,675)
Occupancy expenses		(59,661)	(31,647)	(59,661)	(31,647)
Compliance and regulatory expenses		(64,762)	(28,133)	(64,762)	(28,133)
Administration expenses		(212,469)	(88,796)	(329,062)	(88,796)
Carrying value of exploration assets disposed		(126,870)	-	(126,870)	-
Carrying value of equity assets disposed		(10,000)	-	(10,000)	-
Other expenses from ordinary activities		<u>(271,291)</u>	<u>(141,674)</u>	<u>(268,041)</u>	<u>(141,674)</u>
Profit / (Loss) from ordinary activities before income tax expense/benefit	3	(723,317)	(285,292)	(813,742)	(285,092)
Income tax expense/benefit relating to ordinary activities	6	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Profit / (Loss) attributable to members of the parent entity		<u>(723,317)</u>	<u>(285,292)</u>	<u>(813,742)</u>	<u>(285,092)</u>
Basic earnings (loss) per share (cents per share)	18	(0.62)	(0.71)		
Diluted earnings (loss) per share (cents per share)	18	(0.50)	(0.43)		

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
AS AT
30 JUNE 2004

		Economic Entity		Parent Entity	
	NOTE	2004 \$	2003 \$	2004 \$	2003 \$
CURRENT ASSETS					
Cash assets	7	6,935,916	335,856	4,813,787	335,855
Receivables	8	959,518	223,111	830,915	223,111
Other assets	11	<u>11,414</u>	<u>3,300</u>	<u>11,414</u>	<u>3,300</u>
TOTAL CURRENT ASSETS		7,906,848	562,267	5,656,116	562,266
NON CURRENT ASSETS					
Receivables	8	-	-	1,447,447	13,316
Other financial assets	9	1,590,961	849,625	16,189,017	849,626
Plant and equipment	10	140,932	85,948	130,067	85,948
Exploration, evaluation and development expenditure	11	<u>22,240,555</u>	<u>5,175,115</u>	<u>8,338,938</u>	<u>5,162,904</u>
TOTAL NON CURRENT ASSETS		<u>23,972,448</u>	<u>6,110,688</u>	<u>26,105,469</u>	<u>6,111,794</u>
TOTAL ASSETS		31,879,296	6,672,955	31,761,585	6,674,060
CURRENT LIABILITIES					
Payables	13	1,207,492	194,881	1,179,101	194,881
Provisions	14	<u>27,466</u>	<u>9,091</u>	<u>27,466</u>	<u>9,091</u>
TOTAL CURRENT LIABILITIES		<u>1,234,958</u>	<u>203,972</u>	<u>1,206,567</u>	<u>203,972</u>
TOTAL LIABILITIES		<u>1,234,958</u>	<u>203,972</u>	<u>1,206,567</u>	<u>203,972</u>
NET ASSETS		<u>30,644,338</u>	<u>6,468,983</u>	<u>30,555,018</u>	<u>6,470,088</u>
EQUITY					
Contributed equity	15	31,167,264	6,268,593	31,167,264	6,268,593
Retained profits / (Accumulated Losses)	16	<u>(522,926)</u>	<u>200,390</u>	<u>(612,246)</u>	<u>201,495</u>
TOTAL EQUITY		<u>30,644,338</u>	<u>6,468,983</u>	<u>30,555,018</u>	<u>6,470,088</u>

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
30 JUNE 2004

	NOTE	Economic Entity		Parent Entity	
		2004 \$	2003 \$	2004 \$	2003 \$
Cash Flows from Operating Activities					
- Payments to suppliers and employees		(1,259,396)	(429,335)	(1,146,381)	(429,333)
- Interest received		238,742	80,214	237,421	80,214
- Payments for exploration and evaluation		(3,043,102)	(2,067,610)	(4,052,523)	(2,067,612)
- Interest paid		-	(800)	-	(800)
- Other Revenue		256,151	144,163	256,151	144,163
<i>Net cash (used in) operating activities</i>	19	(3,807,605)	(2,273,368)	(4,705,332)	(2,273,368)
Cash Flows From Investing Activities					
- Purchase of property, plant and equipment		(85,927)	(65,527)	(85,927)	(65,527)
- Purchase of exploration assets		(88,239)	(224,622)	(88,239)	(224,622)
- Purchase of equity investments		(919,665)	(27,625)	(919,665)	(27,625)
- Proceeds from sale of equity investments		47,541	74,775	47,541	74,775
- Proceeds from sale of tenement		165,000	-	165,000	-
- Loans to related entities payments made		-	(10,360)	-	(10,360)
- Loans to other entities proceeds from repayments		-	59,057	-	59,057
- Cash acquired in acquisition of subsidiary		1,224,401			
<i>Net cash (used in) investing activities</i>		343,111	(194,302)	(881,290)	(194,302)
Cash Flows from Financing Activities					
Proceeds from issue of securities		10,449,858	-	10,449,858	-
Repayment of borrowing		-	(22,490)	-	(22,490)
Payment for cost of issue of shares		(385,304)	-	(385,304)	-
<i>Net cash provided by (used in) financing activities</i>		10,064,554	(22,490)	10,064,554	(22,490)
Net increase / (decrease) in cash held		6,600,060	(2,490,160)	4,477,932	(2,490,160)
Cash at 1 July 2003		335,856	2,826,016	335,855	2,826,015
Cash at 30 June 2004	7	6,935,916	335,856	4,813,787	335,855

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers the economic entity of International Goldfields Limited (formerly Hamill Resources Limited) and controlled entities and International Goldfields Limited (Hamill Resources Limited) as an individual parent entity. International Goldfields Limited (formerly Hamill Resources Limited) is a listed public company, incorporated and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Principles of Consolidation

A controlled entity is any entity controlled by International Goldfields Limited (formerly Hamill Resources Limited). Control exists where International Goldfields Limited (formerly Hamill Resources Limited) has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with International Goldfields Limited (formerly Hamill Resources Limited) to achieve the objectives of International Goldfields Limited (Hamill Resources Limited). A list of controlled entities is contained in Note 12 of the financial statements.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

Outside interests in the entity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

(b) Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their useful lives to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate	
	2004	2003
Plant and equipment	40.0%	40.0%
Office furniture and equipment	18.0%	18.0%
Motor vehicle	22.5%	22.5%
Leasehold Improvements	Term of Lease	

(c) Acquisition of assets

An asset including plant and equipment and exploration interests acquired, are initially recorded at their cost of acquisition or the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

When equity instruments are issued as consideration, their market price at the date of acquisition is used as fair value, except where the notional price at which they could be placed in the market is a better indication of fair value.

(d) Income tax

The Company adopts the liability method of tax-effect accounting whereby the income tax expense is based on the loss from ordinary activities adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income are brought to account as either a provision for deferred income tax or as a future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(e) Exploration, evaluation and development expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- (i) such costs are expected to be recouped through successful development and exploitation or from sale of the area; or

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

- (ii) exploration and evaluation activities in the area have not, at balance date, reached a stage which permit a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated costs in respect of areas of interest which are abandoned are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(f) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities in the Company are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a diminishing value basis over their estimated useful lives where it is likely that the Company will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(g) Earnings Per Share

Basic earnings per share ("EPS") is calculated by dividing the net profit attributable to members for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

(h) Investment

Shares in listed companies held as current assets are valued by directors at those shares' market value at each balance date. The gains or losses, whether realised or unrealised, are included in profit from ordinary activities before income tax.

Non-current investments are measured on cost basis. The carrying amount of non-current investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments.

The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

(i) Revenue

Revenues are recognised as fair value of the consideration received net of the amount of goods and services tax paid to the taxation authority.

Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Sale of Goods

Revenue from the sale of goods is recognised when control of the goods raises to the customer.

Sale of non-current assets

The gross proceeds of non-current asset sales are recognised as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

(j) *Cash*

For the purpose of the Statements of Cash Flows, cash includes cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts.

(k) *Employee Benefits*

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

(l) *Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(m) *Recoverable amounts of Non-Current assets valued on cost basis*

The carrying amount of non-current assets valued on the cost basis, other than exploration expenditure carried forward (see Note 1a) are reviewed to determine whether they are in excess of their recoverable amount at reporting date. If the carrying value of a non-current asset exceeds its recoverable amount, the asset is written down to the lower amount. The write down is expensed in the reporting period in which it occurs. In accessing recoverable amount, the relevant cash flows have not been discounted to their present value.

(n) *Adoption of Australian Equivalent to International Financial Reporting Standards*

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

The company's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. An IFRS committee has been established to oversee and manage the company's transition to IFRS. We will seek to keep stakeholders informed as to the impact of these new standards as they are finalised.

The directors are of the opinion that the key differences in the company's accounting policies which will arise from the adoption of IFRS are:

Exploration and evaluation costs

AASB was informed by the International Accounting Standards Board (IASB) that at a recent meeting, the IASB decided to fully grandfather national GAAP, such as Australia's existing area of interest method of accounting for exploration costs, for both producers and exporters, until such time as the IASB produces a comprehensive extractive industry IFRS.

As soon as the IASB has incorporated this decision into its standards, the AASB will produce an Australian equivalent so as to allow extractive industry companies to take advantage of the grandfathering in their 2005 transition to Australian equivalents of IFRSs.

Hence under AASB 1047 requirements, it would be reasonable for companies in the extractive industries to disclose at 30 June 2004 that the impact of changes from the current AASB 1022 are not yet determinable due to the above issues.

Impairment of Assets

The company currently determines the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the assets use and subsequently disposed. In terms of pending AASB 136: Impairment of Assets, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use. It is likely that this change in accounting policy will lead to impairments being recognised more often than under the existing policy.

Income Tax

Currently the company adopts the liability method of tax-effect accounting whereby the income tax expense is based on the accounting profit adjusted for any permanent differences. Timing differences are currently brought to account as either a provision for deferred income tax or future income tax benefits. Under the Australian equivalent to IAS 12, the company will be required to adopt a balance sheet approach under which temporary differences are identified for each asset and liability rather than the effects of timing and permanent differences between taxable income and account profit.

