



(ACN 008 045 083)

**QUARTERLY REPORT
for the period ending 31 December 2003**

HIGHLIGHTS

- Drilling significantly increased the resource potential of the Wowo Gap Laterite Nickel-Cobalt Project.
- Individual samples assay up to 2.85%Ni.
- Placement completed, raising \$875,000.
- On 25 November 2003, the Company announced it was not proceeding to exercise the option over the Pickstone-Peerless mine in Zimbabwe.

EXPLORATION PROJECTS OVERVIEW

PAPUA NEW GUINEA

WOWO GAP

Work Programme

During November and December, eight (8) diamond holes for 160.7 metres were drilled of an initial 250 metre programme (Figure 1). The extent of the previous sampling, i.e. pits, wacker drill holes, old diamond drill holes, surface trenches and the outline of the resource zone previously reported is shown on Figure 1. The laterite was sub-divided into, logged and sampled as limonite and saprolite (garnierite-serpentine bearing) ores (Table 1).

Half of the core was collected in calico bags for shipment to Australia for analyses. Samples were broken at rock type changes and the samples were shipped to Analabs in Townsville, Queensland. Following heat treatment to fulfil quarantine requirements for surface clayey soils, the samples were crushed and milled. Analysis was by the multi-element automated induced couple plasma technique i.e. (ICPOES) 1105Q – Total Digest Ore-grade Analysis. Each sample was analysed for nickel, cobalt, iron, manganese, magnesium, aluminium, chromium, vanadium, scandium and calcium. The ore grade intersections are presented in Table 2.

Five of the diamond drill holes were drilled near pits and or wacker drill holes to allow comparison of results. Comparison of these results is tabulated in Table 3.

Geology

Within the Wowo Gap area there are two dominant types of ultramafic. The western half is underlain by foliated ultramafic intruded by isolated plugs of gabbro. The eastern half contains Sivai Breccia. The breccia consists of ultramafic fragments set in a rock flour and serpentine-garnierite-magnesite-silica matrix. The breccia appears to be tectonic in origin.

The laterite has developed over both rock types but appears to be better developed over the more permeable breccia.

The drilling completed in 2003 was only within laterite developed on the foliated ultramafic. Drilling of the Sivai Breccia is planned for early 2004. Soil and young volcanic ash overlies limonite- and saprolite-laterite profiles. The limonite profile, 3 to 10 metres thick, consists of clay with iron oxides. Commonly this material in the diamond core contains no boulders. At similar depths in the pits there are small weathered boulders, particularly at the bottom of the profile. It is probable that the diamond bit has pushed the small boulders away in the soft limonite-clay rich material. Only when the boulders are large enough to resist the downward thrust of the drill stem have they been penetrated.

The saprolite profile, 3 to 15 metres thick, consists of serpentine and garnierite with clay. This material also contains significant amounts of un-mineralised boulders. The boulders are interspersed within the saprolite material. This lower section of the profile has previously not been seen in the pits or wacker drilling, as this material was too hard to penetrate.

Geochemistry

The ash is distinguished from the laterite by lower iron and higher aluminium content.

The limonite laterite is characterised by high iron and manganese contents. The nickel content is commonly 0.5 to 1.3%, with considerable sections averaging +1%. The lower section of the limonite profile contains significant cobalt scavenged by the manganese. These zones contain +0.1% cobalt. Individual samples assay up to 1.29% nickel and 0.27% cobalt.

The saprolite material is distinguished from the limonite material by lower iron and manganese and higher magnesium. This material contains significant nickel, to 3%, but insignificant cobalt due to the reduction of manganese and its scavenging effect. Individual samples assay up to 2.85% nickel.

