

RENISON CONSOLIDATED MINES NL

ABN 75 003 049 714

PROSPECTUS

**A non-renounceable pro rata entitlement
issue of 1,200,000 Convertible Notes
to existing shareholders at an issue price of \$1.00 each
to raise up to \$1,200,000 before issue costs.**

This Prospectus is important and requires your immediate attention.

**Applicants should read this Prospectus in its entirety before deciding whether to apply
for Convertible Notes.**

**The Directors consider an investment in Convertible Notes made pursuant to this
Prospectus to be speculative. Applicants should consult their professional advisers for
advice in respect of the contents of this Prospectus.**

IMPORTANT NOTICE

This Prospectus is dated 25 June 2003 and was lodged with the ASIC on that date. No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Neither the ASIC nor ASX nor any of their respective officers take any responsibility for the contents of this Prospectus.

This Prospectus will be issued in paper form. An Electronic Prospectus may also be viewed online at www.rcm.com.au. The Offer is one made to all shareholders and will vary in size depending on the number of Shares held at the Record Date. Accordingly the Offer is not available to persons receiving an Electronic Prospectus and no Applications will be accepted other than on a printed and personalised Application form which will accompany this Prospectus sent to shareholders. The Corporations Act prohibits any person from passing onto another person the Application Form unless it is attached to or accompanied by the complete and unaltered version of this Prospectus. During the Offer Period any person may obtain a hard copy of this Prospectus by calling Mr Paul Marshall, the Company Secretary, on 07- 3832 6488 during normal business hours or by email on info@rcm.com.au.

The securities offered by this Prospectus should be considered speculative. Before deciding to invest in the Company potential investors should read the entire Prospectus and the risk factors that could affect the financial performance of the Company. The price of securities may rise or fall according to a number of factors. You should carefully consider these risks in light of your personal circumstances (including financial and taxation issues) and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This Prospectus is subject to an Exposure Period of 7 days from the date of lodgement of this Prospectus with ASIC. This period may be extended by the ASIC to 14 days. Applications under this Prospectus may not be accepted by the Company until the expiry of the Exposure Period. No preference will be conferred on persons who lodge applications before the expiry of the Exposure Period.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as being authorised by the Company in connection with the Offer.

Please refer to the Glossary in this Prospectus for the definitions and explanation of terms and abbreviations used in parts of this Prospectus.

CORPORATE DIRECTORY

Issuer	Renison Consolidated Mines NL Level 30, Riverside Centre 123 Eagle Street BRISBANE QLD 4000 Phone: (07) 3832 6488 Fax: (07) 3832 6261 www.rcm.com.au
Directors	Dr. Chris Rawlings (Non-Executive Chairman) Richard Seville (Managing Director) Stephen Bizzell (Finance Director) Rick Anthon (Non-Executive Director)
Secretary	Paul Marshall
Auditors and Independent Accountants	PKF, Chartered Accountants Level 6, 120 Edward Street BRISBANE QLD 4000
Legal Advisers	Hemming & Hart Lawyers Level 2, 307 Queen Street BRISBANE QLD 4000
Share Registry	Douglas Heck & Burrell Level 22, HSBC Bank Building 300 Queen Street BRISBANE QLD 4000
ACN	003 049 714

Investment Highlights

- **Industry experienced board and management**
- **Approved mining tenure and established processing facilities at the Tom's Gully and Quest 29 gold projects in the Northern Territory**
- **Increased cash reserves following a \$1,500,000 placement of Convertible Notes to institutional and sophisticated investors**
- **Gold production and cashflow scheduled in 2003 from dump leaching at Quest 29**
- **Defined feasibility and development steps at Tom's Gully with the potential for 35,000-40,000 ounces gold production per annum from Tom's Gully from mid 2004**
- **Currently over 320,000 ounces of gold resources (in all resource categories) identified with the potential to significantly increase the resource base from existing project areas**
- **Growth strategy based on expansion of the Northern Territory assets and acquisition of further projects for development in 2 to 3 years**
- **Opportunity for shareholders to invest in a high yielding security (minimum 10% per annum interest rate) which also provides exposure to the growth of the Company**

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Dear Shareholder,

It is my pleasure to introduce this Prospectus and invite you to subscribe for the securities being offered and share in the growth of your Company.

Your Company is entering a new phase of growth and development. The Board and management have undertaken a strategic review of the Company's assets and opportunities and have decided to focus initially on gold production from existing Company assets.

Recently the management of your Company raised \$1,500,000 in a Convertible Note placement to institutional and sophisticated investors. The raising was required to increase cash reserves of the Company to enable it to begin to realise value from the Company's gold tenements and assets in the Northern Territory. The Directors now wish to provide the opportunity for existing shareholders to invest in these Convertible Notes on the same terms and conditions as the recent Placement.

The proceeds of the Convertible Notes issued pursuant to this Offer and the recently completed Placement will be used to fund the development of the Quest 29 dump leach gold operation, the Tom's Gully gold mine feasibility study and for working capital purposes.

This Prospectus sets out the key factors that you should consider in determining whether to acquire these securities.

The terms of this Offer present an opportunity for you to earn an attractive rate of interest (minimum 10% per annum) and the ability to share in the upside of your Company's share price through the right to convert each \$1 Convertible Note into 20 Renison Ordinary Shares at 5 cents each.

