



30 October 2005

The Listing Manager  
 Australian Stock Exchange  
 Level 10  
 20 Bond Street  
 SYDNEY NSW 2000

**Quarterly Report for period ending 30 September 2005  
 Geology and Mining**

**REVIEW OF OPERATIONS**

**East Kundana Joint Venture (Rand's Interest 12.25 %)**

The construction phase of the Raleigh Underground project continued during the quarter. The total project costs are now estimated to be \$53.6M, an 8% increase on the original project development cost. Construction of surface infrastructure continued to be established and progressively handed over to the operations on completion. The Raleigh Underground decline development continued during the Quarter. The ground conditions encountered were within the expected geotechnical design parameters. Stope development commenced on the 3 July 2005. A total of 186 metres of decline and 415 metres of secondary development has been completed during the quarter, bringing the total development to 1,576metres. Notice has been given to the contractor that Placer will take over the Raleigh Decline development in the December Quarter. This is predicted to result in some cost savings to the EKJV.

<b>RALEIGH UNDERGROUND DEVELOPMENT</b>				
<b>Month</b>	<b>Decline (m)</b>	<b>Secondary (m)</b>	<b>Stope (m)</b>	<b>Total (m)</b>
July 05	98.6	100.8	153.3	352.7
August 05	36	173.0	194.4	403.4
September 05	51	140.8	211.1	402.9
<b>September 05 Q</b>	<b>185.6</b>	<b>414.6</b>	<b>558.8</b>	<b>1,159</b>
June 05 Q	194.2	329.4	0	527.6
Project to date	770.9	805.6	558.8	2,135

Stope development ore mined during the September 05 Quarter and stockpiled for processing is tabulated as follows:

	Tonnes	Grade	Ounces
Month	t	g/t	Troy ounces
July 05	6,300	24.4	4,934
August 05	7,638	18.3	4,499
September 05	8,023	14.6	3,775
September Q 05	21,961	18.7	13,208
Project to date	21,961	18.7	13,208

Negotiations to process the stockpiled EKJV ore at Placer's Paddington plant continued during the Quarter. Renegotiation of the Ore Processing Agreement with Paddington, a wholly owned subsidiary of Placer Dome Australia Limited has arisen due to Placer's inability to safely meet the face sampling terms agreed. Placer has indicated they will not process the EKJV ore at a third party plant in the Kalgoorlie region after making the Kundana plant unavailable to the EKJV for processing. After an extensive examination of the various options available to the EKJV, a proposal to batch a blend of high grade Raleigh, ore with low grade Red Hill ore owned by Placer, in quarterly campaigns to minimise the impact of delaying cash flows on your Company is being negotiated. To process the EKJV ore at Paddington requires the ore to be diluted with low grade ore. To account for each party's bullion in an unbiased way presents some technical challenges that are being addressed. The final agreement will cover development and processing for life of all EKJV projects; Raleigh, Hornet and Rubicon underground mines.

A ten hole drill programme in September 05 from the 6187 m RL targeted the Raleigh Hanging wall Vein intersected a shear hosting quartz veins showing visible gold. Assay results for 4 out of the 10 holes have been received. The results are tabulated below:

Hole ID	Sample ID	From	To	Interval	Assay	Target
RUGD0001	RUD0074	75.95	76.54	0.59	7.52	HW Vein
RUGD0001	RUD0080	79.95	80.60	0.65	10.53	Main Raleigh Vein
RUGD0003	RUD0044	67.00	69.00	2.00	1.1	HW Vein
RUGD0003	RUD0052	75.00	76.15	1.15	3.18	Main Raleigh Vein
RUGD0004	RUD0012	67.55	68.50	0.95	4.68	HW Vein
RUGD0004	RUD0022	95.00	95.84	0.84	29.62	Main Raleigh Vein
RUGD0005	RUD0095	75.56	75.92	0.36	7.35	HW Vein
RUGD0005	RUD0108	103.00	103.80	0.80	6.47	Main Raleigh Vein

### Resource Development

A 30 hole infill drill campaign that commenced during the previous Quarter to define the Hornet underground reserve was completed.

