

PELICAN RESOURCES LIMITED

(ABN 12 063 388 821)

QUARTERLY REPORT**FOR THE PERIOD ENDED 31 DECEMBER 2004****HIGHLIGHTS****ROMBLON NICKEL PROJECT**

On the 11th November 2004, Pelican Resources Limited advised the ASX that its wholly owned subsidiary, Sunshine Gold Pty Ltd (Sunshine) in conjunction with its Philippines subsidiary, Sunpacific Resources Philippines Inc (Sunpacific) and its Philippine venture partner All-Acacia Resources Inc (All-Acacia) had formed a Joint Venture to explore for lateritic nickel in the Philippines. The joint venture partners have entered into a Memorandum of Understanding (MOU) with Altai Philippines Mining Corporation on the pending Mineral Production Sharing Agreement (MPSA) Application No. AMA-IVB-025 located on the Sibuyan Island, Romblon Province.

Exploration carried out in the early 1970's by two Japanese nickel companies established a lateritic nickel resource compliant to the Inferred Mineral Resource category of 7.26 million tonnes averaging 1.54% nickel at a cut-off grade of 1.3% nickel. Since that date no further work was carried out. There is potential to expand and upgrade the resource by further drilling and test pitting.

The Company aims to establish a nickel laterite direct ore shipping operation. Such an operation minimises the risks associated with building and operating a lateritic nickel plant. The advantage of this type of operation on the Island is that the ore haulage costs are minimal as the laterites are close to the coast. The concept is not breaking untested ground as there are similar operations in progress in the Philippines, Indonesia and New Caledonia.

MABUHAY PROJECT

DDH 11, an inclined drill hole 100 metres to the south of DDH 10, encountered a 12.9 metre intercept of the apparently shallower dipping epithermal Tabon-Tabon vein between 246.9 and 259.8 metres as anticipated. However silicified vein material was again intersected from 299.3 metres to 300.1 metres before passing into old timber in a lower level stope or development drive not recorded in any of the old records. The drill hole in silicified material is still in progress at 340 metres. The results appear to indicate the convergence of more than one main epithermal vein system at depth. Assay results are awaited.

COCKATOO ISLAND PROJECT

Portman Iron Ore Limited, as representative for the Cockatoo Island Project reported that for the December 2004 Quarter 233,220 wet metric tonnes of iron ore were shipped.

REVIEW OF OPERATIONS

WESTERN AUSTRALIA

COCKATOO ISLAND PROJECT (M04/235)

Interest: 100%
Operator: HWE Cockatoo Pty Ltd

Portman Iron Ore Limited, as representative for the Cockatoo Island Project reported that for the December 2004 Quarter 197,737 wet metric tonnes of ore was produced and 233,220 wet metric tonnes of iron ore were shipped. Pelican receives royalties of \$0.50 per metric tonne shipped.

ASHBURTON TROUGH

WYLOO PROJECT (E08/853, E08/854)

Interest: 49%
Operator: Nustar Mining Corporation Limited (earning 51%)

The Company has consented to the assignment of St Barbara Mines Limited's interest in the Wyloo Joint Venture to Nustar Mining Corporation Limited.

The main exploration focus on the Wyloo Joint Venture is the Gossan Ridge prospect near the old Monster Lode, located about 10 kilometres from the Paulsen's gold deposit. The operator has not reported that any field work was carried out during the Quarter.

PINGANDY CREEK PROJECT (E08/1320, E08/1321)

Interest: 100%
Operator: Sunrise Exploration Pty Ltd

Following a brief helicopter-supported field visit, WMC Resources Limited decided not to pursue the proposed venture participation on the Pingandy Creek project as the area did not meet their criteria for nickel mineralisation in non outcropping ultramafic host rocks. The area was selected by the Company for Carlin style gold mineralisation.

No other field work was completed during the Quarter.

XANADU PROJECT (M52/83, M52/84, M52/105, E52/812)

Interest: 30%
Operator: Newcrest Operations Limited (70% interest)

Assay results for the 7 RC holes previously drilled at Cleopatra North were returned.

Significant one metre results are listed below.