The Directors intend to participate in this Issue with respect to their entitlements as shareholders of the Company.

I commend this opportunity to you and the board and management of your Company look forward to working to build a profitable, emerging mining house.

Yours sincerely

Chris Rawlings

Chairman

2 INVESTMENT SUMMARY

2.1 Summary Only

This summary is not intended to provide full information on the Convertible Notes offered by this Prospectus. Before deciding to apply for the Convertible Notes you should carefully read this Prospectus in full.

2.2 The Purpose of the Issue

The successful completion of the Issue together with the recent Placement by the Company will:

- Provide funds for the development of the dump leaching at the Quest 29 gold project;
- Provide funds for undertaking a feasibility study into the commencement of underground mining at the Tom's Gully gold mine;
- Provide funds for the repayment of an existing debt facility; and
- Provide the Company with working capital to further develop its activities.

2.3 Offers of Convertible Notes to existing shareholders

The Company proposes to issue up to 1,200,000 Convertible Notes under this Prospectus.

The offer is made to existing shareholders by way of a non renounceable pro rata entitlement issue on the basis of one \$1 Convertible Note for every 200 fully paid Shares held. Partly paid shareholders will receive a proportionate entitlement equivalent to one \$1.00 Convertible Note for every 1,666 Partly Paid Shares held.

The following summarises the key terms of the Convertible Notes:

Issue Price : \$1.00

Conversion Price: Convertible at any time at holders election at 5 cents. (ie each \$1 note converts into 20 Shares).

Redemption : Redemption for full face value on 31 March 2007 (if not earlier converted)

Interest Rate & Yield Enhancer : 10% base interest yield with A\$ gold price linked yield enhancer.

Interest rate increases by 1.0% for each A\$50 an ounce the gold price exceeds A\$550/oz (pro rata) during an interest period.

Interest rate = (10 + Y)% (where Y = (A\$ Gold Price – 550)/50)

A\$ Gold Price is based on the average of the Perth Mint daily A\$ gold price for each interest period

Interest Payments:	Six-monthly payments for periods to March 31 and September 30 each year.
Interest reinvestment option:	Interest payments can be reinvested in the convertible notes at the election of holder at original terms (election can be made for each interest period).

The offer to shareholders is non-renounceable.

In the event that shareholders do not take up their entitlements the Company will be able to offer those Convertible Notes to other shareholders.

The full terms and conditions of the Convertible Notes are set out in Section 8.2 of this Prospectus.

2.4 Company Overview and Strategy

The Company has a significant asset base in the Northern Territory with advanced projects on granted mining tenure at Tom's Gully and Quest 29. In addition the Company has a substantial portfolio of Exploration Licences and Exploration License Applications. Our main focus over the next few years is to maximise the value of these assets.

Tom's Gully

At Tom's Gully the Company has gold resources of 220,000 ounces of gold, a 250,000 tpa CIP treatment plant and associated infrastructure. A scoping study undertaken last year showed the potential for the establishment of an underground mining operation producing 35,000 to 40,000 ounces of gold per annum. Over the next nine months the Company intends to undertake a feasibility study on the development of an underground operation at Tom's Gully, which, if the results warrant, would lead to mine development in mid 2004.

The first stage of the process is to undertake an angled diamond drilling programme and this is scheduled to commence in July. The principal purpose of this programme is to:

- understand the impact of the steeply dipping gold bearing veins / structures on the grade of the resource. It is considered that these veins/structures have not generally been sampled by previous vertical drilling and this is the reason for the over production of gold from the previous open cut mining operations conducted by MIM compared to that now modeled;
- collect samples for metallurgical testwork to determine the metallurgical characteristics of the ore and preferred processing route.

This first stage is expected to cost approximately \$250,000 and will be completed in around four months from commencement. It is anticipated that the grade of the

resource, the metallurgical characteristics and processing route will be sufficiently well determined by this time to allow the final scope of the feasibility study to be defined. If the results from this first stage confirm the economics of the project to be similar to the scoping study it is expected that the second stage of the feasibility study can be completed by the end of March 2004 at a cost of around \$600,000. However, it should be noted that the Company will only commit to this expenditure if the results from the first stage warrant.

Quest 29

To reduce the Company's reliance on further capital raisings whilst progressing Tom's Gully the Company has commenced a dump leach operation at Quest 29. This is scheduled to produce around 4,500 ounces of gold this calendar year. The cashflows from Quest 29 will partly be used to undertake further exploration with the objective of increasing the resource base to allow further leaching to be undertaken over future years and if exploration results justify, at an increased production rate.

Resources

Resources in all categories total over 320,000 ounces of gold as set out below.

	Measured			Indicated			Inferred		
	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au
Tom's Gully									
Underground							900,000	7.0	201,200
Tailings							250,000	2.4	19,300
Quest 29									
Koolpin Formation	485,000	0.9	13,600	225,000	1.0	7,100	105,000	1.3	4,400
Zamu Dolerite							1,050,000	2.3	77,300

* Tonnes rounded to nearest 5,000t and 0.1 g/t Au. Ounces of gold based on calculation pre-rounding and then rounded to nearest 100 ounces.