Resource Potential

As previously reported, the “inferred” resource with a 0.8% nickel cut off from the pits and earlier diamond and wacker drilling is:

Central Zone	Limonite	30.9Mt @ 1.09% Ni and 0.11% Co(not lined up)
	Saprolite	17.9Mt @ 1.44% Ni and 0.04% Co
Northern Zone	Limonite	18.0Mt @ 1.02% Ni and 0.11% Co
Total		66.8Mt @ 1.17% Ni and 0.09% Co

Limonite laterite was intersected in all holes except one and ranged in thickness from 3.8 to 10.7 metres. Using a 0.8% nickel cut off, intersections include:

- 10.70 metres of 1.03% nickel and 0.13% cobalt;
- 6.80 metres of 1.03% nickel and 0.10% cobalt;
- 6.00 metres of 1.06% nickel and 0.10% cobalt;
- 5.00 metres of 1.03% nickel and 0.12% cobalt;
- 3.80 metres of 1.05% nickel and 0.10% cobalt; and
- 2.80 metres of 0.95% nickel and 0.19% cobalt

The underlying saprolite material was intersected in all holes with +0.8% nickel intersections 2.6 to 15.3 metres thick. Screening out of the non-mineralised boulders would result in intersections such as:

15.30 metres of 1.54% nickel and 0.02% cobalt;
4.00 metres of 1.13% nickel and 0.04% cobalt;
3.40 metres of 1.41% nickel and 0.05% cobalt; and
3.20 metres of 1.48% nickel and 0.03% cobalt.

Comparison of the limonite profile in the 2003 diamond drill holes with that in the pits and wacker drilling indicates the profile is approximately twice as thick. This potentially doubles the resource potential of the limonite zone in the area drilled.

A similar comparison of the saprolite profile indicates it is thicker in the diamond drill holes by a factor of 3, increasing the resource potential.

The limited drilling of the Central Zone indicates that with further drilling there is potential to significantly increase the resource. The Northern Zone potential could also be increased significantly from 18 Mt as no saprolite ore has been factored into this resource. Significantly, the resource is open to the north and south. This potential will be further tested by the planned continuation of the drill program across the Sivai Breccia and the immediate extensions to the north and south.

AWARIOBO

The Adau tenement was applied for to cover western extensions to the prospective laterite on the Ibau Plateau and Awariobo Range, Awariobo.

QUEENSLAND PROJECTS

MARLBOROUGH AND THREE RIVERS PROJECTS

No field work was completed on these projects during the quarter.

WESTERN AUSTRALIA

WEST MUSGRAVE RANGES

The complaints lodged against the Blackstone and Michael Hills tenements during 2002 are being vigorously defended in the Mining Wardens Court. During the current quarter, further complaints for the current year were lodged against the Blackstone tenements. These complaints will also be defended.

OPTION OVER PICKSTONE PEERLESS MINE IN ZIMBABWE

On 25 November 2003, the Company advised that it was not exercising its option over the Pickstone Peerless mine in Zimbabwe.

Graham L Rolfe BSc MSc MAusIMM Exploration Director.

Disclaimer: Information in this report relating to ore reserves, mineral resources or mineralisation conforms with the reporting requirements of the "Australasian Institute of Mining and Metallurgy's Code for Reporting of Identified Mineral Resources and Ore Reserves" and is based on and accurately reflects information compiled by Graham L. Rolfe of Cobra Resources Ltd who is a Competent Person as defined by the Code and is a Corporate Member of the AusIMM. Graham Rolfe has consented to the release of the information dealing with these matters in the form in which it is reported.

CHANGES IN INTERESTS IN MINING TENEMENTS

	Tenement Reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished reduced or lapsed.	EL 1165	Safia	48 sub-blocks	28 sub-blocks
	EL 1243	Awariobo	74 sub-blocks	53 sub-blocks
6.2 Interest in mining granted or increased	ELA 1338	Adau	0	100% Application