(o) Joint Venture Entities

A joint venture entity is an entity in which International Goldfields holds a long-term interest and which is jointly controlled by International Goldfields and one or more other venturers. Decisions regarding the financial and operating policies essential to the activities, economic performance and financial position of that venture require the consent of each of the venturers that together jointly control the entity.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Joint Venture Operations

International Goldfields has certain contractual arrangements with other participants to engage in joint activities where all significant matters of operating and financial policy are determined by the participants such that the operation itself has no significant independence to pursue its own commercial strategy. These contractual arrangements do not create a joint venture entity due to the fact that the policies are those of the participants, not a separate entity carrying on a trade or a business of its own.

The financial statements of International Goldfields include its share of the assets, liabilities and cash flows in such joint venture operations, measured in accordance with the terms of each arrangement, which is usually pro-rata to International Goldfields interest in the joint venture operations.

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
2. REVENUE				
Operating activities				
- gold sales	32,267	47,892	32,267	47,892
- interest received	238,731	75,995	237,410	75,995
- option fees	175,000	32,170	175,000	32,170
- other	144,115	3,538	144,115	3,538
	<u>590,113</u>	<u>159,595</u>	<u>588,792</u>	<u>159,595</u>
Non-operating activities				
- proceeds from sale of exploration assets	175,000	-	175,000	-
- proceeds from sale of non-current investments	-	108,936	-	108,936
	<u>175,000</u>	<u>108,936</u>	<u>175,000</u>	<u>108,936</u>
Total Revenue	<u>765,113</u>	<u>268,531</u>	<u>763,792</u>	<u>268,531</u>
Interest revenue from:				
- Other persons	<u>238,731</u>	<u>75,995</u>	<u>237,410</u>	<u>75,995</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

3. PROFIT FROM ORDINARY ACTIVITIES

<i>Loss from ordinary activities before income tax has been determined after:</i>	Economic Entity		Parent Entity	
	2004	2003	2004	2003
<i>(a) Expenses</i>	\$	\$	\$	\$
Borrowing costs				
- other persons	-	800	-	800
Depreciation of non-current assets				
- plant and equipment	26,004	10,222	23,317	10,222
- office furniture and equipment	4,778	1,555	1,188	1,555
- motor vehicles	13,373	15,912	13,373	15,912
Total depreciation	44,155	27,689	37,878	27,689
Amortisation of non-current assets				
- leasehold improvements	3,930	1,724	3,930	1,724
Write down of Non-Current investment to recoverable amount	188,330	128,125	188,330	128,125
Exploration write-off	124,022	-	124,022	-
Rental expense on operating leases				
- minimum lease payments	40,614	21,250	40,614	21,250

4. REMUNERATION AND RETIREMENT BENEFITS

a) Name and positions held by directors' in office at any time during the financial year are:

Mr Antony Sage
Mr Nathan McMahon (resigned 15 August 2003)
Mr Clive Jones (resigned 15 December 2003)
Mr Kent Hunter (resigned 16 September 2004)
Mr Bob Annett (appointed 15 December 2003)
Mr Timothy Turner (appointed 16 September 2004)

b) Details of the nature and amount of emoluments of each director are as follows:

2004

	Salary & Fees	Superannuation Contribution	Cash Bonus	Non Cash Benefits	Other	Total
	\$	\$	\$	\$	\$	\$
Anthony Sage (i)	218,000	-	-	-	-	218,000
Nathan McMahon (ii)	80,498	-	-	-	-	80,498
Clive Jones	75,845	6,826	-	-	-	82,671
Kent Hunter (iii)	79,992	375	-	-	-	80,367
Robert Annett	81,461	7,331	-	-	30,533	119,325
Tim Turner	-	-	-	-	-	-
	<u>535,796</u>	<u>14,532</u>	<u>-</u>	<u>-</u>	<u>30,533</u>	<u>580,861</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

4. DIRECTORS' AND EXECUTIVE REMUNERATION (Cont.)

- i) An aggregate amount of \$218,000 was paid, or was due and payable to Okewood Pty Ltd, a company controlled by Mr Anthony Sage, for the provision of financial and management consulting services to the economic entity.
- ii) An aggregate amount of \$80,498 was paid, or was due and payable to Kingsreef Pty Ltd, a company controlled by Mr Nathan McMahon, for the provision of corporate and tenement management services to the economic entity.
- iii) An aggregate amount of \$75,825 was paid, or was due and payable to Mining Corporate Advisory Services Pty Ltd, a company controlled by Mr Kent Hunter, for the provision of company secretarial services to the economic entity.

2003

	Salary & Fees	Superannuation Contribution	Cash Bonus	Directors' Options	Other	Total
	\$	\$	\$	\$	\$	\$
Anthony Sage (i)	36,000	-	-	22,995	-	58,995
Nathan McMahon (ii)	125,000	-	-	32,850	-	157,850
Clive Jones	80,790	7,208	-	32,850	-	120,848
Kent Hunter (iii)	40,000	-	-	13,140	-	53,140
	281,790	7,208	-	101,835	-	390,833

- i) An aggregate amount of \$36,000 was paid, or was due and payable to Okewood Pty Ltd, a company controlled by Mr Anthony Sage, for the provision of financial and management consulting services to the economic entity.
- ii) An aggregate amount of \$125,000 was paid, or was due and payable to Kingsreef Pty Ltd, a company controlled by Mr Nathan McMahon, for the provision of corporate and tenement management services to the economic entity.
- iii) An aggregate amount of \$40,000 was paid, or was due and payable to Mining Corporate Advisory Services Pty Ltd, a company controlled by Mr Kent Hunter, for the provision of company secretarial services to the economic entity.

(c) Option Holdings

Number of 35 cent Option expiring 30 June 2005 held by Directors and Executive

	Balance 1.7.03	Net Change -Other	Balance 30.06.04	Total Vested	Total Exercisable	Total Unexercisable
Anthony Sage	750,000	-	750,000	750,000	750,000	-
Robert Annett	-	-	-	-	-	-
Timothy Turner	-	-	-	-	-	-
	750,000	-	750,000	750,000	750,000	-

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

4. DIRECTORS' AND EXECUTIVE REMUNERATION (Cont.)

Number of 40 cent Option expiring 31 August 2005 held by Directors and Executive

	Balance 1.7.03	Net Change Other	Balance 30.06.04	Total Vested	Total Exercisable	Total Unexercisable
Anthony Sage	700,000	-	700,000	700,000	700,000	-
Robert Annett	-	-	-	-	-	-
Timothy Turner	-	-	-	-	-	-
	<u>700,000</u>	<u>-</u>	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>	<u>-</u>

Number of 39 cent Option expiring 9 February 2009 held by Directors and Executive

	Balance 1.7.03	Remuneration	Balance 30.06.04	Total Vested	Total Exercisable	Total Unexercisable
Robert Annett	-	500,000	500,000	500,000	500,000	-
	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>

Directors Options

Options Granted As Remuneration

	Granted Number	Grant Date	Value per Option at Grant Date \$	First Exercise Price	Exercise Date	Last Exercise Date
Directors						
Robert Annett	1,000,000	01/10/03	0.061	39c	-	09/02/09
Total	<u>3,000,000</u>					

The fair value of the options is calculated at the date of grant using a Black – Scholes model and allocated to the current reporting period.

The following factors and assumptions were used in determining the fair value of options issued to Directors on grant date:

Grant Date	Expiry Date	Fair Value Per Option	Exercise Date	Price of Shares on Grant Date	Estimated Volatility	Risk Free Interest Rate	Dividend Yield
09/02/09	09/02/09	\$0.061	-	\$0.345	50%	4.85%	0%

Estimated volatility approximates historic volatility. Each option entitles the holder to purchase one ordinary share in the Company.

(d) Shareholdings

Number of Shares held by Directors and Executive

	Balance 1.7.03	Received as Remuneration	Options Exercised	Net Change Other	Balance 30.06.04
Anthony Sage	7,483,246	-	-	3,016,829	10,500,075
Robert Annett	-	-	-	-	-
Timothy Turner	-	-	-	394,004	394,004
	<u>7,483,246</u>	<u>-</u>	<u>-</u>	<u>3,410,833</u>	<u>10,894,079</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

(e) Remuneration Practices Policy

Directors' Remuneration was approved by resolution of the Board on 16 March 2001.

The Company is committed to remunerating its senior executives in a manner that is market-competitive and consistent with best practice as well as supporting the interests of shareholders. Consequently, under the Senior Executive Remuneration Policy the remuneration of senior executive may be comprised of the following:

fixed salary that is determined from a review of the market and reflects core performance requirements and expectations; a performance bonus designed to reward actual achievement by the individual of performance objectives and for materially improved Company performance; participation in any share/option scheme with thresholds approved by shareholders; statutory superannuation.

By remunerating senior executives through performance and long-term incentive plans in addition to their fixed remuneration the Company aims to align the interests of senior executives with those of shareholders and increase Company performance. During the year there were no Non-Director Executives.

The value of shares and options were they to be granted to senior executives would be calculated using the Black and Scholes method.

The Board may use its discretion with respect to the payment of bonuses, stock options and other incentive payments.

Non-Executive Directors are to be paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of Non-Executive Directors. Non-Executive Directors do not receive performance based bonuses and do not participate in equity schemes of the Company.

Non-Executive Directors are entitled to but not necessarily paid statutory superannuation.

