RENISON CONSOLIDATED MINES NL

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QUARTERLY REPORT OF OPERATIONS

FOR THE PERIOD ENDED

31 DECEMBER 2002

Highlights of the Quarter's Activities

- The agreement to purchase the Renison Bell tin mine from Murchison United NL was terminated by the Company.
- The Company's immediate focus is to continue to progress the development opportunities at its Tom's Gully and Quest 29 gold projects in the Northern Territory where the Company has already identified nearly 330,000 ounces of gold in various resource categories.
- Subject to the successful completion of the final mine design studies currently underway, open cut mining at the North Koolpin deposit (Quest 29 gold project) is targeted to commence in April/May of this year. Gold production will be through utilization of the Company's existing leaching pads and facilities at Quest 29.
- A drilling program at the Tom's Gully gold project involving the drilling of 2 or 3 shallow dipping diamond drill holes, with 5 daughter holes off each, is planned to be undertaken immediately after the current Northern Territory wet season. This program is aimed to confirm the resource grade upgrade model for the deposit.
- At Tom's Gully, scoping studies have indicated the potential to establish an operation utilizing the Company's existing CIP gold processing plant to produce 35,000 to 40,000 ounces of gold per annum, generating annual revenues of approximately $20 million and with an EBITDA of between $6 and $7million per annum at a A$540 per ounce gold price (current gold price is A$620 per ounce).
- Renison Consolidated Mines is also continuing to evaluate further acquisition and investment opportunities in the resources sector.
- The Company had cash and marketable securities of approximately $400,000 at the end of the Quarter and also has access to an undrawn $300,000 loan facility.

1. Renison Bell Ltd Acquisition

The Directors of the Company advised the Australian Stock Exchange on 16th December 2002 that the agreement to purchase Renison Bell Ltd, the owner of the Renison Bell tin mine, from Murchison United NL (Murchison) had been terminated.

In the period since the agreement had been negotiated the operating performance of Renison Bell Ltd had deteriorated significantly. This had both reduced the Company's assessment of the value of Renison Bell Ltd and also increased substantially the funding required for working capital and for capital to invest in the mine's future.

Whilst the Company was successful in receiving offers from a number of parties to provide various components of the funding, it had not been possible to arrange the overall quantum of funding required in a manner which would ensure the acquisition enhanced shareholder value and as a consequence the agreement was terminated.

2. Northern Territory Gold Projects - Tom's Gully and Quest 29

At the Tom's Gully and Quest 29 gold projects the Company has identified nearly 330,000 ounces of gold in various resource categories and there is potential for significant additional gold resources at Tom's Gully, Quest 29 and the Company's other Northern Territory tenements.

Resources Summary:

	Tonnes	Grade (g/t gold)	Contained ounces gold	Classification
Tom's Gully				
Underground	894,000	7.0	201,200	Inferred Resource
Tailings	250,000	2.4	19,300	Inferred Resource
Quest 29				
West Koolpin Zone	306,000	1.0	9,770	Measured and Indicated Resource
North Koolpin	672,830	0.9	18,500	Measured and Indicated Resource
Zamu	1,050,000	2.3	77,300	Inferred Resource

At the Tom's Gully project the Company has an established 250,000 tonne per annum CIP gold treatment plant with associated infrastructure and services. The Company also has established dump leach processing infrastructure at the Quest 29 project.

There are a number of development opportunities that the Company is progressing:

- **Dump leaching of ore from North Koolpin.** Final design studies are currently underway with the objective (subject to successful completion and a decision to mine) of commencing mining in April/May of this year. Existing leaching pads and facilities would be used. Production would be in the vicinity of 4,000 ounces of gold over 10 months and assist in funding the drilling and ongoing development activities at Tom's Gully and Quest 29.

- **Underground Mining at Tom's Gully.** Scoping studies have indicated the potential to establish an operation producing 35,000 to 40,000 ounces of gold per annum, generating annual revenues of approximately $20 million and with an EBITDA of between $6 and $7million per annum at a A$540 per ounce gold price (current gold price is A$620 per ounce). Treatment of the existing tailings resource could also enhance the economics of the project. This outcome is predicated on confirming, in a generalised sense, the resource grade upgrade model and further drilling is required together with metallurgical testwork to optimise the process route. A program involving drilling 2 or 3 shallow dipping diamond drill holes, with five daughter holes to intersect the reef at a low angle off each, is planned. It is envisaged that this work would be undertaken immediately after the current wet season.

- **Open cut mining at Quest 29 (or other NT projects) in conjunction with underground mining at Tom's Gully.** At Quest 29 there is a 4,000 metre mineralised zone on which a number of resources have been delineated so far. These include an inferred resource of over 1,000,000 tonnes at 2.3 g/t gold at Zamu (contained predominantly within sulphide mineralisation and partly refractory). However, with the finding of additional resources it may be possible to justify the establishment of an additional processing route at Tom's Gully (such as bacterial leaching) to allow the processing of such materials. This would result in an operation based around both underground mining at Tom's Gully and open cut mining at Quest 29 or elsewhere. The Company plans to assess the feasibility of this further open cut development.

The Northern Territory Gold Projects will provide the company with an immediate focus with the potential for gold production in the short term with the dump leach and medium term with Tom's Gully underground and potentially additional Quest 29 open cut ore.

On the exploration front, the Company has approximately 26 square kilometres of granted mining tenements around Quest 29 and Tom's Gully which warrant further exploration for mineralisation of similar style to Quest 29 or Tom's Gully. In addition the Company holds approximately an additional 100 square kilometres of granted exploration licenses with approximately a further 1,100 square kilometres under application which are considered prospective for both gold and base metals but have not been explored by modern methods.

5. Sirocco Technologies Group Ltd

Shareholders who held shares in the Company on 2 August 2002 have received a distribution (with no payment required) of shares in Sirocco Technologies Group (STG) by way of a return of capital. Initial shareholding statements were sent to shareholders during the quarter detailing their shareholdings in STG.

A prospectus document will be provided to all STG shareholders in the coming weeks and will be one of the final steps in the process of achieving the separate listing of Sirocco Technologies Group on the ASX. The Prospectus will contain details with respect to the operations and future intentions of Sirocco Technologies Group.

6. Corporate

ASX Announcements made during the Quarter included:

4 October 2002	Annual Report
31 October 2002	First Quarter Cashflow Report
31 October 2002	First Quarter Activities Report
31 October 2002	Notice of Annual General Meeting
29 November 2002	Chairman's AGM Address
29 November 2002	Results of AGM
16 December 2002	Termination of Agreement to Purchase Renison Bell Ltd

7. Summary

Whilst it is disappointing that there was not a successful outcome to the Renison Bell Ltd transaction, the Company has maintained its focus on ensuring that its endeavours are aimed towards maximizing returns to shareholders by adding value to shareholders' funds through long-term growth in the assets and earnings of the Company.

The immediate focus is the continued development of the Company as an emerging gold producer through the development of its considerable Northern Territory mining assets including the Tom's Gully and Quest 29 gold projects.

The Company will also continue to consider further acquisition and investment opportunities with respect to operating mines or resource development projects.

For and on behalf of the Board

JPK Marshall
Company Secretary
Brisbane, 31 January 2002

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The information on ore reserves and mineral resources contained in this report is based on information compiled by Mr Chris Creagh who is a member of the Australian Institute of Mining and Metallurgy. Mr Creagh has relevant experience in relation to the mineralisation being reported on to qualify as a Competent Person as defined by the Australasian Code for Reporting of Mineral Resources and Reserves.