Exploration

The Company has a significant land holding of Exploration Licences (EL's) and Exploration Licence Applications (ELA's). Although prospective there has been little modern exploration undertaken on this ground in the past. If Tom's Gully can be successfully taken through to production it will be our intention to undertake exploration on these EL's/ELA's to find additional resources that can either provide additional feed to the existing facilities at Tom's Gully and Quest 29 or can be "stand-alone" developments.

Future Projects

As part of a longer term growth strategy the Company will continue to review acquisition opportunities for projects that have the potential to be developed in 2-3 years time.

Further information on the Company's projects is presented in Section 4.

2.5 Use of Proceeds of the Offer

It is proposed that the proceeds of the Offer (assuming fully subscribed) and the recent Placement will be applied in the following manner:

Activity	Proposed Application
Development of Quest 29 dump leach operations	\$300,000
Tom's Gully feasibility study including drilling, metallurgical testwork and engineering studies	\$845,000
Quest 29 Exploration	\$300,000
Repayment of existing facility	\$300,000
Costs of the Issue and the Placement	\$100,000
General Working Capital Purposes	\$855,000
Total	\$2,700,000

Notes:

If the Issue is subscribed for less than \$1,200,000, then:

- (i) the Company will scale down its exploration activities at Quest 29 having regard to the amount actually subscribed;
- (ii) there may be a corresponding decrease in general working capital available.

2.6 Repayment of Principal

At maturity, the repayment of any unconverted Convertible Notes will be funded from either cashflows generated by the Company's mining operations, the issue of additional equity, debt financing or other appropriate means determined by the Directors at that time.

2.7 Risks

Prospective investors in the Company should be aware that an investment in the Convertible Notes contains inherent risks. The Directors consider that the risks in investing in the Company are significant and potential investors should consider this whilst reading the Prospectus. The key risk factors of which investors should be aware are described in Section 7.

Investors are urged to consider these risks carefully before deciding whether to invest in the Company, and to consult their advisor before making this investment decision.

3 THE OFFER

3.1 Description of the Pro-rata Offers

In this Prospectus, the Company is undertaking a non-renounceable pro-rata issue of one Convertible Note at an issue price of \$1 for every 200 Shares held by a shareholder at the Record Date. Partly Paid shareholders will receive a proportionate entitlement equivalent to one \$1 Convertible Note for every 1,666 Partly Paid shares held.

All Application Amounts are payable in full on application.

3.2 Application for additional Convertible Notes

In the event of any shortfall in the Issue, the Company is also offering to shareholders the opportunity to apply for additional Convertible Notes in excess of their entitlement. Preference in the allocation of any shortfall will be given to small holders (entitlement less than \$1,000) to increase their application for Convertible Notes up to a minimum of \$1,000 (1,000 Convertible Notes).

3.3 Indicative Timetable

- | | |
|--|-------------------|
| • Prospectus lodged with ASIC | 25 June 2003 |
| • Record Date for determining entitlements | 4 July 2003 |
| • Opening Date | 9 July 2003 |
| • Closing Date | 4 August 2003 |
| • Anticipated date of Quotation of Convertible Notes on a deferred Settlement Basis on the ASX | 5 August 2003 |
| • Record Date for first interest payment | 30 September 2003 |
| • Payment Date for first interest payment | 7 October 2003 |
| • Maturity Date of the Convertible Notes | 31 March 2007 |

These dates are indicative only and the Company reserves the right to change the above dates in accordance with the provisions of the Corporations Act and the ASX Listing Rules.

3.4 Offer Period

Applications may be lodged at any time after the date of lodgement of this Prospectus with the ASIC. However, applications cannot be accepted by the Company until expiry of the Exposure Period (anticipated to be 7 days after the date of the lodgement of the Prospectus with the ASIC) and any application lodged in this period will not be given any priority or preferential treatment by the Company.

The Closing Date for Applications is 4 August 2003 at 5.00 pm Brisbane time.

The Company reserves the right to vary the dates and times of the Offer, including the Closing Date, without prior notice.

Applications will not be accepted prior to the expiry of the Exposure Period.

Applicants are encouraged to lodge their Application Forms as soon as possible after the Offer opens.

3.5 How to Apply

Pro-Rata Offer to existing shareholders

Existing shareholders of the Company, who are listed on the Company's share register on 4 July 2003 will have the opportunity to apply for some or all of their entitlement as set out in the enclosed Entitlement and Application Form.

Applications must be made on the Application Form which is enclosed with the Prospectus and made available to the existing and otherwise eligible shareholders.

Additional Offer to existing shareholders

Shareholders can apply for additional Convertible Notes in excess of their entitlement by completing the applicable section on the Application Form.

To participate in the Offers you must either:

- (a) complete the relevant Entitlement and Application Form enclosed with this Prospectus in accordance with the instructions set out on the back of those forms; or
- (b) print and complete the Application Forms that can be found included in the online Prospectus on the Internet at www.rcm.com.au in accordance with the instructions found on that website.

An original, completed and lodged Application Form, together with a cheque for the application monies, constitutes a binding and irrevocable offer to subscribe for the number of Convertible Notes specified in the Application Form. The Application Form does not need to be signed to be a valid application. An application will be deemed to have been accepted by the Company upon allotment of the Convertible Notes.

If the Application Form is not completed correctly, or if the accompanying payment of the application monies is for the wrong amount, it may still be treated as valid. The Directors' decision as to whether to treat the application as valid and how to construe, amend or complete the Application Form is final. However, an Applicant will not be treated as having applied for more Convertible Notes than is indicated by the amount of the cheque for the application monies.

