HOLDINGS LIMITED

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Quarterly Report

for the three months ended

30th June 2004

HIGHLIGHTS

- Exploration work continues at Mount Mackenzie with favourable results.
- The Company continues to expand its range of services and its customer base in vehicle route optimisation, in-car navigation, tracking and voice and data messaging.

OVERVIEW

Exploration for gold and copper is continuing near Marlborough in Central Queensland in the Mount Mackenzie Joint Venture. The very large target at Mount Mackenzie is considered to have the potential to contain a significant copper-gold deposit and recent work has confirmed that this deposit is amenable to evaluation by modern geophysical techniques, 3-D modelling and drilling.

The Company continues to provide route optimisation services for an increasing number of significant organisations. These services have been integrated with vehicle tracking, in-car navigation and voice and data messaging systems.

MINERAL EXPLORATION PROJECTS

Marlborough Joint Venture. There are 13 tenements in this project. SmartTrans equity ranges from 51% to 60% of eight of these and 29.4% of the remaining five (Waitara J.V.). Jeteld Pty Ltd can earn 47% of two tenements (Mount Mackenzie J.V.).

Mount Mackenzie Prospect (Jeteld Pty Ltd)

The Mount Mackenzie Joint Venture has commenced the second stage of exploration following Jeteld's decision to contribute a further $500,000 to the project on 15th June 2004. Jeteld has already spent $500,000 on the first stage and can earn 47% equity by contributing a total of $2,500,000 by 1st August 2005.

Diamond drilling during last quarter confirmed the nature of the target to be a very large high-sulphidation porphyry-style system.

Further drilling is planned and, in order to maximise the company's chances of locating a zone of economic mineralisation in the system, the company plans to conduct gravity, P.I.M.A. (Portable Infra-Red Mineral Analyser) and ground magnetics surveys over the target zone. The results of these surveys will be integrated into a three dimensional model that is aimed at providing a map of the fluid pathways that control gold deposition. If successful, this process will provide specific drilling targets within the very large alteration system.

The field components of the gravity and ground magnetics surveys have been completed and an orientation P.I.M.A. survey has been conducted over a selection of samples taken from the ground surface and drill core and chips. Results from this initial P.I.M.A. survey have indicated that this technique works very well at Mount Mackenzie and that it can successfully discriminate between mineralised (proximal) and non-mineralised (distal) zones. A more detailed and more extensive P.I.M.A. survey is now being designed as a result of these favourable indications.

Connors Range Joint Venture (Midas Resources Limited)

There was no field work on this project during the last quarter.

Riversleigh Project (SmartTrans 100%). This Project covers the "Grevillea" and "Grevillea West" prospects. SmartTrans believes these prospects have the potential to host a significant zinc-lead-silver deposit and the Company is seeking a new like-minded joint venture partner to participate in further exploration of "Grevillea West" and the various other base metal prospects on its extensive tenement holdings in the Lawn Hill region. A number of large base metal explorers have expressed interest in this project and are reviewing the project data.

VEHICLE ROUTE OPTIMISATION PROJECT

The company is continuing to build recurring income through the addition of major customers to those already using the company's route optimisation system.

The integration of vehicle tracking and voice and data messaging services with the existing route optimisation system is being well received by industry and is currently being implemented with significant businesses in Melbourne and Sydney with Australia-wide rollouts scheduled through 2004.

J P LAURIE
DIRECTOR – RESOURCES PROJECTS

The section of this report that relates to mineral exploration is based on information compiled by a person who is a corporate member of the Australasian Institute of Mining and Metallurgy and who has a minimum of 5 years experience in the field of activity in which he is reporting. This person is James Laurie.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

SMARTTRANS HOLDINGS LIMITED

ACN or ARBN	Quarter ended ("current quarter")
009 065 650	30 June 2004

Consolidated statement of cash flows

			Current quarter $A'000	Year to date (12 months) $A'000
	Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		253	659
1.2	Payments for	(a) exploration and evaluation	(116)	(474)
		(b) development	(6)	(90)
		(c) cost of goods sold	(68)	(143)
		(d) administration	(399)	(1,669)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		101	401
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other (provide details if material)		-	-
	Net Operating Cash Flows		**(235)**	**(1,316)**
	Cash flows related to investing activities			
1.8	Payment for purchases of:	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other assets	(5)	(13)
1.9	Proceeds from sale of:	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	-	-
1.10	Loans to other entities		-	-
1.11	Loans repaid by other entities		-	-
1.12	Other (provide details if material)		92	132
	Net investing cash flows		**87**	**119**
1.13	Total operating and investing cash flows (carried forward)		(148)	(1,197)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(148)	(1,197)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(148)	(1,197)
1.20	Cash at beginning of quarter/year to date	1,244	2,293
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	**1,096**	**1,096**

Payments to directors of the entity and associates of the directors Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	123
1.24	Aggregate amount of loans to the parties included in item 1.10	N/A

1.25 Explanation necessary for an understanding of the transactions

1.12 – Contributions by Joint Venture Partners

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	144
4.2	Development	10
	Total	**154**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	1,096	1,244
5.2	Deposits at call		
5.3	Bank overdraft		
5.4	Other (provide details) – Audit Review adjustment		
	Total: cash at end of quarter (item 1.22)	1,096	1,244

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed		No changes		
6.2	Interests in mining tenements acquired or increased	EPM11726 EPM11727		51% 51%	60% 60%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	Nil	N/A	N/A	N/A
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	Nil	N/A	N/A	N/A
7.3	**+Ordinary securities**	190,957,302	190,957,302	30 cents	30 cents
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	Nil	N/A	N/A	N/A
7.5	**+Convertible debt securities** *(description)*	None	N/A	N/A	N/A
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A	N/A	N/A	N/A
7.7	**Options** *(description and conversion factor)*				
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter			*Exercise price*	*Expiry date*
7.11	**Debentures** *(totals only)*	None	N/A	N/A	N/A
7.12	**Unsecured notes** *(totals only)*	None	N/A	N/A	N/A

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: .... Date: 30th July 2004
(Director)

Print name: **James Laurie**

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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