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
5. AUDITORS' REMUNERATION				
Remuneration of the auditor for:				
- Auditing or reviewing the financial report	16,318	6,924	13,318	6,924
- Other services	-	-	-	-
	<u>16,318</u>	<u>6,924</u>	<u>13,318</u>	<u>6,924</u>
6. INCOME TAX				
The prima facie tax on Profit / (Loss) from ordinary activities before income tax is reconciled to the income tax as follows:				
Prima facie tax expense/(benefit) on Profit/(Loss) from ordinary activities before income tax at 30%	<u>(216,995)</u>	<u>(85,588)</u>	<u>(244,123)</u>	<u>(85,528)</u>
Add (Less)				
Tax effect of:				
- Permanent Differences	-	-	-	-
- Tax effect of timing differences not brought to account	(8,240)	(521,788)	(8,240)	(521,788)
- Future income tax benefit not brought to account	<u>225,235</u>	<u>607,375</u>	<u>253,363</u>	<u>607,316</u>
Income tax attributable to operating profit / (loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

6. INCOME TAX (Cont.)

Potential future income tax benefits attributable to tax losses and exploration expenditure carried forward amounting to approximately \$253,363 for the parent entity and \$225,235 for the economic entity (2003: \$607,000) have not been brought to account at 30 June 2004 because the directors do not believe it is appropriate to regard realisation of the future income tax benefits as virtually certain. These benefits will only be obtained if:

- (a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;
- (b) the company continues to comply with the conditions for deductibility imposed by law; and
- (c) no changes in tax legislation adversely affect the company in realising the benefit from the deductions for the loss and exploration expenditure.

	Economic Entity		Parent Entity	
	2004 \$	2003 \$	2004 \$	2003 \$
7. CASH ASSETS				
Cash at bank	373,509	43,845	182,986	43,844
Deposits at call	6,562,407	292,011	4,630,801	292,011
	<u>6,935,916</u>	<u>335,856</u>	<u>4,813,787</u>	<u>335,855</u>
8. RECEIVABLES				
Current				
Other debtors	959,518	223,111	830,915	223,111
	<u>959,518</u>	<u>223,111</u>	<u>830,915</u>	<u>223,111</u>
Non Current				
Amounts receivable from wholly owned subsidiaries	-	-	1,447,447	13,316
	<u>-</u>	<u>-</u>	<u>1,447,447</u>	<u>13,316</u>
9. OTHER ASSETS				
Current				
Prepayments	11,414	3,300	11,414	3,300
	<u>11,414</u>	<u>3,300</u>	<u>11,414</u>	<u>3,300</u>
10. OTHER FINANCIAL ASSETS				
Non-Current				
- shares in other listed corporations at market value				
- cost	1,779,291	1,027,609	1,779,291	1,027,609
- provision for diminution	(188,330)	(177,984)	(188,330)	(177,984)
- shares in wholly owned subsidiaries	-	-	14,598,056	1
	<u>1,590,961</u>	<u>849,625</u>	<u>16,189,017</u>	<u>849,626</u>

Shares in other listed corporations as above have been written down to the market value of non-escrowed shares at 30 June 2004.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
11. PLANT AND EQUIPMENT				
Plant and Equipment				
At cost	254,313	130,711	216,638	130,711
Accumulated depreciation	<u>(118,727)</u>	<u>(54,039)</u>	<u>(91,917)</u>	<u>(54,039)</u>
	135,586	76,672	124,721	76,672
Leasehold improvements				
At cost	16,438	16,438	16,438	16,438
Accumulated amortisation	<u>(11,092)</u>	<u>(7,162)</u>	<u>(11,092)</u>	<u>(7,162)</u>
	5,346	9,276	5,346	9,276
Total	<u>140,932</u>	<u>85,948</u>	<u>130,067</u>	<u>85,948</u>

2004 - Reconciliation

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year

	Economic Entity 2004			Parent Entity 2004		
	Plant and Equipment	Leasehold Improvements	Total	Plant and Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$	\$	\$
Carrying amount at the beginning of the year	168,386	16,438	184,824	130,711	16,438	147,149
Additions	85,927	-	85,927	85,927	-	85,927
Depreciation / Amortisation expense	<u>(118,727)</u>	<u>(11,092)</u>	<u>(129,819)</u>	<u>(91,917)</u>	<u>(11,092)</u>	<u>(103,009)</u>
Carrying amount at the end of the year	<u>135,586</u>	<u>5,346</u>	<u>140,932</u>	<u>124,721</u>	<u>5,346</u>	<u>130,067</u>

2003

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year

	Economic Entity 2003			Parent Entity 2003		
	Plant and Equipment	Leasehold Improvements	Total	Plant and Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$	\$	\$
Carrying amount at the beginning of the year	80,608	-	80,608	80,608	-	80,608
Additions	50,103	16,438	66,541	50,103	16,438	66,541
Depreciation / Amortisation expense	<u>(54,039)</u>	<u>(7,162)</u>	<u>(61,201)</u>	<u>(54,039)</u>	<u>(7,162)</u>	<u>(61,201)</u>
Carrying amount at the end of the year	<u>76,672</u>	<u>9,276</u>	<u>85,948</u>	<u>76,672</u>	<u>9,276</u>	<u>85,948</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

12. EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE (Cont.)

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
Non-Current				
Exploration Expenditure				
Costs carried forward in respect of areas of interest in:				
- Exploration and evaluation phases	<u>22,240,555</u>	<u>5,175,115</u>	<u>8,338,938</u>	<u>5,162,904</u>
	2004	2003	2004	2003
	\$	\$	\$	\$
Costs carried forward in respect of areas of interest in:				
- Exploration and evaluation phases				
Opening balance	5,175,115	3,204,669	5,162,904	3,193,676
Exploration expenditure written off	(124,022)	-	(124,022)	-
Exploration expenditure	2,847,103	1,970,446	2,467,278	1,969,228
Exploration asset acquired pursuant to merger (i)	<u>13,509,581</u>	<u>-</u>	<u>-</u>	<u>-</u>
- Exploration and evaluation phases	<u>21,407,777</u>	<u>5,175,115</u>	<u>7,506,160</u>	<u>5,162,904</u>
- Development phase				
Opening balance	-	-	-	-
Development expenditure	<u>832,778</u>	<u>-</u>	<u>832,778</u>	<u>-</u>
Development phase	<u>832,778</u>	<u>-</u>	<u>832,778</u>	<u>-</u>
- Exploration and evaluation and development phases	<u>22,240,555</u>	<u>5,175,115</u>	<u>8,338,938</u>	<u>5,162,904</u>

(i) Included in this sum is an amount of \$9.9 million representing valuation in excess of the carrying value of the exploration assets of IGL (Romania) Limited and Evanston Resources NL acquired and recognised at the time of and pursuant to the Scheme of Arrangement referred to in page 5 of the Directors Report. At the date of this report, the Directors are of the opinion this amount represents fair value over and above book value of the assets acquired.

The value of the economic entity's interest in exploration expenditure is dependent upon:

- the continuance of the economic entity's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

The economic entity's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

13. CONTROLLED ENTITIES

(a) <i>Controlled Entities and their Contribution to Consolidated Profit</i>	Country of Incorporation	Percentage Owned (%)	
		2004	2003
Parent Entity International Goldfields Limited (formerly Hamill Resources Limited)	Aust	-	-
Subsidiaries of International Goldfields Limited (formerly Hamill Resources Limited):			
- Dempsey Resources Pty Ltd	Aust	100	100
- International Goldfields (Romania) Ltd	Aust	100	-
- Evanston Resources NL	Aust	100	-

The following controlled entities were acquired during the year:

2004

Name	Date Acquired	Consolidated Entity's Interest	Consideration \$	Contribution to Consolidated Net Profit/ (Loss) \$
International Goldfields (Romania) Limited	11 July 2003	100%	14,598,056 (i)	111,157
Evanston Resources NL	11 July 2003	100%	(i)	(20,732)

- (i) On 18 February 2003 the directors of the Company and the directors of International Goldfields Limited (now International Goldfields (Romania) Limited) agreed to merge the two companies.

On 11 July 2003 the merger was implemented by way of scheme of arrangement (Scheme). Under the terms of the Scheme, International Goldfields (Romania) Limited shareholders received six International Goldfields Limited (formerly Hamill Resources Limited) shares for every seven International Goldfields (Romania) Limited shares held. A total of 58,392,224 ordinary fully paid shares were issued at a market value of \$0.25, representing a net investment in International Goldfields of \$14,598,056.

Evanston Resources NL is a wholly owned subsidiary of International Goldfields (Romania) Limited.

	Economic Entity		Parent Entity	
	2004 \$	2003 \$	2004 \$	2003 \$
14. PAYABLES				
Current Unsecured Liabilities				
Trade creditors	626,304	70,054	613,223	70,054
Other creditors and accruals	<u>581,188</u>	<u>124,827</u>	<u>565,878</u>	<u>124,827</u>
	<u>1,207,492</u>	<u>194,881</u>	<u>1,179,101</u>	<u>194,881</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

16. CONTRIBUTED EQUITY

	(a)	Economic Entity		Parent Entity	
		2004 No.	2003 No.	2004 No.	2003 No.
Fully paid ordinary shares		<u>139,153,532</u>	<u>40,135,002</u>	<u>139,153,532</u>	<u>40,135,002</u>
(a) Ordinary Shares					
At the beginning of the reporting period		40,135,002	40,135,002	40,135,002	40,135,002
Shares issued during the year					
- 58,392,222 on 11 July 2003		58,392,222		58,392,222	
- 5,070,000 on 25 July 2003		5,070,000		5,070,000	
- 7,797,405 on 14 October 2003		7,797,405		7,797,405	
- 1,621,000 on 27 November 2003		1,621,000		1,621,000	
- 127,471 on 10 December 2003		127,471		127,471	
- 85,714 on 10 December 2003		85,714		85,714	
- 17,211,396 on 31 December 2003		17,211,396		17,211,396	
- 238,607 on 17 February 2004		238,607		238,607	
- 8,474,715 on 30 June 2004		8,474,715		8,474,715	
Total issued during the year		<u>99,018,530</u>	<u>-</u>	<u>99,018,530</u>	<u>-</u>
At reporting date		<u>139,153,532</u>	<u>40,135,002</u>	<u>139,153,532</u>	<u>40,135,002</u>

- On 11 July the Company issued a total of 58,392,224 ordinary fully paid shares at a market value of \$0.25, pursuant to the Merger with International Goldfields Limited (now International Goldfields (Romania) Limited).
- On 15 July 2003 the Company changed its name to International Goldfields Limited.
- On 25 July 2003 the Company issued 5,070,000 new ordinary fully paid shares at 30 cents per share to selected European investors.
- On 14 October 2003 the Company issued 7,797,405 new ordinary fully paid shares at 37 cents per share to selected European institutional investors.
- On 27 November 2003 the Company issued 1,621,000 new ordinary fully paid shares at 37 cents per share to selected European investors.
- On 10 December 2003 the Company issued 127,471 new ordinary fully paid shares at 39.2 cents per share for the acquisition of exploration assets.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

16. CONTRIBUTED EQUITY

- On 10 December 2003 the Company issued 85,714 new ordinary fully paid shares on conversion of 25 cent options, raising \$21,428.
- On 31 December 2003 the Company issued 17,211,396 new ordinary fully paid shares on conversion of 20 cent options, raising \$3,442,280.
- On 17 February 2004 the Company issued 238,607 shares pursuant to the underwriting agreement for the exercise of \$0.20, 31 December 2003 options.
- On 30 June 2004 the Company issued 8,474,712 shares pursuant to the exercise of \$0.25, 30 June 2004 options.