Other than under the Entitlement offer an Application for Convertible Notes must be for a minimum of 1,000 Convertible Notes (being minimum application monies of \$1,000), and thereafter in multiples of 500 Convertible Notes (being \$500).

The Application Form must be accompanied by a cheque, denominated in Australian dollars, for the full amount of your application monies. Cheques must be made payable to “Renison Consolidated Mines NL” and should be crossed “Not Negotiable”.

No stamp duty is payable by Applicants in respect of applications for Convertible Notes under this Prospectus. The Company will pay a handling fee of 2% to brokers on broker stamped applications received by the Company.

3.6 Acceptance of Applications

The Company reserves the right not to accept any Application for additional Convertible Notes in excess of the entitlement and to allocate to any Applicant for additional Convertible Notes fewer Convertible Notes than the number applied for.

In the event an Application is rejected or not accepted in full, the relevant portion of the application monies will be returned to Applicants without interest.

Successful Applicants will be forwarded notification of their allocation as soon as practicable after allocation has taken place.

All application monies will be deposited into a separate bank account of the Company and held in trust for Applicants until the Convertible Notes are issued or application monies returned.

The Directors may at any time decide to withdraw this Prospectus and the Offer made under this Prospectus in which case the Company will return all application monies within 28 days of giving notice of such withdrawal.

3.7 ASX listing

The Company will apply within 7 days of the date of this Prospectus for official quotation of the Convertible Notes.

If permission for official quotation of the Convertible Notes is not granted within 3 months after the date of this Prospectus all Application Amounts will be returned as soon as practicable without interest.

3.8 Chess

The Company participates in the Clearing House Electronic Subregister System (CHESS). Instead of share certificates successful applicants will receive a statement of their holdings in the Company in lieu of certificates that will set out the number of securities allotted to each successful applicant under the Prospectus, give details of the holder HIN and give the PIN of the sponsor.

If you are registered on the issuer sponsored subregister, your statement will be dispatched to you by the share registry and will contain the number of securities allotted under the Prospectus and the Shareholder's security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent out to holders at the end of a calendar month during which the balance of their holding changes. A holder

may request a statement at any other time, however, an administrative charge may be made for additional statements.

3.9 Overseas Investors

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of the Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the applicable securities laws.

4 COMPANY ACTIVITIES

4.1 Tom's Gully Gold Mine

Location and Access

Tom's Gully lies 90 kilometers south-east of Darwin and can be reached via the sealed Arnhem Highway between Darwin and Jabiru. A 1.5 kilometre gravel road leads from the turn-off to Tom's Gully. Access is generally available year round via this route except in extremely heavy rain when the Arnhem Highway may be briefly flooded.

The mine infrastructure comprises a 250,000 tpa CIP processing plant, crushing circuit, workshops, tailings dams and associated infrastructure.

History

The deposit was discovered in 1986 by Mount Isa Mines Limited ("MIM", through wholly owned subsidiary Carpentaria Exploration Company Pty Ltd). The discovery was made as a result of a bulk leach extractable gold ("BLEG") stream sediment survey. Production commenced in 1988 and ceased in 1991 after producing approximately 75,000 oz gold from 356,651 tonnes at 9.23g/t Au.

MIM was not successful in locating other economic orebodies suitable for open cut mining on the Tom's Gully mine lease but intended to continue production from underground once the open pit reached final depth. An exploration decline was developed from the eastern end of the open cut. Development was hampered by poor ground conditions in a wide clayey fault, the Crabb Fault, and the decline was stopped at approximately 465 metres from the portal in late 1990. The end of the decline is reported to be approximately 5 metres from the ore zone. MIM decided not to continue with underground development as it did not meet its internal technical and financial parameters. The moveable items of the treatment plant were moved to the high grade Tick Hill deposit which was being developed by MIM. The majority of the current treatment plant was built by the Company in 1995 to retreat the tailings left from MIM's operation. The crushing circuit was added in 1999 to allow treatment of higher grade oxide ore from Quest 29.

Regional Geology

The Quest 29 and Tom's Gully project area is located within the Early Proterozoic Pine Creek Geosyncline which historically has produced over 4,100,000 ounces of gold.

The project area is dominated by the South Alligator Group which is unconformably underlain by the Mount Partridge Group and similarly overlain by the Burrell Creek Formation. Tertiary and Quaternary gravel and soils overlie all the lower lying portions of the tenement areas generally referred to as "Black Soil Regions".

Local Setting

The Tom's Gully deposit is hosted by the Wildman Siltstone, the upper most member of the Mount Partridge Group. The intrusive Mount Goyder Syenite outcrops to the east of the open pit and is exposed in the decline. The sediments are folded with fold axes striking roughly north-south and having variable plunges.

Gold mineralisation at Tom's Gully principally occurs within the eastern part of a solitary quartz-pyrite-arsenopyrite reef. The reef is 800 metres long at surface and extends down dip for at least

1,500 metres. It strikes east-west and dips to the south at about 30 degrees at surface and gradually flattens to sub-horizontal. Only the eastern half of the reef is mineralised at surface and the mineralized shoot pitches to the south-west parallel to the fold axis in the enveloping sediments. The ore reef pinches and swells gently between 0.5 and 4 metres in the mine area. Gold also occurs in the enveloping sheared and brecciated wall rocks. The ore zone averages around 2 metres in thickness.