The metres drilled for the Quarter are tabulated below:

	Holes		Drill metres		
	RC Including pre-collars	DDH	RC	Core	Total
July 05	13	13	1,335	3,691	5,026
August 05	-	2	-	318	318
September 05	-	-	-	-	-
<b>September Q</b>	<b>13</b>	<b>15</b>	<b>1,335</b>	<b>4,009</b>	<b>5,344</b>
June Q	18	12	1,136	2,995	4,131
Total	31	27	2,471	7,004	9,475

The significant Hornet downhole intercepts are tabulated below:

Hole	Location	Total Depth (m)	Orient. (Starrek)	Significant Intersection
HOPD151	4,926 mN 20,528 mE	465.0	-60 to 090	4.0 m @ 15.1 g/t from 408.0 m
HOPD152	4,923 mN 20,581 mE	375.0	-60 to 090	5.2 m @ 13.9 g/t from 332.8m 2 m @ 53.3 g/t from 335.0 m
HOPD154	4,951 mN 20,558 mE	387.0	-60 to 090	4.0 m @ 38.7 g/t from 369.7 m
HOPD155	4,956 mN 20,624 mE	321.0	-60 to 090	5.0 m @ 8.55 g/t from 187.0 m 7.5 m @ 18.7 g/t from 285.5 m
HOPD159	5,041 mN 20,597 mE	311.4	-60 to 090	8.0 m @ 16.2 g/t from 291.0 m
HOPD160	5,015 mN 20,588 mE	339.0	-60 to 090	1.4 m @ 2.98 g/t from 313.0 m 7.6 m @ 24.8 g/t from 314.4 m
HOPD161	5,017 mN 20,556 mE	411.0	-60 to 090	5.0 m @ 11.8 g/t from 353.2 m 3.8m @ 1.26 g/t from 358.2 m
HOPD163	4,947 mN 20,654 mE	242.2	-60 to 090	1.2m @ 14.0 g/t from 155.0 m 5.3m @ 86.0 g/t from 227.7 m
HOPD164	4,927 mN 20,630 mE	424.1	-60 to 090	4.3m @ 3.98 g/t from 276.0 m
HOPD167	4,986 mN 20,632 mE	267.0	-60 to 090	3.3m @ 1.65 g/t from 257.0 m
HOPD169	5,038 mN 20,667 mE	207.0	-60 to 090	8.8 m @ 16.5 g/t from 187.0 m 6.15 m @ 32.7 g/t from 224.25 m
HOPD177	5,117 mN 20,511 mE	480.0	-60 to 090	3.0 m @ 6.09 g/t from 420 m
HOPD178	4,989 mN 20,497 mE	443.9	-60 to 090	5.0 m @ 17.0 g/t from 308.0 m 2.97 m @ 8.54 g/t from 284.5 m 6.70 m @ 17.0 g/t from 428.7 m
HOPD180	4,984 mN 20,669 mE 20,526 mE	225.0	-60 to 090	3.2 m @ 5.64 g/t from 200.0 m 5.45m @ 24.5 g/t from 396.55 m
HOPD182	4,888 mN 20,597 mE	402.0	-60 to 090	2.6m @ 2.56 g/t from 320 m 4.0m @ 1.03 g/t from 331 m
HOPD183	4,889 mN 20,541 mE	486.7	-60 to 090	3.0m @ 1.46 g/t from 284 m 5.9m @ 2.92 g/t from 417 m
HOPD184	4,992 mN 20,498 mE	522.0	-60 to 090	10.3m @ 1.10 g/t from 145.6 m 11.7m @ 2.30 g/t from 302.5 m 3.0m @ 0.41 g/t from 444.0 m

## EKJV EXPLORATION

Exploration Drilling							
	Prospect	Air Core		Reverse Circulation		Diamond Core	
		holes	metres	holes	metres	hole	metres
July 05							
Aug 05	Big Chief	27	1060				
Sept 05	Golden Hind – Walter			2	240		
Sept Q		27	1060	2	240	-	-

### Big Chief

A 27 hole air core drilling program to test a gold anomaly within an altered zone encountered quartz veining.