Hole No	AMG North	AMG East	Az (mag)	Dip	Hole Depth (m)	Intersection g/t Au (0.1 g/t Au)
XRC65	7406206	586040	208	-60	126	8m @ 2.1 g/t from 74m
XRC66	7406233	586160	208	-60	204 incl	15m @ 2.2 g/t from 48m 4m @ 7.3 g/t from 53m 13m @ 0.74 g/t from 63m
XRC67	7406196	586252	208	-50	114	21m @ 0.71 g/t from 35m 12m @ 0.71 g/t from 59m
XRC68	7406158	586335	208	-60	169	9m @ 0.20 g/t from 42m 5m @ 0.16 g/t from 58m 7m @ 0.27 g/t from 68m
XRC69	7406185	586360	208	-60	78	5m @ 0.34 g/t from 72m
XRC70	7406071	586528	208	-60	120	7m @ 2.6 g/t from 44m 6m @ 0.21 g/t from 54m

No field work was carried out during the Quarter.

FIREGOLD JV (E52/1229,E52/1230)

Interest: Option to acquire 80%
Operator: Pelican Resources Limited

No field work was carried out during the Quarter.

EASTERN GOLDFIELDS

ECLIPSE PROJECT (P27/1217, M27/152)

Interest: Option to purchase
Operator: Sunrise Exploration Pty Ltd

Reconnaissance mapping away from the main Eclipse workings indicated that outcrop was poor and the tenements were generally covered by Quaternary unconsolidated sediments. One shaft of approximately 5-8m depth and 4m wide and a small dry blowing pit 1-2m wide were located, both of which were located in a kaolinised fine grained material, probably an intermediate volcanic. There is no historical production data from these workings.

A total of 75 samples were collected from the east-west soil grid established in the southwest corner of P27/1217. Results were inconclusive with only a few values over 10 ppb Au and a single sample with a value of over 200 ppb Au.

DUKE PROJECT (M24/448)

Interest: Option to purchase
Operator: Pelican Resources Limited

Pelican resources Limited withdrew from the Option to purchase agreement during the Quarter.

OLIVER TWIST PROJECT (E29/460)

Interest: 100%
Operator: Pelican Resources Limited

No field work was carried out during the Quarter.

PADDINGTON WEST PROJECT (MLA 24/496)

Interest: 100%
Operator: Pelican Resources Limited

The grant of the tenement is pending

MT MONGER PROJECT (M26/637)

Interest: 100%
Operator: Pelican Resources Limited

No field work was carried out during the Quarter.

REPUBLIC OF THE PHILIPPINES

MABUHAY PROJECT, SURIGAO DEL NORTE PROVINCE, MINDANAO ISLAND, MPSA APPLICATION No. 000029-X

Interest: Earning 80%
Operator: Sunpacific Resources Philippines Inc.

The Mabuhay Gold Mine, originally referred to as the Mindanao Motherlode Mine, is located in the extreme north-east of Mindanao Island and lies some 16 kilometres south-east of Surigao City, the capital of Surigao del Norte. The mine itself is only two kilometres from the sealed highway to Surigao City.

Diamond drilling aimed at testing the mineralisation below the level of the old workings on the Tabon-Tabon vein system is continuing.

DDH 11, an inclined drill hole 100 metres to the south of DDH 10, encountered a 12.9 metre intercept of the apparently shallower dipping epithermal Tabon-Tabon vein between 246.9 and 259.8 metres as anticipated. However silicified vein material was again intersected from 299.3 metres to 300.1 metres before passing into old timber in a lower level stope or development drive not recorded in any of the old records. The drill hole in silicified material is still in progress at 340 metres. The results appear to indicate the convergence of more than one main epithermal vein system at depth. Assay results are awaited.

ROMBLON PROJECT, SIBUYAN ISLAND, ROMBLON PROVINCE. MPSA APPLICATION No. AMA-IVB-025.

Interest: Option to Purchase
Operator: Sunshine Gold Pty Ltd

On the 11th November 2004, Pelican Resources Limited advised the ASX that its wholly owned subsidiary, Sunshine Gold Pty Ltd (Sunshine) in conjunction with its Philippines subsidiary, Sunpacific Resources Philippines Inc (Sunpacific) and its Philippine venture partner All-Acacia Resources Inc (All-Acacia) had formed a Joint Venture to explore for lateritic nickel in the Philippines. The joint venture partners have entered into a Memorandum of Understanding (MOU) with Altai Philippines Mining Corporation on the pending Mineral Production Sharing Agreement (MPSA) Application No. AMA-IVB-025 located on the Sibuyan Island, Romblon Province.

The equity participation in the Joint Venture will be Sunshine 40%, Sunpacific 35% and All-Acacia 25%.