In the primary zone pyrite and arsenopyrite are the main sulphide minerals in the reef. These occur in the ratio of 2:1 to 5:1 and together make up 10% to 40% of the ore. Gold occurs generally as a microscopic blebs of electrum closely associated with the arsenopyrite and pyrite in the mineralized section of the reef. Minor gold mineralisation also occurs in pale altered tuff layers, a few metres into the hanging wall of the reef. Minor base metal and gold mineralisation also occurs in the Crabb Fault zone.

Drilling and Resources

A total of 223 percussion holes totalling 13,300 metres and 125 diamond drill holes totaling 19,703 metres have been drilled into the Tom's Gully lode. 95% of the holes were drilled by MIM of which around 30% relate to area already mined. The vast majority of these holes were drilled vertically to intersect the shallow dipping reef at a high angle. In 2001, the data from this drilling was entered into a modern digital database and early in 2002, the resource was modeled using computer based techniques employing ordinary krigging by external consultants. A JORC compliant Inferred Resource of 900,000 tonnes at 7.0 g/t Au was calculated. Previous resources calculated by MIM were 1,170,000t @ 9.75 g/t Au using the polygonal method.

The Company's modeling of the open cut ore mined by MIM, using ordinary krigging, showed that MIM had produced 32% more gold than the model predicted and at a 36% increased grade as illustrated in the following table.

	<i>TONNES</i>	<i>GRADE (g/t)</i>	<i>OUNCES GOLD</i>
Modeled	366,690	6.8g/t	80,073
Mined*	356,651	9.23g/t	105,712
Difference	-10,039	+2.43g/t	+ 25,639
%	-2.7%	+36%	+32%

(* MIM Open Cut Mining)

The implication is that the gold content of the Inferred Resource stated above may be underestimated. A review of the Tom's Gully production records showed during the first 12 months of operating MIM had also recognized a reconciliation issue between pre-mining reserve and production.

Variography undertaken on the open cut's grade control samples and subsequent mapping and sampling of the footwall has shown that the discrepancy may be due to additional gold mineralisation occurring in steeply dipping veins/fractures striking at 205° which typically do not

get sampled by the vertical exploration drill holes. Sampling of these fractures in the footwall gave grades of 0.1 g/t to 12.5 g/t Au with a channel sample of 37 metres at 0.45g/t Au

The Inferred Resource has been calculated over a portion of the area where mineralisation has been intersected by exploration drilling. There is potential for the resources to be increased substantially with further exploration within the existing known reef structure.

In addition to the in-situ resource there is also an inferred resource of 250,000 tonnes at 2.4 g/t Au (19,300 ounces of contained gold) as tailings. The Company will investigate the potential of processing the these tailings in conjunction with underground production from Tom's Gully.

2002 Scoping Study

Following completion of the resource estimation, a scoping study on the development of an underground mining operation at Tom's Gully was undertaken by the Company in 2002.

The following conclusions were made:

- Underground access can be achieved either by new access from the highwall of the open pit or by rehabilitating and using the existing decline. With either option, the majority of development to reach production will be in mineralisation.
- A simple mining method involving driving and stripping in retreat is considered feasible. However mining dilution can be expected due to the limited height of the reef system compared to equipment requirements.
- A recovery of 85% was envisaged based on the gold recoveries from the open cut ore and preliminary metallurgical testwork. Modifications to the existing plant was scoped to allow the production of a sulphide concentrate for fine grinding and leaching.
- Allowing for a 25% increase in resource grade (to include additional gold in the steeply dipping veins /structures) and dilution at zero grade a diluted head grade of 6.4g/t Au was estimated. With a production rate of 207,000 tpa approximately 35,000 to 40,000 ounces of gold per annum would be produced.
- Due to the level of existing infrastructure the capital expenditure requirements to develop the mine and modify the current processing plant are low.
- There is potential for increased resources within the Tom's Gully Lode, which, if exploration is successful, could provide sufficient resources to support a long term operation.

Tom's Gully Feasibility Study

Based on the encouraging results of the scoping study the Company has developed a two stage plan for the undertaking of a feasibility study on the development of an underground mine at Tom's Gully.

The first stage is an angled diamond drilling programme with holes designed to intersect both the lode and the steeply dipping 205 degree veins/structures. This will allow the impact of these structures on the grade of the resource to be quantified with greater confidence. It will also allow sample for metallurgical testwork to be collected to determine the ore's metallurgical

characteristics and preferred processing route. The first stage will cost approximately \$250,000 and take about 4 months from commencement.

Assuming that the results to this stage confirm the economics of the project to be similar to the scoping study, the final scope of the feasibility study can be defined. This second stage is expected to cost around \$600,000 with completion expected prior to the end of March 2004. However, this stage will only be undertaken if justified by the results from the first stage

4.2 Quest 29

History

Quest 29 is located approximately 16 kms from Tom's Gully. The Quest 29 mineralised trend has been the subject of a number of exploration campaigns since the mid 1970's. In all a total of 590 RAB, 522 reverse circulation and 18 diamond drill holes have been drilled within the Quest 29 area.