17. RETAINED PROFITS

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
Retained profits at the beginning of the financial year	200,390	485,682	201,495	486,587
Net profit / (loss) attributable to the members of the parent entity	<u>(723,317)</u>	<u>(285,292)</u>	<u>(813,742)</u>	<u>(285,092)</u>
Retained profits at the end of the financial year	<u>(522,927)</u>	<u>200,390</u>	<u>(612,247)</u>	<u>201,495</u>

18. FINANCIAL INSTRUMENTS**(a) Interest Rate Risk**

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2004	Floating Interest Rate	Fixed Interest maturing in 1 year or less	Non-interest bearing	2004 total
	\$	\$	\$	\$
Financial assets				
Cash	373,092	6,562,824	-	6,935,916
Receivables	-	-	959,518	959,518
Other financial assets			1,590,961	1,590,961
Other assets			11,414	11,414
	<u>373,092</u>	<u>6,562,824</u>	<u>2,561,893</u>	<u>9,497,809</u>
Weighted average Interest rate	4.00%	5.37%		
Financial Liabilities				
Payables	-	-	1,207,492	1,207,492
	<u>-</u>	<u>-</u>	<u>1,207,492</u>	<u>1,207,492</u>
Weighted average interest rate				
Net financial assets	<u>373,092</u>	<u>6,562,824</u>	<u>1,354,401</u>	<u>8,290,317</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

18. FINANCIAL INSTRUMENTS (Cont.)

2003	Floating Interest Rate	Fixed Interest maturing in 1 year or less	Non- interest bearing	2003 total
	\$	\$	\$	\$
Financial assets				
Cash	43,845	292,011	-	335,856
Receivables	-	-	223,111	223,111
Other assets	-	-	3,300	3,300
Other current assets	-	-	849,625	849,625
	<u>43,845</u>	<u>292,011</u>	<u>1,076,036</u>	<u>1,411,892</u>
Weighted average Interest rate	4.51%	4.80%		
Financial Liabilities				
Payables	-	-	194,881	194,881
	<u>-</u>	<u>-</u>	<u>194,881</u>	<u>194,881</u>
Weighted average interest rate				
Net financial assets	<u>43,845</u>	<u>292,011</u>	<u>881,155</u>	<u>1,217,011</u>

The carrying value and net fair values of financial assets and liabilities at balance date are:

	2004 Carrying Amount \$	2004 Net fair Value \$	2003 Carrying Amount \$	2003 Net fair Value \$
Financial assets				
Cash and deposits	6,935,916	6,935,916	335,856	335,856
Receivables	959,518	959,518	223,111	223,111
Investments	1,590,961	1,590,961	-	-
Prepayments	11,414	11,414	3,300	3,300
	<u>9,497,809</u>	<u>9,497,809</u>	<u>562,267</u>	<u>562,267</u>
Financial liabilities				
Payables	1,207,492	1,207,492	194,881	194,881
	<u>1,207,492</u>	<u>1,207,492</u>	<u>194,881</u>	<u>194,881</u>

(b) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the economic entity. The economic entity has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The economic entity does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the economic entity's maximum exposure to credit risk.

(c) Net Fair Value of Financial Assets and Liabilities

The net fair value of the financial assets and financial liabilities approximates their carrying value.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

		Economic Entity	
		2004	2003
		\$	\$
19. EARNINGS PER SHARE			
(a)	Earnings / (Loss) used in the calculation of basic and dilutive EPS	<u>(723,317)</u>	<u>(285,292)</u>
		<i>Number</i>	<i>Number</i>
(b)	Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share:	116,756,026	40,135,002
	Weighted average number of options outstanding	<u>27,145,934</u>	<u>26,115,759</u>
	Weighted average number of ordinary shares outstanding during the year used in the calculation of dilutive earnings per share	<u>143,901,960</u>	<u>66,250,761</u>
(c)	Classification of Securities		
	Options outstanding have been classified as potential ordinary shares and are included in determination of dilutive EPS:		

		Economic Entity		Parent Entity	
		2004	2003	2004	2003
		\$	\$	\$	\$
20. CASH FLOW INFORMATION					
(i)	Reconciliation of Cash Flows from Operating Activities with Profit/ (Loss) from Ordinary Activities after Income Tax				
	- Profit / (Loss) from ordinary activities after income tax	(723,318)	(285,292)	(813,742)	(285,092)
	Non-cash flows in profit/loss from ordinary activities				
	- Depreciation	48,085	29,413	41,808	29,413
	- Net gain on disposal of investments	(3,240)	(85,311)	(3,240)	(85,311)
	- Write downs to recoverable amount - investments	188,330	128,125	188,330	128,125
	- Write off exploration expenditure	124,022		124,022	
	- Write off stolen assets	-	3,731	-	3,731
	Cash flows excluded from profit/loss from ordinary activities				
	- Payments for exploration and evaluation	(3,043,102)	(2,067,610)	(4,052,523)	(2,067,612)
	Changes in assets and liabilities				
	- Decrease/(Increase) in operating receivables & prepayments	(1,633,340)	(109,457)	(1,396,554)	(109,657)
	- Increase/(Decrease) in trade and other creditors, accruals and employee entitlements	1,207,492	113,033	1,179,101	113,035
	- Movement in provision	<u>27,466</u>	<u>-</u>	<u>27,466</u>	<u>-</u>
	Net cash inflows (outflows) from Operating Activities	<u>(3,807,605)</u>	<u>(2,273,368)</u>	<u>(4,705,332)</u>	<u>(2,273,368)</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

21. COMMITMENTS

In order to maintain current rights of tenure to mining tenements, the economic entity has the following discretionary exploration expenditure requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable:

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
Not longer than one year	1,002,120	908,220	538,120	908,220
Longer than one year, but not longer than five years	1,726,572	1,564,790	927,127	1,564,790
Longer than five years	<u>1,726,572</u>	<u>1,567,790</u>	<u>927,127</u>	<u>1,567,790</u>
	<u>4,455,264</u>	<u>4,043,800</u>	<u>2,392,374</u>	<u>4,043,800</u>

If the economic entity decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the balance sheet may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

Joint Venture Commitments (refer Schedule of Mineral Tenements)

The economic entity has entered into the following joint venture agreements:

MT. IDA SALE AGREEMENT – MOBILE GOLD MINING PTY LTD (“MOB”)

Subject to the Option and Joint Venture heads of agreement between Hamill Resources Pty Ltd (Hamill) and Mobile Gold Mining Pty Ltd (Mobile) dated 8 December 2001 (as amended) and Sale Agreement, Mobile retain a 1% gross gold royalty on all production after the first 100,000 ounces to a limit of \$400,000.

ROYAL RESOURCES OPTION AGREEMENT (“CHA”)

Subject to the Option and Joint Venture Heads of Agreement (as amended) between Hamill, Royal Resources Pty Ltd (Royal), Chatswood Crest Pty Ltd and Mary Ganeff (as trustee for the Landor Mining Trust Pty Ltd) (together the Vendors) dated 4 December 2000 (and amended by letter Agreement dated 14th November 2002), Hamill agreed to pay to the vendors a non-refundable deposit of \$50,000 and settlement of a further \$50,000, payable in cash or shares at Hamill’s sole discretion, prior to the 3rd December 2003 (which has been paid) as consideration for the grant to Hamill of an option to purchase an 100% interest in the tenements. The vendors will retain a \$10/ounce royalty on all gold produced.

SILVERTREE JOINT VENTURE (“SIL”)

Subject to the Letter Agreement between Hamill and Silvertree Nominees Pty Ltd (Silvertree) dated 30 November 2000, Silvertree granted Hamill the option to acquire an 85% interest in E29/478. After exercising the option, Hamill agrees to free carry the 15% interest of Silvertree to the completion of a bankable feasibility study.

HOOPER OPTION (“HOO”)

The Company has entered into an Option Agreement with Stuart Hooper on Mining Lease 29/165. The terms of the Option Agreement allow Hamill to purchase outright 95% of the Lease within 18 months of June 20, 2001 through the payment of an option fee of \$25,000 and a subsequent exercise price of \$25,000 (which has been paid). Hooper’s 5% interest is free-carried to the completion of a bankable feasibility study.

SPOTTED DOG ROYALTY (“SPO”)

A \$1/tonne mined and milled royalty is payable on the tenements to Western Areas NL for the purchase of exploration data.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

21. COMMITMENTS (Cont.)

FOUR CORNERS ("COR")

The Company has entered into a Farmin and Joint Venture Agreement with Gutnick Resources NL (GKR) pursuant to which the Company can earn an initial 60% interest in all minerals with the exception of nickel, cobalt and magnesium on the tenements by expenditure of \$100,000 within 12 months of commencement date, and payment of \$35,000 within 7 days of execution of the Agreement.