### Golden Hind and Sir Walter

A reinterpretation of the results of previous exploration indicated that the holes fell short of the target zone. Two RC holes were pre-collared during September 2005 and existing holes are to be extended to evaluate the target zone at depth.

The joint venture project continues to be the main focus of the company.

## OTHER PROJECTS

### Seven Mile Hill Joint Venture (Rand's Interest 50%)

The potential for further exploration targets for drill testing within the Seven Mile Hill tenements is limited and discussions to farm out the tenements is continuing.

### Oretek

Research into the development and production of the Oretek patented polyethyleneimine-based ion exchange resins continued at Monash University during the quarter. This research is aimed at the production of solid resins with ion exchanging properties capable of recovering copper complexes from acidic and from alkaline solutions. This research is a continuing project.

Yours faithfully  
**Rand Mining NL**



Anthony Billis  
**Director**

# 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

Rand Mining NL

ABN

41 004 669 658

Quarter ended ("current quarter")

30<sup>th</sup> September 2005

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(83)	(83)
(b) development		
(c) production		
(d) administration	(164)	(164)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	4	4
1.5 Interest and other costs of finance paid	(72)	(72)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net Operating Cash Flows</b>	<b>(315)</b>	<b>(315)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments	(54)	(54)
(c) other fixed assets	(826)	(826)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments	2	2
(c) other fixed assets		
1.10 Loans to other entities	(263)	(263)
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
<b>Net investing cash flows</b>	<b>(1,141)</b>	<b>(1,141)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(1,456)</b>	<b>(1,456)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,456)	(1,456)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	900	900
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	<b>Net financing cash flows</b>	<b>900</b>	<b>900</b>
<b>Net increase (decrease) in cash held</b>			
		<b>(556)</b>	<b>(556)</b>
1.20	Cash at beginning of quarter/year to date	3,335	3,335
1.21	Exchange rate adjustments (note 6)	136	136
1.22	<b>Cash at end of quarter</b>	<b>2,915</b>	<b>2,915</b>

**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	8
1.24	Aggregate amount of loans to the parties included in item 1.10	13

1.25 Explanation necessary for an understanding of the transactions

Directors fees and superannuation (included in administration 1.2 (d)) \$7,838

The aggregate amount of loans (item 1.10) made to specified parties are as follows:

Oretek Limited \$12,520

Lake Grace Exploration Pty Ltd \$ 968

**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

Not applicable

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

Not applicable

+ See chapter 19 for defined terms.

**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	4,750	3,925
3.2 Credit standby arrangements		

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	27
4.2 Development	23
<b>Total</b>	<b>50</b>

**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	1,278	961
5.2 Deposits at call	97	97
5.3 Bank overdraft		
5.4 Other – Gold bullion on hand	1,540	2,277
<b>Total: cash at end of quarter (item 1.22)</b>	<b>2,915</b>	<b>3,335</b>

**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		
6.2		Interests in mining tenements acquired or increased		

+ 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 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	40,560,813	40,560,813		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>*Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <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 give a true and fair view of the matters disclosed.

Sign here:  ..... Date: 31<sup>st</sup> October 2005.....  
(Director)

Print name: Anthony Billis

## 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.
- 6 The exchange rate adjustment (item 1.21) is the result of the Company including gold bullion in its cash balances. As bullion is converted into Australian dollars, this may give rise to exchange variances which are separately disclosed in the cash flow statement as exchange gains or losses.

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+ See chapter 19 for defined terms.