In 1999 open cut mining operations commenced and produced 6,758 ounces of gold in two campaigns. Approximately 350,000 tonnes of low grade ore was treated by dump leaching and approximately 50,000 tonnes of higher grade ore was treated at Tom's Gully CIP plant.

Geology

The Quest 29 project area is underlain by folded and sheared sediments of the Koolpin Formation (South Alligator Group) and dykes of intrusive Zamu Dolerite. Two main gold bearing trends have been identified at Quest 29 along meridional shear structures within the Koolpin Formation and Zamu Dolerite.

In the Koolpin Formation the gold is hosted by weakly sulphidic carbonaceous siltstone sequences with minor quantities of thin quartz veining. The dominant mineralised shear direction is north-northeast (ie. parallel to fold axes) with a steep westerly dip.

Gold within the Zamu Dolerite is hosted by sulphidic shears within the dolerite and along the western contact between the dolerite and host sediments. Mineralisation within the dolerite has a similar orientation to that within the sediments.

Resources

A summary of resources for the Quest 29 project are shown in the table below.

Description	Measured			Indicated			Inferred		
	Tonnes	Grade Au	g/t Ounces Au	Tonnes	Grade Au	g/t Ounces Au	Tonnes	Grade Au	g/t Ounces Au
Koolpin Formation	485,000	0.9	13,600	225,000	1.0	7,100	105,000	1.3	4,400
Zamu Dolerite							1,050,000	2.3	77,300
TOTAL RESOURCES	485,000	0.9	13,600	225,000	1.0	7,100	1,150,000	2.2	81,700

* Tonnes rounded to nearest 5,000t and 0.1 g/t Au. Ounces of gold based on calculation pre-rounding and then rounded to nearest 100 ounces.

The mineralisation within the Koolpin Formation has the potential to be treated by dump or heap leaching. The amount that can be ultimately, however, will depend on production grade, strip ratio and metallurgical performance. The majority of resources in the Zamu Dolerite are associated with sulphide minerals and this material is not considered treatable by conventional methods such as dump or heap leaching. However, consideration will be given to the potential treatment of this style of mineralisation through a modified circuit at Tom's Gully in conjunction with underground production.

2003 Stage 3 Dump Leach

Approximately 200,000 tonnes of oxide ore are scheduled to be mined from 2 pits within the Koolpin Formation resources at a waste:ore stripping ratio of 0.6:1.0. The authorisation to undertake mining activities at Quest 29 has been received from the Northern Territory government and pad preparation, clearing and drilling and blasting has commenced. Final contractual arrangements are currently being concluded with the mining contractor and mining of ore is scheduled to commence in early July.

An overall recovery of 60% is expected from the leaching operation based on the performance of the earlier dump when similar materials were being stacked and leached. Approximately 4,500 ounces of gold is scheduled to be produced this calendar year.

4.3 Exploration Potential

The Company has approximately 26 square kilometres of granted mining tenements, a further 271 square kilometres of granted exploration licences and approximately 597 square kilometres under application in the Tom's Gully – Quest 29 region.

The underground potential of Tom's Gully has long been recognised but has yet to be exploited. The recent detailed reef modeling and geostatistical analysis work carried out by the Company has confirmed the potential of Tom's Gully to host a significantly larger gold resource than currently estimated. The identification of additional southwest oriented echelon mineralised shoots down dip from the open cut requires further exploration to confirm the grade and extent of this mineralisation.

There is also considerable exploration potential within the granted tenements around Quest 29. The mineralisation within the Quest 29 and Quest 30 region occurs within three distinct structurally extensive zones over a strike length of greater than 4 kilometres. In the western and eastern zones mineralisation is sediment hosted whilst in the central zone it is dolerite hosted. Exploration has been most intense on the western zone with 4 deposits mined, or to be mined this year. As mining occurs the geology and mineralisation controls are better understood with direct applications to locating additional resources elsewhere.

Even though exploration on the western zones has been quite intensive, significant areas remain where there are ore grade drill hole intersections but where there has been only limited follow-up. (eg. 12 metres at 1.35g/t Au in QR155 and 11 metres at 1.54g/t Au in QR156 at Taipan Southeast). In addition several surface geochemical anomalies within these structural corridors have not been drill tested. The central and eastern zones have been less well explored. The objective is to increase the resource base to allow further leaching to be undertaken over future years and if exploration results justify, at an increased rate.

The NT Government has been progressively awarding the Company a series of new Exploration Licences which overlie a significant northwest trending series of combined magnetic and structural exploration targets. The linear magnetic features are interpreted to be dolerite dykes that have been offset at irregular intervals by cross cutting dilational structures. These targets have the potential to host mineralisation similar to that delineated within the Company's Zamu prospect (Inferred Resource of 1 million tonnes at 2.3 g/t Au). Gold mineralisation in narrow quartz veins has been located near these structure trends reinforcing and enhancing the prospectivity potential.

The new exploration licence areas have been largely ignored by explorers over the last 30 years due to the extensive "black soil plains" cover that dominates the area. The Company intends to explore these areas using recently developed geochemical techniques which have the ability to test sample areas with thick alluvial cover.