These conditions have been satisfied.

The Company may earn an additional 20% by expenditure of a further \$125,000 within two years (which has been met). After Hamill earn an 80% interest GKR may contribute or elect to dilute to a 1% gross royalty to a maximum of 1 million ounces.

Rio Tinto Exploration Pty Ltd has the right to buy back a 30% interest in E29/133 and E29/134 following the completion of a bankable feasibility study for 150% of exploration expenditure incurred.

CLAMPTON FARMOUT AGREEMENT ("ECL")

Subject to the Farmin Agreement with Eclipse Minerals Ltd (Eclipse) over the tenements Eclipse may earn an 80% interest through the expenditure of \$500,000 on each tenement within 3 years.

NORTHCOTE OPTION AND HEADS OF AGREEMENT ("RAU")

Subject to an Option and Heads of Agreement with Republic Gold Ltd and Jackson Gold Ltd, International Goldfields Ltd (IGL) will have a 10% free carried interest in EPM 9869 to the point of a Decision to Mine at which point IGL will contribute in accordance with its equity or dilute its interest to 4%, and then contribute any further expenditure from its share of the production of gold from EPM9869.

LORD BYRON JOINT VENTURE AGREEMENT ("ANG")

A Letter Agreement allows for Anglo Gold Australia Ltd to earn an initial 85% interest in the defined project area by an initial expenditure of \$300,000 within three years of the grant of E39/970 and a refund of costs incurred to date. This expenditure must include a minimum of \$75,000 prior to withdrawal. The Company may elect to contribute at this point and should any party dilute their interest to less than 10% it is deemed to withdraw from the Joint Venture.

SOPHIE DOWNS LETTER AGREEMENT ("GAU")

By Letter Agreement dated 10th November 2003, IGL granted to Great Australian Resources Ltd (GAU) an option to acquire an 80% legal and beneficial interest in the tenements. GAU is required to expend the sum of \$100,000 on the tenements prior to 31 October 2005, and the sum of a further \$300,000 prior to 31 October 2007. In the event GAU applies or acquires any additional tenements with a 20 kilometre radius from the external boundaries of the tenements it shall offer a 20% interest in those tenements to IGL.

BRITISH HILL AGREEMENT ("POL")

By virtue of an Agreement dated 25 November 2000 between IGL, Vernon Wesley Strange (Strange) and Joseph Treacy (Treacy) Strange and Treacy, a letter agreement dated 26 November 2003 between Polaris Metals NL (Polaris) and each of Treacy and Strange, and an agreement dated 30 November 2003 between Polaris, IGL, Treacy and Strange IGL is entitled to a 20% free carried interest to completion of a pre-feasibility study of a potentially viable mine producing at least 25,000 ounces of gold per annum. Upon completion of the pre-feasibility study IGL may elect to contribute in accordance with a 20% interest or dilute to a 10% interest which shall be free carried to a bankable feasibility study.

Any participant in the joint venture (meaning Polaris, IGL, Treacy or Strange) who acquires an interest in a mining tenement within a 30 kilometre area of influence from the outer boundaries of the British Hill tenements is required to offer it to the other participants in proportion to their respective interests under the joint venture.

CAZALY AGREEMENT ("CAZ")

On 28 July 2003 IGL entered into a Tenement Sale and Purchase Agreement with Cazaly Resources Ltd (Cazaly) whereby IGL received a cash payment and the issuing of a royalty of \$1/dry tonne mined and milled on any future production from the tenements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

21. COMMITMENTS (Cont.)

PHILIPS RIVER MINING SALE AGREEMENT (“WAL”)

On 4th August 2004 IGL entered into a Sale Agreement with Philips River Mining Pty Ltd (Philips) whereby IGL retains a gross royalty of 1% on all product from the tenement. IGL may elect to obtain a 70% interest in the tenement should Philips deliver a pre-feasibility study whereby the capital cost exceeds A\$20 million, for an amount equal to 3 times the amount of incurred expenditure by Philips.

22. SEGMENT INFORMATION

Primary reporting - Geographical Segments

The Economic Entity operates in two main geographical areas:

Australia

The home country of the parent entity which is also the main operating entity. The area of operation is Mineral Exploration.

Romania

Comprises operations in Mineral Exploration only. All administration for the Romanian assets is performed in Australia.

Primary Reporting – Geographical Segments	\$	\$	\$
	Australia	Romania	Consolidated
2003			
Revenues from ordinary activities	765,113	-	765,113
Segment result (loss)	(723,317)	-	(723,317)
Segment assets	29,390,884	2,431,162	31,822,046
Segment liabilities	1,234,958	-	1,234,958
Acquisitions of plant and equipment, intangibles and other non-current segment assets	17,546,453	40,193	17,586,646
Depreciation and amortisation	48,085	-	48,085
Other non-cash expenses	312,352	-	312,352
Net cash inflow/(outflow) from operating activities	(3,767,412)	(40,193)	(3,807,605)

Business Segments

The Economic Entity operates solely in Mineral Exploration:

Mineral Exploration

Mineral Exploration of the Mt Ida Project in Australia, the Sacu Project in Romania and the Evanston Project in Western Australia with the object of identifying a commercial resource.

Notes to and forming part of the segment information:

(a) Accounting policies

Segment information is prepared in conformity with the accounting policies of the entity as disclosed in note 1 and revised segment reporting accounting standard AASB 1005 *Segment Reporting*, which has been applied for the first time in the year ended 30 June 2003. There were no geographical segments identified in previous years.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2004

22. SEGMENT INFORMATION

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to a segment on a reasonable basis. Segment assets include all assets used by a segment and consist primarily of operating cash, receivables, plant and equipment and other intangible assets, net of related provisions. While most of these assets can be directly attributable to individual segments, the carrying amounts of certain assets used jointly by segments are allocated based on reasonable estimates of usage. Segment liabilities consist primarily of trade and other creditors, employee entitlements and provisions. Segment assets and liabilities do not include income taxes.

23. EVENTS SUBSEQUENT TO REPORTING DATE

On 12 July 2004 the Company issued 11,000 ordinary fully paid shares at 25 cents each pursuant to the underwriting agreement for the exercise of the \$0.25 options expiring 30 June 2004 to various parties.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

24. RELATED PARTY INFORMATION

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

Transactions with related entities:

(i) Director related Entities

An aggregate amount of \$218,000 was paid, or was due and payable to Okewood Pty Ltd, a company controlled by Mr Anthony Sage, for the provision of financial and management consulting services to the economic entity.

An aggregate amount of \$80,498 was paid, or was due and payable to Kingsreef Pty Ltd, a company controlled by Mr Nathan McMahon a former director, for the provision of corporate and tenement management services to the economic entity.

An aggregate amount of \$75,825 was paid, or was due and payable to Mining Corporate Advisory Services Pty Ltd, a company controlled by Mr Kent Hunter a former director, for the provision of company secretarial services to the economic entity.

Remuneration (excluding the reimbursement of costs) received or receivable by the directors of the Company and aggregate amounts paid to superannuation plans in connection with the retirement of directors are disclosed in Note 4 (b) to the accounts.

These transactions were made on commercial terms and conditions and at market rates.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 10 to 35, are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2004 of the performance for the year ended on that date of the Company and economic entity;
2. in the directors' opinion there are reasonable grounds to believe that the economic entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



A W P Sage
Executive Chairman

Perth,
30 September 2004

INDEPENDENT AUDIT REPORT

To members of International Goldfields Limited

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for both International Goldfields Limited ("the company") and international Goldfields Limited ("the consolidated entity"), for the year ended 30 June 2004 as set out on pages 10 to 36. The consolidated entity comprises both the company and the entities it controlled during the year.

The directors of the consolidated entity are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the consolidated entity. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

ORD

PARTNERS

CHARTERED
ACCOUNTANTS

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CA

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CA

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Chartered Accountants

Audit Opinion

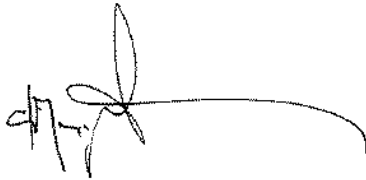
In our opinion, the financial report of International Goldfields Limited is in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2004 and of their performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.

ORD PARTNERS

Chartered Accountants

Ian Macpherson
Partner

A handwritten signature in black ink, appearing to read 'I. Macpherson', with a long horizontal flourish extending to the right.

Dated this 30th day of September, 2004

Perth, WA

ADDITIONAL SHAREHOLDER INFORMATION**Shareholding**

The distribution of members and their holdings of equity securities in the holding company as at 24 September 2004 was as follows:

Number Held as at 24 September 2004	Fully Paid Ordinary Shares
1-1,000	111
1,001 - 5,000	232
5,001 - 10,000	206
10,001 - 100,000	549
100,001 and over	131
TOTALS	1,229

Substantial Shareholders

The names of the substantial shareholders listed in the holding company's register as at 24 September 2004:

Shareholder	Number
National Nominees Ltd	26,858,451
ANZ Nominees Ltd	15,034,201
Antony William Paul Sage <EGAS Super Fund A/C>	11,720,075

Restricted Securities

The Company has issued no restricted securities:

Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary Shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Quoted and Unquoted Options

- These options have no voting rights.

ASX Listing Rule 4.10.19

In accordance with Listing Rule 4.10.19, the company states that it has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives. The business objective is primarily mineral exploration.