INTERESTS IN MINING TENEMENTS

AREA	PROJECT	TENEMENT	NAME	SIZE	INTEREST at 31 December 2003
PAPUA NEW GUINEA	Oro Province	EL 1165	Safia	28 sub-blocks	100%
		EL 1243	Awariobo	53 sub-blocks	100%
		ELA 1321	Mumbare Plateau, Kokoda	181 sub-blocks	100%
		ELA 1338	Adau	162 sub-blocks	100%
QUEENSLAND	Marlborough	ML 5772	South Slopeaway - Central Lease	18.21 ha	100% Ni Co. 80% Ce
		ML 5780	South Slopeaway - Camp Lease	128.70 ha	100% Ni Co. 80% Ce
		ML 7577	South Slopeaway - Southern Lease	106.70 ha	100% Ni Co. 80% Ce
		ML 80004	South Slopeaway - Linking Lease	17.49 ha	100% Ni Co. 80% Ce
	Three Rivers	EPM 10680	Lucknow North	3 sub-blocks	100%
		EPM 10866	Lucknow South	4 sub-blocks	100%
		EPM 11223	Dinner Creek, Greenvale	7 sub-blocks	100%
	Heathcote	EL 3434	Heathcote	170 sq km	90% Ni, Co, PGMs
WESTERN AUSTRALIA	Blackstone	E69/1069	West Blackstone	39 sub-blocks	100%
		E69/1070	South Blackstone	70 sub-blocks	100%
	Michael Hills	E69/1384	West Michael Hills	70 sub-blocks	100%
		E69/1385	East Michael Hills	70 sub-blocks	100%

Ni = Nickel; Co = Cobalt; PMs = Precious Metals; PGMs = Platinum Group Metals; Ce = Chrysoprase
Sub block = Area bounded by 1° latitude and 1° longitude; ha = hectare; sq km = square kilometre.