4.4 Mining Tenure

APPN/TITLE NO.	HOLDER/ APPLICANT	APPN/GRANT DATE	EXPIRY DATE	AREA
Mining Lease (ML) N1058*	RENISON (100%)	03/08/1989	02/08/2014	681.80 HA
MLsN281 TO N284*	RENISON (100%)	29/09/1973	31/12/2003	61.28 HA
ML N337 TO N339*	RENISON (100%)	28/03/1976	31/12/2006	46.00 HA
ML N369 TO N373*	RENISON (100%)	28/07/1977	31/12/2007	79.00 HA
Mining Claims (MC) N68 TO N81, N84 TO N91*	RENISON (100%)	20/07/1984	31/12/2003	440.00 HA
MCs N82 & N83*	RENISON (100%)	28/11/1990	31/12/2003	31.24 HA
MCs N3333 TO N3339*	RENISON (100%)	09/10/1989	31/12/2003-31/12/2008 (3337 only)	235.60 HA
Mining Claim Application (MCA) N5229	RENISON (100%)	28/08/1998	N/A	40.00 HA
Exploration License (EL) 10368	RENISON (100%)	17/06/2002	16/06/2008	8 BLOCKS

EL 23172	RENISON (100%)	06/05/2003	05/05/2009	65 BLOCKS
EL 23173	RENISON (100%)	04/03/2003	03/03/2009	6 BLOCKS
ELA 10382	RENISON (100%)	04/05/1999	-	49 BLOCKS
ELA 22206	RENISON (100%)	28/09/1999	-	2 BLOCKS
ELA 22232	RENISON (100%)	21/10/1999	-	4 BLOCKS
ELA 22386	RENISON (100%)	24/01/2000	-	22 BLOCKS
ELA 23174	RENISON (100%)	21/10/1999	-	21 BLOCKS
ELA 23177	RENISON (100%)	24/01/2000	-	46 BLOCKS
ELA 23178	RENISON (100%)	25/05/2001	-	59 BLOCKS

NOTES

1. Tenure marked * has no Native Title implications attached to its' grant.
2. All other titles and applications that fall over Native Title affected land i.e. land other than Northern Territory freehold, have been advertised under the provisions of the Commonwealth Native Title Act. For Exploration Licence Applications this process has been under the expedited procedure provisions.
3. Exploration Licences granted over Native Title affected land include standard conditions relating to Native Title matters which deal with exploration and any subsequent mining activity.
4. Exploration Licences are applied for and granted on a Graticular Block system with a single block being a minute of latitude by a minute of longitude. The area of a single whole block is approximately 3.2 square kilometres.
5. All rental payments and reporting requirements on the granted tenure are up to date.

Dr. Christopher Rawlings, aged 52 (Non- Executive Chairman)

BSc (Hons), Ph.D, FAusIMM, FIEngAust, FAICD

Chris has over 25 years experience in the mining industry. Until late 2000, he was Managing Director of one of Australia's leading mining companies, QCT Resources Ltd, a position he held from 1994 until the \$900 million takeover of QCT Resources by BHP and Mitsubishi. Chris is currently a non executive director of Gympie Gold Ltd, , UniQuest Ltd, JK Technology Pty Ltd and Magnetica Ltd and acting Chief Executive Officer of Australian Magnesium Corporation Ltd. He has previously held board positions with numerous industry bodies including President of the Queensland Mining Council, Chairman of the Australian Coal Association, Director of the World Coal Institute, and Chairman of the Advisory Board and Adjunct Professor, Department of Mining, Minerals and Mineral Processing at the University of Queensland.

Richard Seville, aged 43 (Managing Director)

BSc(Hons) MEngSc MAusIMM ARSM MAICD

Richard is a mining geologist and rock mechanics engineer with 20 years experience in the Mining Industry. Richard graduated in Mining Geology from the Royal School of Mines, Imperial College, UK in 1982 and holds a Masters degree in Rock Engineering from James Cook University, Northern Queensland. From 1994 until 2000, Richard was Executive Director – Operations of Murchison United NL. As Executive Director – Operations for Murchison he was responsible for the development of, and operations at, the Mount Cuthbert heap leach SX-EW Copper Mine in NW Queensland and operations at the Renison Bell Tin Mine, purchased from RGC Ltd in 1998, as well as the Company's exploration and development projects in Australia, Africa and Indonesia.

Outside his experience with Murchison United, Richard has been involved in gold and base metals operations in WA and with MIM and was Project Manager for the Burton Coal Project with Diversified Mineral Resources prior to its sale to Portman Mining Ltd.

Stephen Bizzell, aged 35 (Finance Director)

B.Com, ACA, MAICD, SIA(AFF)

Stephen holds a Bachelor of Commerce degree from the University of Queensland and is a Chartered Accountant. Formerly employed in the Corporate Finance division of Ernst & Young and at Coopers & Lybrand, Stephen has had considerable experience and success in the fields of corporate restructuring, equity financing and mergers and acquisitions and has obtained public company management experience both in Australia and Canada. Stephen has been a director of the Company since 1996 and is also a Director of ASX listed Arrow Energy NL, Sirocco Technologies Group Ltd and a former director of Toronto Stock Exchange listed Scorpion Minerals Inc.

Rick Anthon, aged 44 (Non-Executive Director)

BA, LLB, MAICD

Rick is the managing partner of Hemming and Hart Lawyers, a commercial and property focused CBD law firm in Brisbane. Rick has practised extensively in the corporate and mining law area for more than 15 years including having worked in-house for listed mining companies. He has acted as company secretary for listed companies and has been a director of a number of listed companies including Renison since 1996. He regularly advises on a range of corporate and mining related matters including venture capital raising, public listings, mergers and acquisitions, titles and tenure, native title issues, project finance, construction and development.