Twenty Largest Shareholders

The names of the twenty largest ordinary fully paid shareholders as at 24 September 2004 are as follows:

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
National Nominees Ltd	26,858,451	19.299
ANZ Nominees Ltd	15,034,201	10.803
Antony William Paul Sage	11,720,075	8.421
Westpac Custodian Nominees	5,886,841	4.230
Silktree Investments	5,143,429	3.695
J P Morgan Nominees	4,550,000	3.269
Mr Henry Kai Tong Au	2,754,218	1.979
Equitech investments Ltd	2,562,050	1.841
Deloitte Management Pty Ltd	2,246,168	1.614
HKT AU Pty Ltd	1,949,591	1.400
Mrs June Van Rens	1,663,198	1.195
Ms Jane Elizabeth Glass	1,330,000	0.955
Nefco Nominees Pty Ltd	1,175,815	0.844
Equest Group Ltd	1,110,000	0.797
Bardsley Superannuation Pty Ltd	1,100,746	0.790
Clive Bruce Jones	1,000,000	0.718
Mr Russell Neil Creagh	976,546	0.701
Mrs Ana Paula Lawson	952,037	0.684
Forbes Global Services Ltd	857,143	0.615
Mr Roger Douglas Pryde	755,000	0.542
	89,723,723	64.462

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations*. The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines. As consistency with the guidelines has been a gradual process, where the Company did not have certain policies or committees recommended by the ASX Corporate Governance Council (the Council) in place during the reporting period, we have identified such policies or committees.

Where the Company's corporate governance practices do not correlate with the practices recommended by the Council, the Company is working towards compliance however it does not consider that all the practices are appropriate for the Company due to the size and scale of Company operations.

To illustrate where the Company has addressed each of the Council's recommendations, the following table cross-references each recommendation with sections of this report. The table does not provide the full text of each recommendation but rather the topic covered. Details of all of the recommendations can be found on the ASX Corporate Governance Council's website at http://www.asx.com.au/about/CorporateGovernance_AA2.shtm.

Recommendation	Section
Recommendation 1.1 Functions of the Board and Management	1.1
Recommendation 2.1 Independent Directors	1.2
Recommendation 2.2 Independent Chairman	1.2
Recommendation 2.3 Role of the Chairman and CEO	1.2
Recommendation 2.4 Establishment of Nomination Committee	2.3
Recommendation 2.5 Reporting on Principle 2	1.2, 1.4.6, 2.3.2 and the Directors' Report
Recommendation 3.1 Directors' and Key Executives' Code of Conduct	1.1
Recommendation 3.2 Company Security Trading Policy	1.4.9
Recommendation 3.3 Reporting on Principle 3	1.1 and 1.4.9
Recommendation 4.1 Attestations by CEO and CFO	1.4.11
Recommendation 4.2 Establishment of Audit Committee	2.1
Recommendation 4.3 Structure of Audit Committee	2.1.2
Recommendation 4.4 Audit Committee Charter	2.1
Recommendation 4.5 Reporting on Principle 4	2.1
Recommendation 5.1 Policy for Compliance with Continuous Disclosure	1.4.4
Recommendation 5.2 Reporting on Principle 5	1.4.4
Recommendation 6.1 Communications Strategy	1.4.8
Recommendation 6.2 Attendance of Auditor at General Meetings	1.4.8
Recommendation 7.1 Policies on Risk Oversight and Management	2.1.3
Recommendation 7.2 Attestations by CEO and CFO	1.4.11
Recommendation 7.3 Reporting on Principle 7	2.1.3
Recommendation 8.1 Evaluation of Board, Directors and Key Executives	1.4.10
Recommendation 9.1 Remuneration Policies	2.2.4
Recommendation 9.2 Establishment of Remuneration Committee	2.2
Recommendation 9.3 Executive and Non-Executive Director Remuneration	2.2.4.1 and 2.2.4.2
Recommendation 9.4 Equity-Based Executive Remuneration	2.2.4.1
Recommendation 9.5 Reporting on Principle 9	2.2.2 and 2.2.4
Recommendation 10.1 Company Code of Conduct	3

1. Board of Directors

1.1 Role of the Board

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The Board has the final responsibility for the successful operations of the Company.

To assist the Board carry out its functions, it has developed a Code of Conduct to guide the Directors, the Chief Executive Officer, the Chief Financial Officer and other key executives in the performance of their roles.

1.2 Composition of the Board

To add value to the Company the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given its current size and scale of operations. The names of the Directors and their qualifications and experience are stated in the Directors' Report along with the term of office held by each of the Directors. Directors are appointed based on the specific skills required by the Company and on their decision-making and judgment skills.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. Mr Timothy Turner is a Non-Executive Director, however is not an independent director as he does not meet the following criteria for independence adopted by the Company.

An Independent Director is a Non-Executive Director and:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member. Or an employee materially associated with the service provided;
- is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the Company or other group member other than as a Director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

Mr Timothy Turner is a Non-Executive Director of the Company and does not meet the Company's criteria for independence. However, his experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board.

Mr Anthony Sage is an Executive Chairman of the Company and does not meet the Company's criteria for independence. However, his experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board.

Mr Robert Annett is an Executive Director of the Company and does not meet the Company's criteria for independence. However, his experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board.

1.3 Responsibilities of the Board

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following.

- Leadership of the Organisation: overseeing the Company and establishing codes that reflect the values of the Company and guide the conduct of the Board.
- Strategy Formulation: to set and review the overall strategy and goals for the Company and ensuring that there are policies in place to govern the operation of the Company.
- Overseeing Planning Activities: the development of the Company's strategic plan.
- Shareholder Liaison: ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company.
- Monitoring, Compliance and Risk Management: the development of the Company's risk management, compliance, control and accountability systems and monitoring and directing the financial and operational performance of the Company.
- Company Finances: approving expenses and approving and monitoring acquisitions, divestitures and financial and other reporting.
- Human Resources: appointing, and, where appropriate, removing the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) as well as reviewing the performance of the CEO and monitoring the performance of senior management in their implementation of the Company's strategy.
- Ensuring the Health, Safety and Well-Being of Employees: in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to ensure the well-being of all employees.
- Delegation of Authority: delegating appropriate powers to the CEO to ensure the effective day-to-day management of the Company and establishing and determining the powers and functions of the Committees of the Board.

Full details of the Board's role and responsibilities are contained in the Board Charter, a copy of which is available for inspection at the Company's registered office.

1.4 Board Policies

1.4.1 Conflicts of Interest

Directors must:

- disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company; and
- if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest then the Director must, as per the *Corporations Act*, absent himself or herself from the room when discussion and/or voting occurs on matters about which the conflict relates.

1.4.2 Commitments

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company.

1.4.3 Confidentiality

In accordance with legal requirements and agreed ethical standards, Directors and key executives of the Company have agreed to keep confidential, information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

1.4.4 Continuous Disclosure

The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with the *ASX Listing Rules* the Company immediately notifies the ASX of information:

- concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and
- that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

1.4.5 Education and Induction

It is the policy of the Company that new Directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an

induction package and presentations. Information conveyed to new Directors include:

- details of the roles and responsibilities of a Director;
- formal policies on Director appointment as well as conduct and contribution expectations;
- access to a copy of the Board Charter;
- guidelines on how the Board processes function;
- details of past, recent and likely future developments relating to the Board;
- background information on and contact information for key people in the organisation;
- an analysis of the Company;
- a synopsis of the current strategic direction of the Company; and
- a copy of the Constitution of the Company.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

1.4.6 *Independent Professional Advice*

The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities.

1.4.7 *Related Party Transactions*

Related party transactions include any financial transaction between a Director and the Company. Unless there is an exemption under the *Corporations Act* from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction.

1.4.8 *Shareholder Communication*

The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to:

- communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company;
- giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;
- making it easy for shareholders to participate in general meetings of the Company; and
- requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.

1.4.9 *Trading in Company Shares*

Due to the size of the Company, the Board does not consider it appropriate to implement a Share Trading Policy. Rather, it reminds directors, officers and employees of the prohibition in the *Corporations Act 2001* concerning trading in the Company's securities when in possession of "inside information".

1.4.10 *Performance Review/Evaluation*

It is the policy of the Board to conduct evaluation of its performance. The evaluation process was introduced via the Board Charter adopted on 30 June 2004 and will be implemented for the financial year ended 30 June 2005. The objective of this evaluation will be to provide best practice corporate governance to the Company.

1.4.11 *Attestations by CEO and CFO*

It is the Board's policy, that the CEO and the CFO make the attestations recommended by the ASX Corporate Governance Council as to the Company's financial condition prior to the Board signing the Annual Report. However, as at the date of this report the Company does not have a designated CEO or CFO. Due to the size and scale of operations of the Company these roles are performed by the Board as a whole.

2. Board Committees

2.1 *Audit Committee*

Due to the size and scale of operations of the Company the full Board undertakes the role of the Audit Committee. Below is a summary of the role and responsibilities of an Audit Committee.

2.1.1 Role

The Audit Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors.

As the whole Board only consists of three (3) members, the Company does not have an audit committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues and an audit committee cannot be justified based on a cost-benefit analysis. However, in accordance with the ASX Listing Rules, the Company is moving towards establishing an audit committee consisting primarily of Independent Directors.

In the absence of an audit committee, the Board sets aside time to deal with issues and responsibilities usually delegated to the audit committee to ensure the integrity of the financial statements of the Company and the independence of the external auditor.

2.1.2 Responsibilities

The Audit Committee or as at the date of this report the full Board of the Company reviews the audited annual and half-yearly financial statements and any reports which accompany published financial statements and recommends their approval to the members.

The Audit Committee or as at the date of this report the full Board of the Company each year reviews the appointment of the external auditor, their independence, the audit fee, and any questions of resignation or dismissal.

The Audit Committee or as at the date of this report the full Board of the Company is also responsible for establishing policies on risk oversight and management.

2.2 Remuneration Committee

2.2.1 Role

The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies for employees.

As the whole Board only consists of three (3) members, the Company does not have a remuneration committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

2.2.2 Responsibilities

The responsibilities of a Remuneration Committee, or the full Board include setting policies for senior officers' remuneration, setting the terms and conditions of employment for the Chief Executive Officer, reviewing and making recommendations to the Board on the Company's incentive schemes and superannuation arrangements, reviewing the remuneration of both Executive and Non-Executive Directors and making recommendations on any proposed changes and undertaking reviews of the Chief Executive Officer's performance, including, setting with the Chief Executive Officer goals and reviewing progress in achieving those goals.