The Company aims to establish a direct shipping nickel laterite operation which is more suited for a smaller resource which cannot justify a stand alone processing plant. Mining and ore haulage costs would be minimized by the fact that the deposits are located within a short distance from the coast.

Previous exploration during the 1970's undertaken by two Japanese companies, Pacific Metals Company and Mitsui Mining, focussed on three areas referred to as Bato, Binaya-An and Taclobo. The Bato area was test pitted on a 100 by 100 metre grid whilst the other two areas were explored by considerably fewer test pits dug on an irregular grid pattern.

Resource estimates for the three areas were given as:

Prospect	Cut-off % Ni	SG	Inferred Resource	
			Tonnes ('000)	Grade % Ni
Bato	1.3	0.9	3,455	1.48
Binaya-An	1.3	0.9	881	1.70
Taclobo	1.3	0.9	2,924	1.55
Total			7,260	1.54

The Bato samples were assayed for Ni, Co and Fe whilst those from Binaya-An and Taclobo were only assayed for Ni.

A brief field visit to the project area located numerous old pits at Bato and confirmed that most pits were still open and that a check sampling program was feasible. This will commence in mid-January and it is planned to collect about 100 samples from the three deposits and assay them for Al₂O₃, SiO₂, MgO, Fe, Ni, Co, Cr, CaO, Na₂O and K₂O.

The field visit also confirmed that there is potential to expand the resource by further drilling and pitting.

SUNSHINE GOLD PROJECT, DAVAO ORIENTAL PROVINCE, MINDANAO ISLAND EP 000002-00-XI

Interest: 70%
Operator: Sunshine Gold Pty Ltd (a wholly owned subsidiary)

The Sunshine Project is located on the east side of the island of Mindanao and lies approximately 200 km south of the Mabuhay area. The application for the extension of the term of the Exploration Permit for a further 2 years is still being processed by the Bureau of Mines. The term of the 2 year renewal commences from the date that the extension was issued. The project is currently being held in abeyance.

RELINQUISHMENTS

The Option to purchase agreement on the Duke Project (M24/448) was terminated.

NEW ACQUISITIONS

Nil

EXPLORATION EXPENDITURE

Exploration expenditure during the quarter was \$162,000.

Signed on behalf of the Board of Pelican Resources Limited

J H Hills BSc, BSc Hons, MSc, PhD, M.Aus.I.M.M.

For further information:

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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

PELICAN RESOURCES LIMITED

ABN

12 063 388 821

Quarter ended ("current quarter")

31 DECEMBER 2004

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	--	--
1.2 Payments for (a) exploration and evaluation	(162)	(428)
(b) development	--	--
(c) production	--	--
(d) administration	(126)	(259)
1.3 Dividends received	--	--
1.4 Interest and other items of a similar nature received	9	23
1.5 Interest and other costs of finance paid	--	--
1.6 Income taxes paid	--	--
1.7 Other (Royalties & GST)	98	172
Net Operating Cash Flows	(181)	(492)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	--	--
(b)equity investments	--	--
(c)other fixed assets	--	--
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	--	--
1.13 Total operating and investing cash flows (carried forward)	(181)	(492)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(181)	(492)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	820	820
1.15	Proceeds from sale of forfeited shares	--	--
1.16	Proceeds from borrowings	--	--
1.17	Repayment of borrowings	(3)	(6)
1.18	Dividends paid	--	--
1.19	Other (costs of capital raising)	(19)	(19)
	Net financing cash flows	798	795
	Net increase (decrease) in cash held	617	303
1.20	Cash at beginning of quarter/year to date	407	721
1.21	Exchange rate adjustments to item 1.20	--	--
1.22	Cash at end of quarter	1,024	1,024

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	127
1.24	Aggregate amount of loans to the parties included in item 1.10	
1.25	Explanation necessary for an understanding of the transactions	

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

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- 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

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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	100
4.2	Development	--
Total		100

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	74	57
5.2 Deposits at call	950	350
5.3 Bank overdraft	--	--
5.4 Other (provide details)	--	--
Total: cash at end of quarter (item 1.22)	1,024	407

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	70,301,626	70,301,626		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	23,433,621	23,433,621		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	53,868,044	53,868,044	<i>Exercise price</i> \$0.20	<i>Expiry date</i> 8 April 2006
7.8 Issued during quarter	23,433,621	23,433,621	\$0.20	8 April 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: 27 January 2005
(Company Secretary)

Print name: JOHN PALERMO

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.