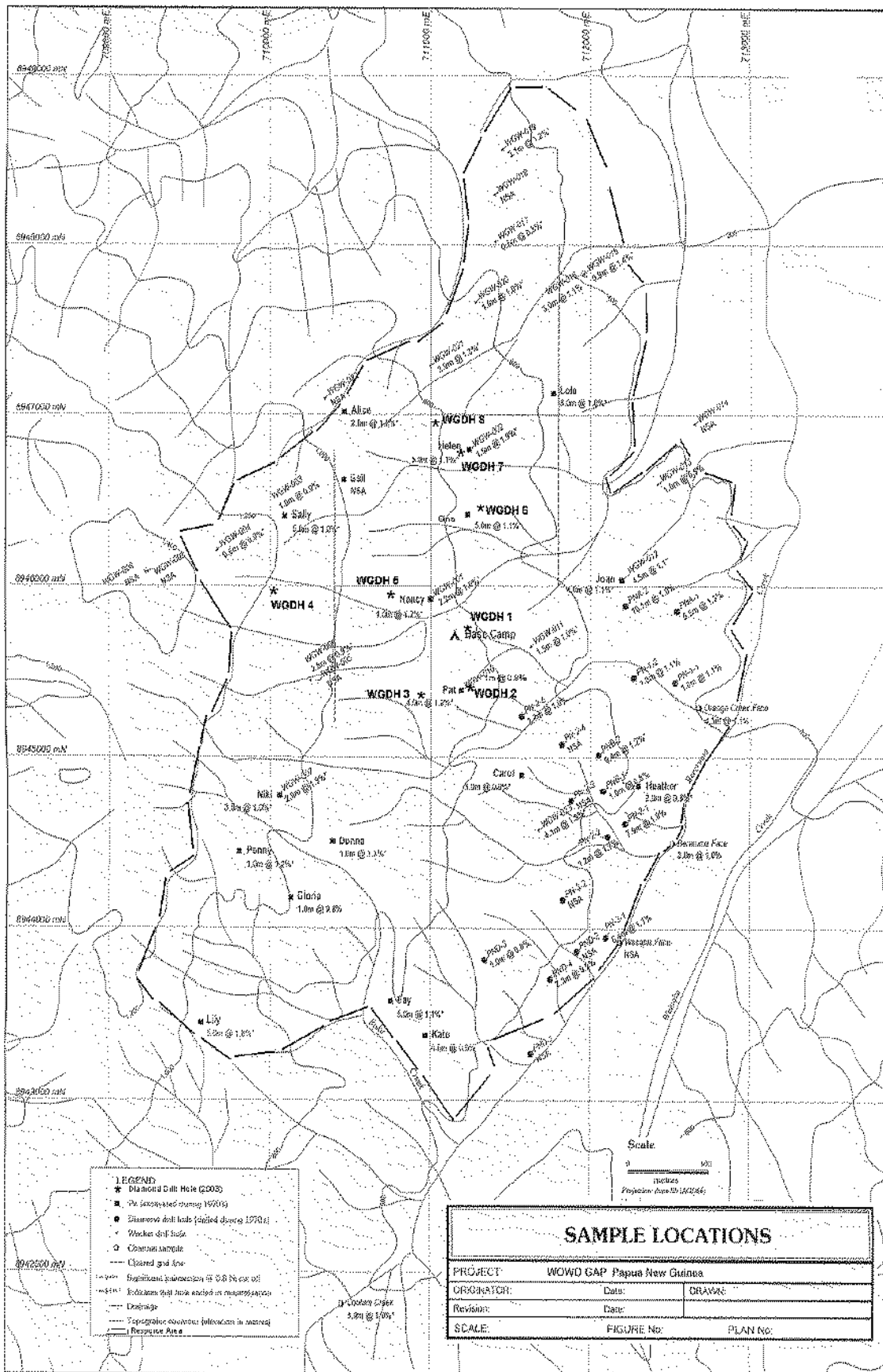


FIGURE 1

TABLE 1: SUMMARY DRILL LOGS

Hole WGDH	Easting (m)	Northing (m)	RL (m)	From (m)	To (m)	Lithology
1	711110	8945751	838	0	0.12	Soil
				0.12	3	Volcanic Ash
				3	9.8	Limonite
				9.8	18.2	Saprolite
				18.2	21.8	Bed Rock
2	711189	8945399	860	0	0.15	Soil
				0.15	1.7	Volcanic Ash
				1.7	15.4	Limonite
				15.4	21.8	Saprolite
				21.8	29.1	Bedrock
3	710959	8945341	881	0	0.19	Soil
				0.19	3	Volcanic Ash
				3	8.3	Limonite
				8.3	12	Saprolite
				12	15.8	Bedrock
4	711019	8945947	830	0	0.18	Soil
				0.18	2.5	Volcanic Ash
				2.5	9.3	Limonite
				9.3	14.1	Saprolite
				14.1	20.3	Bedrock
5	710743	8945965	925	0	0	Soil
				0	1.2	Volcanic Ash
				1.2	6.5	Limonite
				6.5	9.8	Saprolite
				9.8	15.5	Bedrock
6	711301	8946430	826	0	0	Soil
				0	3	Volcanic Ash
				3	12.2	Limonite
				12.2	14.7	Saprolite
				14.7	17.3	Bedrock
7	711200	8946780	760	0	0.06	Soil
				0.06	1.6	Volcanic Ash
				1.6	8.3	Limonite
				8.3	18	Saprolite
				18	23.6	Bedrock
8	711042	8946948	799	0	0.34	Soil
				0.34	2.5	Volcanic Ash
				2.5	6.8	Limonite
				6.8	14.8	Saprolite
				14.8	17.3	Bedrock

TABLE 2: ORE GRADE INTERSECTIONS

	Hole WGDH	Easting (m)	Northing (m)	RL (m)	From (m)	To (m)	Thickness (m)	Ni %	Co %	Ni % (screened)	Co % (screened)
Limonite	2	711189	8945399	860	3.2	12.5	9.3	0.71	0.07	0.89	0.09
	3	710959	8945341	881	2	8.8	6.8	1.03	0.10		
	4	711019	8945947	830	6.5	9.3	2.8	0.95	0.19		
	5	710743	8945965	925	1	7	6	1.06	0.10		
	6	711301	8946430	826	4	14.7	10.7	1.03	0.13		
	7	711200	8946780	760	1	8	7	0.93	0.12		
					3	8	5	1.03	0.12		
	8	711042	8946948	799	3	6.8	3.8	1.05	0.10		
Saprolite	1	711110	8945751	838	9.9	13.3	3.4			1.41	0.05
	2	711189	8945399	860	15	17.6	2.6			1.22	0.04
	4	711019	8945947	830	9.3	13.3	4			1.13	0.04
	5	710743	8945965	925	7	12.8	5.8			0.98	0.05
	7	711200	8946780	760	8	23.3	15.3			1.54	0.02
	8	711042	8946948	799	8.3	11.5	3.2			1.48	0.03