2.2.3 Remuneration Policy

Directors' Remuneration was approved by resolution of the Board on 16 March 2001.

2.2.3.1 Senior Executive Remuneration Policy

The Company is committed to remunerating its senior executives in a manner that is market-competitive and consistent with best practice as well as supporting the interests of shareholders. Consequently, under the Senior Executive Remuneration Policy the remuneration of senior executive may be comprised of the following:

- fixed salary that is determined from a review of the market and reflects core performance requirements and expectations;
- a performance bonus designed to reward actual achievement by the individual of performance objectives and for materially improved Company performance;
- participation in any share/options scheme with thresholds approved by shareholders;
- statutory superannuation.

By remunerating senior executives through performance and long-term incentive plans in addition to their fixed remuneration the Company aims to align the interests of senior executives with those of shareholders and increase Company performance. During the year there were no Non-Director Executives.

The value of shares and options were they to be granted to senior executives would be calculated using the Black and Scholes method.

The objective behind using this remuneration structure is to drive improved Company performance and thereby

increase shareholder value as well as aligning the interests of executives and shareholders.

The Board may use its discretion with respect to the payment of bonuses, stock options and other incentive payments.

2.2.3.2 Non-Executive Director Remuneration Policy

Non-Executive Directors are to be paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of Non-Executive Directors. Non-Executive Directors do not receive performance based bonuses and do not participate in equity schemes of the Company.

Non-Executive Directors are entitled to but not necessarily paid statutory superannuation.

2.2.4 Current Director Remuneration

Full details regarding the remuneration of Directors, is included in the Directors' Report.

2.3 Nomination Committee

2.3.1 Role

The role of a Nomination Committee is to help achieve a structured Board that adds value to the Company by ensuring an appropriate mix of skills are present in Directors on the Board at all times.

As the whole Board only consists of three (3) members, the Company does not have a nomination committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

2.3.2 Responsibilities

The responsibilities of a Nomination Committee would include devising criteria for Board membership, regularly reviewing the need for various skills and experience on the Board and identifying specific individuals for nomination as Directors for review by the Board. The Nomination Committee would also oversee management succession plans including the CEO and his/her direct reports and evaluate the Board's performance and make recommendations for the appointment and removal of Directors. Currently the Board as a whole performs this role.

2.3.3 Criteria for selection of Directors

Directors are appointed based on the specific governance skills required by the Company. Given the size of the Company and the business that it operates, the Company aims at all times to have at least one Director with experience appropriate to the Company's target market. In addition, Directors should have the relevant blend of personal experience in accounting and financial management and Director-level business experience.

3. Company Code Of Conduct

The Board has decided against the implementation of a code of conduct as it does not believe that it is in the best interests of its employees or other stakeholders to have what purports to be an exhaustive code of conduct. The Board feels that such a code may be too prescriptive and not allow the employees the discretion they need to best serve the Company's stakeholders.

**SCHEDULE OF MINERAL TENEMENTS
AS AT 24 SEPTEMBER 2004**

Project	Tenement	Equity %	Project	Tenement	Equity %
Bali Hi			Broad Arrow		
Bali Hi	ELA08/1372	100	BROAD ARROW	PLA24/3829	CAZ
			BROAD ARROW	P24/3846	CAZ
Bardoc			BROAD ARROW	P24/3847	CAZ
Bardoc	M24/0380	CAZ	Bullabulling		
Bardoc	M24/0400	CAZ	BULLABULLING	P15/4531	100
Bardoc	M24/0429	CAZ	Cardinia		
Bardoc	P24/3757	CAZ	CARDINIA	PLA37/6411	100
Bardoc	P24/3801	CAZ	Channings		
Bardoc	P24/3802	CAZ	CHANNINGS	E53/1056	100
Bardoc	P24/3803	CAZ	Clampton		
Binduli East			CLAMPTON	E77/0862	ECL
Binduli East	P26/3147	CAZ	CLAMPTON	E77/0864	ECL
Blair			Clifford Mt		
BLAIR	ELA26/0112	CAZ	CLIFFORD MT	ELA37/0740	CAZ
BLAIR NORTH	PLA25/1800	CAZ	CLIFFORD MT	P37/6322	CAZ
BLAIR NORTH	PLA25/1801	CAZ	CLIFFORD MT	P37/6323	CAZ
BLAIR	P26/3076	CAZ	CLIFFORD MT	PLA37/6557	CAZ
BLAIR NORTH	PLA26/3205	CAZ	Cosmos North		
BLAIR NORTH	PLA26/3206	CAZ	COSMOS NORTH	E36/0501	CAZ
BLAIR NORTH	PLA26/3207	CAZ	Dimer Mt		
BLAIR NORTH	PLA26/3208	CAZ	DIMER MT	E77/1106	10
BLAIR NORTH	PLA26/3209	CAZ	Evanston		
BLAIR NORTH	PLA26/3210	CAZ	EVANSTON	E77/0363	100
BLAIR NORTH	PLA26/3211	CAZ	EVANSTON	E77/0553	100
BLAIR NORTH	PLA26/3238	CAZ	EVANSTON	E77/0619	100
Boorara			EVANSTON	E77/0620	100
BOORARA	P26/3116	CAZ	EVANSTON	E77/0956	100
BOORARA	P26/3128	CAZ	EVANSTON	E77/0957	100
BOORARA NORTH	P26/3163	CAZ	EVANSTON	E77/0958	100
British Hill			EVANSTON	E77/0959	100
BRITISH HILL	ELA77/1063	POL	EVANSTON	E77/1034	100
BRITISH HILL	ELA77/1074	POL	EVANSTON	E77/1037	100
BRITISH HILL	P77/3308	POL	EVANSTON	ELA77/1117	100
BRITISH HILL	P77/3309	POL	EVANSTON	ELA77/1127	100
BRITISH HILL	P77/3310	POL	EVANSTON	E77/1141	100
BRITISH HILL	P77/3311	POL	EVANSTON	ELA77/1157	100
BRITISH HILL	P77/3312	POL	EVANSTON	ELA77/1158	100
BRITISH HILL	P77/3340	POL	EVANSTON	ELA77/1159	100
BRITISH HILL	P77/3341	POL	EVANSTON	ELA77/1167	100
BRITISH HILL	P77/3342	POL	EVANSTON	ELA77/1173	100
BRITISH HILL	P77/3343	POL	EVANSTON	ELA77/1238	100
BRITISH HILL	P77/3344	POL	EVANSTON	G77/0035	100
BRITISH HILL	P77/3345	POL			
BRITISH HILL	P77/3346	POL			
BRITISH HILL	P77/3348	POL			
BRITISH HILL	P77/3353	POL			

Project	Tenement	Equity %
Evanston (cont)		
EVANSTON	M77/0394	100
EVANSTON	M77/0576	100
EVANSTON	M77/0646	100
EVANSTON	MLA77/0725	100
EVANSTON	MLA77/0726	100
EVANSTON	MLA77/0727	100
EVANSTON	MLA77/0824	100
EVANSTON	MLA77/0901	100
EVANSTON	MLA77/0931	100
EVANSTON	MLA77/0962	100
EVANSTON	MLA77/1047	100
EVANSTON	MLA77/1048	100
EVANSTON	MLA77/1071	100
EVANSTON	MLA77/1072	100
EVANSTON	PLA77/3398	100
EVANSTON	PLA77/3412	100
EVANSTON	PLA77/3413	100
EVANSTON	PLA77/3414	100
EVANSTON	PLA77/3448	100
Goongarrie		
GOONGARRIE	P29/1744	CAZ
GOONGARRIE	P29/1745	CAZ
GOONGARRIE	P29/1746	CAZ
GOONGARRIE	P29/1747	CAZ
GOONGARRIE	P29/1748	CAZ
GOONGARRIE	P29/1749	CAZ
GOONGARRIE	P29/1750	CAZ
GOONGARRIE	P29/1751	CAZ
GOONGARRIE	PLA29/1752	CAZ
GOONGARRIE	P29/1753	CAZ
GOONGARRIE	P29/1785	CAZ
Howe Mt		
HOWE MT.	ELA39/0986	CAZ
Iron Range		
IRON RANGE	EPM 10927	100
Jubuk		
JUBUK	ELA70/2504	100
Jutson Rocks		
JUTSON ROCKS	ELA38/1540	CAZ
JUTSON ROCKS	ELA38/1541	CAZ
Kanowna		
KANOWNA	P26/3149	CAZ
KANOWNA	PLA26/3150	CAZ
KANOWNA	P27/1581	CAZ
KANOWNA	PLA27/1582	CAZ
KANOWNA	P27/1583	CAZ
KUNDANA WEST	E16/0302	CAZ

Project	Tenement	Equity %
Lord Byron		
LORD BYRON	ELA39/0970	ANG
McMahon Mt		
MCMAHON MT	PLA74/0247	WAL
Menzies		
MENZIES	P29/1732	CAZ
MENZIES	P29/1733	CAZ
MENZIES	PLA29/1775	CAZ
MENZIES	P29/1776	CAZ
MENZIES	P29/1777	CAZ
MENZIES	P29/1778	CAZ
MENZIES	P29/1779	CAZ
MENZIES	P29/1780	CAZ
MENZIES	PLA29/1781	CAZ
MENZIES	P29/1782	CAZ
MENZIES	PLA29/1784	CAZ
MENZIES	PLA29/1793	CAZ
MENZIES	PLA29/1794	CAZ
MENZIES	PLA29/1795	CAZ
MENZIES	P29/1796	CAZ
Merolia		
MEROLIA	E38/1524	CAZ
MEROLIA	E38/1555	CAZ
MEROLIA	E38/1556	CAZ
MEROLIA	P38/3106	CAZ
MEROLIA	P38/3107	CAZ
MEROLIA	P38/3108	CAZ
Mount Ida		
MT IDA - HOOPER	E29/0120	HOO
MT IDA - 4 CORNERS	E29/0133	COR
MT IDA - 4 CORNERS	E29/0134	COR
MT IDA - CHATS	E29/0378	CHA
MT IDA - CHATS	E29/0385	CHA
MT IDA - CHATS	E29/0386	CHA
MT IDA - CHATS	E29/0388	CHA
MT IDA - CHATS	E29/0413	CHA
MT IDA - 4 CORNERS	E29/0415	COR
MT IDA - CHATS	E29/0439	CHA
MT IDA - CHATS	E29/0440	CHA
MT IDA - SILV	E29/0478	SIL
MT IDA - 4 CORNERS	ELA29/0481	COR
MT IDA - 100%	E29/0505	100
MT IDA - 100%	E29/0506	100
MT IDA - 100%	ELA29/0520	100
MT IDA - 100%	ELA29/0526	100
MT IDA - 100%	ELA29/0539	100
MT IDA - 100%	E29/0540	100
MT IDA - 100%	E29/0541	100
MT IDA - 100%	ELA29/0545	100
MT IDA - 100%	ELA29/0546	100

