BURDEKIN

A.C.N. 059 326 519

31 July 2003

The Manager, Announcements
Australian Stock Exchange Limited

4 Pages

Dear Sir

REPORT FOR THE QUARTER ENDING 30 JUNE 2003

MT KASI GOLD PROJECT	• Mt Kasi Portable Infrared Mineral Analyser ("PIMA") Studies
CORPORATE	• Heads of Agreement with Straits Resources Limited to sell 80% in Mt Kasi Project • Issue of 6.0 million shares to raise $180,000 and a Convertible Note of $140,000
TECHNOLOGY INVESTMENTS	• Implementation of exit strategy continued

1.0 Exploration Activities

1.1 Mt Kasi Portable Infrared Mineral Analyser ("PIMA") studies

Initial PIMA short-wave infrared spectral studies of surface and drill hole samples at Mt Kasi have confirmed that the mineral assemblages developed by the hydrothermal alteration system are consistent with a high sulphidation epithermal system. The indicator minerals confirmed by the PIMA include alunite, pyrophyllite and the widespread development of ordered kandite clays - kaolinite, halloysite and importantly, dickite and nacrite that are typical of advanced argillic alteration. These alteration assemblages occur over a strike length of at least 3 km and width of 250 m, representing the area presently covered by detailed geological mapping at Mt Kasi. The local development of illite alteration at Mineral Hill indicates a return to a more neutral, high temperature regime that possibly represents the final pulse in the complex hydrothermal system developed at Mt Kasi.

The use of the PIMA technique in defining alteration assemblages associated with ore deposits is gaining more acceptance throughout the world and has particular applications to complex epithermal gold systems.

This preliminary study at Mt Kasi has proved invaluable in confirming the extent of the "fertile" alteration system and highlighted potential extensions for mineralisation at Kasi South, Nakoi and Korokuvu Creek areas. The method also has the potential of outlining an alteration patterns in three dimensions capable of defining mineralised zones at depth.

1.2 Platinum Group Metals, Gold and Base Metals – East Kimberleys, Western Australia (Burdekin 100%):

Mt Barrett M80/506, Banjo Bore M80/507, Banjo Bore East E80/1754, M80/533, Granite E80/2131, Halls Creek E80/2283, Mt Barrett East E80/2594, Mt Pandora E80/2595, E80/2864 (Audesso ELA).

No fieldwork was undertaken during the quarter. The search for a farm in joint venture partner continued. However subject to funding the Company is planning to undertake fieldwork during the next quarter. The objective will be to upgrade a number of prospects to drill target stage in preparation for drilling in the subsequent quarter.

A review of airborne hyper spectral scanner data, provided under previous joint venture arrangements, indicated that spectral signatures indicative of the alteration mineral paragonite have significance in the Halls Creek area. The presence of the alteration mineral pyrophyllite has been indicated previously on several of the company's tenements. Paragonite and pyrophyllite indicate the effects of acid hydrothermal fluids and some of these alteration mineral occurrences are located proximal to major fault zones. One discreet area with indicated paragonite alteration is co incident with a gold geochemical anomaly at the Milba Prospect.

1.3 Cobar Tenements: Gold & Base Metals Cobar, New South Wales

Activity was limited to technical reporting on relinquished tenements.

1.4 Mt Haden: Gold & Copper Mackay, Queensland (Burdekin 100%)

The Company's search for a new joint venture partner has not resulted in any firm commitments to farm-in to this property and accordingly the Company is reviewing its postion in relation to Mt Haden.

1.5 Exploration Expenditure

Exploration and evaluation expenditure for the quarter was $12,976 ($21,120) previous quarter).

2.0 Corporate

2.1 Heads of Agreement to sell 80% Interest in Mt Kasi Project

On 6 June 2003 the Company announced that it had entered into a Heads of Agreement ("Agreement") to sell an 80% interest in the Mt Kasi Gold Project ("Project") to Straits Resources Limited or its nominee ("Straits").

Completion is subject to a number of conditions, including a satisfactory outcome of due diligence by Straits, agreement on the final structure for the transaction and the approval of convertible note and promissory note holders.

2.2 Placement of 6.0 million shares to raise $180,000 and a Convertible Note of $400,000

During the quarter the Company issued 6,000,000 ordinary shares to Straits at 3 cents per share to raise $180,000. Proceeds from the issue have been used to provide working capital.

In addition a further $400,000 was raised by way of proceeds from a convertible note issued to Straits at a conversion price of 2.5 cents. Equity conversion rights are subject to shareholders approval.

2.3 Royalties Received from Far Fanning Project

During the quarter the Company continued to accrue royalties receivable from the Far Fanning project operated by SMC Gold Limited. However the quantum of royalties receivable from gold production during the quarter is yet to be determined as the relevant royalty calculations are not yet at hand at the date of this report.

2.4 Proceedings Commenced Against a Vendor of eMAX

The proceedings commenced by Burdekin as outlined in the March 2003 Quarterly Report have continued in the Federal Court.

During the quarter the former Shareholder and Managing Director of eMAX commenced a counter claim in the NSW Industrial Relations Commission claiming payment of outstanding amounts due under the original purchase contract, namely equivalent value of $270,000 in ordinary shares in Burdekin, $324,000 in cash and an additional amount as an employee redundancy claim.

The Company intends to vigorously defend this action.

2.5 Issued Capital

The issued share capital of the company at the date of this report is 126,243,502 ordinary shares.

3.0 Technology Investments

The Company has continued to meet the previously reported obligations agreed to in the Deeds of Company Arrangement ("DOCA") entered into respectively by Ice Interactive Pty Ltd and eMax Entertainment Pty Ltd (Voluntary Administrator Appointed).

3.1 ICE Interactive Pty Limited ("ICE") (Burdekin 100%)

Under the Deed of Company Arrangement a final payment of approximately $237,000 was due on or before 1 April 2003, being to satisfy priority creditor claims comprising mainly former employees of ICE. Burdekin has met the first $50,000 in cash and has reached agreement with Voluntary Administrator to defer the balance of approximately $187,000 on

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the basis that it expects this payment will be made upon receipt of proceeds form the settlement of transaction with Straits referred to at 2.1 above.

Yours faithfully
Burdekin Pacific Limited

Susan J Field
Director and Company Secretary

NOTE:

This report has been prepared by officers of the Company. In so far as it relates to mineral resources or mineralisation in respect of the Mt Kasi Project, it has been compiled or reviewed by Mr Craig Hall, an employee of the Company and a Member of the Australian Institute of Mining and Metallurgy with a minimum of five years experience in field of activity being reported.