TABLE 3: COMPARISON OF DIAMOND DRILL HOLES WITH PITS AND WACKER DRILL HOLES

Hole	Easting	Northing	RL	From	To	Thickness	Ni %	Co %	Ni Screen	Co Screen	Factor thickness increased
WGDH 2	711189	8945399	860	3.2	12.5	9.3	0.71	0.07			1.3
				15	17.6	2.6			1.22	0.04	0.77
Pat	711211	8945410	846	3	10	7	0.92	0.13			
				10	12	2	1.83	0.05			
				7	10	3	0.92	0.14			
				10	12	2	1.33	0.09			
WGW 10	711190	8945387	865	5	6.35	1.35	0.80	0.10			
WGDH 3	710959	8945341	881	2	8.8	6.8	1.03	0.10			1.3
Kate	710945	8945392	882	6	11	5	0.88	0.11			
WGDH 5	710743	8945965	925	1	7	6	1.06	0.10			1.7
				7	12.8	5.8			0.98	0.05	1.45
Nancy	711010	8945953	835	5	9	4	0.95	0.13			
				9	12	3	1.56	0.07			
				5	9	4	0.61	0.16			
				9	10	1	1.66	0.04			
WGW 01	711000	8945925	840	7	9.2	2.2	1.01	0.13			
WGDH 6	711301	8946430	826	4	14.7	10.7	1.03	0.13			2.1
Gina				4	9	5	1.05	0.18			
WGDH 7	711200	8946780	760	3	8	5	1.03	0.12			4
				8	23.3	15.3			1.54	0.02	7.6
Helen	711211	8946784	795	2	5	3	1.11	0.15			
				5	7	2	1.85	0.08			
				2	6	4	0.95	0.15			
				6	7	1	1.55	0.08			
WGW 02	711246	8946800	765	4.5	5	0.5	0.82	0.09			
				5	6	1	2.39	0.05			

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

RESOURCE MINING CORPORATION LIMITED

ABN

97 008 045 083

Quarter ended ("current quarter")

31 DECEMBER 2003

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	--	--
1.2 Payments for (a) exploration and evaluation	(181)	(261)
(b) development	--	--
(c) production	--	--
(d) administration	(239)	(500)
1.3 Dividends received	--	--
1.4 Interest and other items of a similar nature received	3	5
1.5 Interest and other costs of finance paid	--	--
1.6 Income taxes paid	--	--
1.7 Other (provide details if material)	(5)	23
Net Operating Cash Flows	(422)	(733)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	--	--
(b)equity investments	--	--
(c)other fixed assets	(1)	(19)
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)	--	--
Net investing cash flows	(1)	(19)
1.13 Total operating and investing cash flows (carried forward)	(423)	(752)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(423)	(752)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,050	1,396
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 – Share issue costs	(80)	(80)
	Net financing cash flows	970	1,316
	Net increase (decrease) in cash held	547	564
1.20	Cash at beginning of quarter/year to date	183	166
1.21	Exchange rate adjustments to item 1.20	1	1
1.22	Cash at end of quarter	731	731

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	86
1.24	Aggregate amount of loans to the parties included in item 1.10	
1.25	Explanation necessary for an understanding of the transactions Administration payments under 1.2(d) includes payments for legal and other expenses incurred in previous periods.	

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

- 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

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	
3.2	Credit standby arrangements	

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	150
4.2 Development	--
Total	150

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	31	13
5.2 Deposits at call	700	170
5.3 Bank overdraft	--	--
5.4 Other (provide details)	--	--
Total: cash at end of quarter (item 1.22)	731	183

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	(refer attached notes)		
6.2	Interests in mining tenements acquired or increased	(refer attached notes)		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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 <i>(description)</i>				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	985,298,846	985,298,846		
7.4 Changes during quarter				
(a) Increases through issues	70,000,000 350,000,000	70,000,000 350,000,000		
(b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>	170	--		
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	56,906,944 618,463,356	56,906,944 618,463,356	<i>Exercise price</i> \$0.10 \$0.02	<i>Expiry date</i> 30/06/2004 30/06/2006
7.8 Issued during quarter	70,000,000 350,000,000	70,000,000 350,000,000	\$0.02 \$0.02	30/06/2006 30/06/2006
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ 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 Act or other standards acceptable to ASX (see note 4).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date: 30 January 2004
(Director/Company secretary)

Print name: ANTHONY ROBERT HAMILTON

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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+ See chapter 19 for defined terms.