Project	Tenement	Equity %
Mount Ida (cont)		
MT IDA - 100%	ELA29/0559	100
MT IDA - 4 CORNERS	E30/0245	COR
MT IDA - WATER	LLA29/0071	100
MT IDA - WATER	LLA29/0072	100
MT IDA - 100%	M29/0002	MOB
MT IDA - HOOPER	M29/0165	HOO
MT IDA - HOOPER	M29/0190	HOO
MT IDA - HOOPER	MLA29/0191	HOO
MT IDA - HOOPER	MLA29/0192	HOO
MT IDA - 4 CORNERS	MLA29/0204	COR
MT IDA - 4 CORNERS	MLA29/0205	COR
MT IDA - 4 CORNERS	MLA29/0206	COR
MT IDA - 4 CORNERS	MLA29/0207	COR
MT IDA - NICKEL	MLA29/0247	100
MT IDA - NICKEL	MLA29/0248	100
MT IDA - NICKEL	MLA29/0265	100
MT IDA - NICKEL	MLA29/0275	100
MT IDA - 4 CORNERS	MLA29/0288	COR
MT IDA - 4 CORNERS	MLA29/0325	COR
MT IDA - CHATS	MLA29/0326	CHA
MT IDA - CHATS	MLA29/0327	CHA
MT IDA - CHATS	MLA29/0328	CHA
MT IDA - KESTREL	MLA29/0334	100
MT IDA - 4 CORNERS	MLA29/0335	COR
MT IDA - CHATS	MLA29/0336	CHA
MT IDA - KESTREL	P29/1653	100
MT IDA - KESTREL	P29/1654	100
MT IDA - SPOTTED	PLA29/1755	SPO
MT IDA - SPOTTED	PLA29/1756	SPO
MT IDA - SPOTTED	PLA29/1757	SPO
MT IDA - SPOTTED	PLA29/1758	SPO
MT IDA - SPOTTED	PLA29/1759	SPO
MT IDA - SPOTTED	PLA29/1760	SPO
MT IDA - 100%	PLA29/1761	100
MT IDA - 100%	PLA29/1765	100
MT IDA - 100%	PLA29/1791	100
MT IDA - 100%	P29/1792	100
MT IDA - 100%	P29/1797	100
MT IDA - 100%	P29/1798	100
MT IDA NICKEL	PLA29/1825	100
MT IDA - NICKEL	PLA29/1826	100
Mulgarrie		
MULGARRIE	PLA27/1587	CAZ
MULGARRIE	PLA27/1588	CAZ
MULGARRIE	PLA27/1589	CAZ
MULGARRIE	PLA27/1590	CAZ
MULGARRIE	PLA27/1591	CAZ
MULGARRIE	PLA27/1592	CAZ
MULGARRIE	PLA27/1593	CAZ
Northcote		
Northcote	EPM9869	RAU

Project	Tenement	Equity %
Perkolilli		
PERKOLILLI	ELA25/0268	CAZ
PERKOLILLI	MLA25/0237	CAZ
PERKOLILLI	P25/1270	CAZ
PERKOLILLI	P25/1271	CAZ
PERKOLILLI	P25/1272	CAZ
PERKOLILLI	P25/1273	CAZ
PERKOLILLI	P25/1274	CAZ
PERKOLILLI	P25/1730	CAZ
PERKOLILLI	P25/1731	CAZ
PERKOLILLI	P25/1732	CAZ
PERKOLILLI	P25/1733	CAZ
PERKOLILLI	P25/1734	CAZ
PERKOLILLI	P25/1738	CAZ
PERKOLILLI	P25/1746	CAZ
PERKOLILLI	P25/1747	CAZ
PERKOLILLI	P25/1748	CAZ
PERKOLILLI	P25/1749	CAZ
PERKOLILLI	P25/1750	CAZ
PERKOLILLI	P25/1751	CAZ
PERKOLILLI	PLA25/1789	CAZ
PERKOLILLI	PLA25/1790	CAZ
PERKOLILLI	PLA25/1791	CAZ
PERKOLILLI	PLA25/1792	CAZ
PERKOLILLI	PLA25/1793	CAZ
PERKOLILLI	PLA25/1794	CAZ
PERKOLILLI	PLA26/3195	CAZ
PERKOLILLI	PLA26/3196	CAZ
PERKOLILLI	PLA26/3197	CAZ
PERKOLILLI	PLA26/3198	CAZ
PERKOLILLI	PLA26/3199	CAZ
PERKOLILLI	P27/1567	CAZ
PERKOLILLI	P27/1568	CAZ
PERKOLILLI	P27/1569	CAZ
PERKOLILLI	P27/1570	CAZ
PERKOLILLI	P27/1571	CAZ
PERKOLILLI	PLA27/1601	CAZ
PERKOLILLI	PLA27/1602	CAZ
PERKOLILLI	PLA27/1603	CAZ
PERKOLILLI	PLA27/1604	CAZ
PERKOLILLI	PLA27/1605	CAZ
PERKOLILLI	PLA27/1606	CAZ
PERKOLILLI	PLA27/1607	CAZ
Pingaring		
PINGARING	ELA70/2482	100
Quartz Circle		
QUARTZ CIRCLE	ELA45/2602	CAZ
QUARTZ CIRCLE	E46/0541	CAZ
QUARTZ CIRCLE	P46/1360	CAZ
QUARTZ CIRCLE	P46/1361	CAZ
QUARTZ CIRCLE	P46/1362	CAZ
QUARTZ CIRCLE	P46/1363	CAZ

Project	Tenement	Equity %																													
Quartz Circle (cont)																															
QUARTZ CIRCLE	P46/1364	CAZ																													
QUARTZ CIRCLE	P46/1365	CAZ																													
QUARTZ CIRCLE	P46/1366	CAZ																													
QUARTZ CIRCLE	P46/1385	CAZ																													
QUARTZ CIRCLE	P46/1386	CAZ																													
Sophie Downs																															
SOPHIE DOWNS	E80/2799	GAU																													
SOPHIE DOWNS	P80/1474	GAU																													
St Ives																															
ST IVES	E15/0716	100																													
ST IVES	E15/0727	100																													
ST IVES	E26/0102	100																													
ST IVES	P15/4466	100																													
ST IVES	P15/4467	100																													
ST IVES	P15/4468	100																													
ST IVES	P15/4469	100																													
Telfer																															
TELFER-BIG TREE	ELA45/2446	100																													
Vetters Mt																															
VETTERS MT	E27/0277	CAZ																													
VETTERS MT	P27/1563	CAZ																													
VETTERS MT	P27/1564	CAZ																													
VETTERS MT	P27/1565	CAZ																													
VETTERS MT	PLA27/1608	CAZ																													
VETTERS MT	PLA27/1609	CAZ																													
VETTERS MT	PLA27/1610	CAZ																													
White Mt																															
WHITE MT	E36/0506	CAZ																													
Wilga Hill																															
WILGA HILL	E38/1466	CAZ																													
WILGA HILL	P38/3070	CAZ																													
WILGA HILL	P38/3071	CAZ																													
Yerilla																															
YERILLA	E31/0626	CAZ																													
Yilgangi																															
YILGANGI	E31/0627	CAZ																													
YILGANGI	M31/0175	CAZ																													
YILGANGI	P31/1420	CAZ																													
			<p>Notes: (refer Note 19)</p> <table> <thead> <tr> <th>Abbreviation</th> <th>Agreement</th> </tr> </thead> <tbody> <tr> <td>ANG</td> <td>Anglo Gold</td> </tr> <tr> <td>CAZ</td> <td>Cazaly</td> </tr> <tr> <td>ECL</td> <td>Eclipse</td> </tr> <tr> <td>COR</td> <td>Four Corners</td> </tr> <tr> <td>CHA</td> <td>Chatswood</td> </tr> <tr> <td>GAU</td> <td>Great Australian</td> </tr> <tr> <td>HOO</td> <td>Hooper</td> </tr> <tr> <td>MOB</td> <td>Mobile</td> </tr> <tr> <td>POL</td> <td>Polaris</td> </tr> <tr> <td>RAU</td> <td>Republic</td> </tr> <tr> <td>SIL</td> <td>Silvertree</td> </tr> <tr> <td>SPO</td> <td>Spotted Dog</td> </tr> <tr> <td>WAL</td> <td>Walker</td> </tr> </tbody> </table> <p>Notes: E = Granted Exploration Licence ELA = Exploration Licence Application M = Granted Mining Licence MLA = Mining Licence Application P = Granted Prospecting Licence PLA = Prospecting Licence Application</p>	Abbreviation	Agreement	ANG	Anglo Gold	CAZ	Cazaly	ECL	Eclipse	COR	Four Corners	CHA	Chatswood	GAU	Great Australian	HOO	Hooper	MOB	Mobile	POL	Polaris	RAU	Republic	SIL	Silvertree	SPO	Spotted Dog	WAL	Walker
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Equity in the tenements are as stated unless detailed in Note 19 - Joint Venture Commitments.