Paul Marshall, aged 41 (Financial Controller and Company Secretary)

LLB, Grad Dip Acc & Fin, CA

Paul is a Chartered Accountant. He holds a Bachelor of Laws degree from Liverpool University, England, a post Graduate Diploma in Accounting and Finance from the London School of Economics, England and is a member of the Institute of Chartered Accountants in England and Wales. He has more than 15 years experience in the accountancy profession both in England and Australia, mainly with the accountancy firm Ernst and Young, and subsequently over eight years spent in commercial roles gaining extensive experience in all aspects of company reporting and business acquisition and disposal due diligence. Mr Marshall is also the Company Secretary of ASX listed Arrow Energy NL.

Chris Creagh, aged 44 (Exploration and Development Manager)

BSc (Hons) Class 1, MAusIMM

Chris has over 15 years experience in the mining industry. In that period he has managed projects throughout Australia and Southeast Asia from grassroots exploration through to feasibility studies in base metals, gold and coal.

Mr Creagh previously held the positions of Exploration Manager and Project Manager for Murchison United NL. Chris also has significant expertise in Aboriginal liaison and was instrumental in reaching agreement with the Kalkadoon people for the Mt Cuthbert ILUA. As Project Manager for Murchison United he was responsible for the “RENTAILS” tailings re-treatment and downstream processing project, the Huon cemented aggregate backfill project and exploration at the Renison Bell Tin Mine. Previously he has worked in the Northern Territory (Shell/Acacia) including in the Pine Creek Geosyncline region. Prior to entering the mining industry Mr Creagh completed nine years of service with the RAAF, serving in a technical capacity within Australia and Southeast Asia.

6 FINANCIAL INFORMATION

6.1 Introduction

This section contains a summary of the Financial Information which should be read together with the assumptions underlying its preparation as set out in this section of the Prospectus, PKF's Investigating Accountant's Report in this section, the risk factors in section 10 and other information contained in this Prospectus.

6.2 Securities Issued

The table below sets out the Company's securities issued on completion of the Offers:

Security	Number
Shares	221,444,930
Partly Paid Shares	152,500,000
Directors Options*	18,000,000
Convertible Notes Issued pursuant to the Placement*	1,500,000
Convertible Notes to be issued pursuant to this Issue	1,200,000
Additional Shares that would be issued upon conversion of Convertible Notes issued pursuant to the Placement and the Issue	54,000,000

*18,000,000 options convertible into Shares have been issued to Mr Seville (12,000,000) and Mr Bizzell (6,000,000), directors of the Company. The options have an exercise price of 12.5 cents each (as to 6,000,000), 15 cents each (as to 6,000,000), and 17.5 cents each (as to 6,000,000) and are exercisable on or before 30 June 2007.

*Mr Bizzell, a director of the Company, has subscribed for 161,000 Convertible Notes pursuant to the Placement. The allotment of these Convertible Notes is conditional upon the obtaining of shareholder approval at a general meeting of the Company (see section 8.6).

6.3 Independent Accountants Report

PKF

Chartered Accountants
& Business Advisers

A Brisbane Partnership

Level 6
120 Edward Street
Brisbane Qld 4000
GPO Box 1078
Brisbane Qld 4001

Tel: (07) 3226 3555
Fax: (07) 3226 3500
Audit Fax: (07) 3226 3599

www.pkf.com.au

24 June 2003

The Directors
Renison Consolidated Mines NL
PO Box 7066
Riverside Centre
BRISBANE QLD 4001

Dear Directors

INDEPENDENT ACCOUNTANT'S REPORT ON REVIEWED HISTORICAL FINANCIAL INFORMATION

We have prepared this Independent Accountant's Report (report) on historical financial information of Renison Consolidated Mines NL and controlled entities (the Company) for inclusion in a prospectus dated on or about 25 June 2003 relating to the issue of convertible notes in the company by way of pro-rata rights issue to existing shareholders.

Expressions defined in the prospectus have the same meaning in this report.

Background

Renison Consolidated Mines NL is an exploration and development company listed on the Australian Stock Exchange. Renison is seeking to raise funds through convertible notes by way of rights issue to existing shareholders in order to undertake activities at Tom's Gully and Quest 29. These activities are outlined in sections 2.4 and 4 to 4.3 of the prospectus.

Scope

You have requested PKF Chartered Accountant and Business Advisers, a Brisbane partnership (PKF), to prepare a report covering the following information:

- a) the historical statement of financial position as at 30 April 2003 set out in Section 6 of the prospectus
- b) and the pro forma statement of financial position as at 30 April 2003, which assumes completion of the contemplated transactions disclosed in Section 6 of the prospectus (the pro forma transactions).

Review of Pro Forma Historical Financial Information

The Directors of Renison Consolidated Mines NL are responsible for the preparation of the historical financial information, including determination of the adjustments.

We have conducted our review of the historical financial information in accordance with the Australian Auditing and Assurance Standard AUS 902 "Review of Financial Reports". We made

such inquiries and performed such procedures as we, in our professional judgement, considered reasonable in the circumstances including:

- analytical procedures on the financial performance of the Company for the relevant historical period;
- a review of work papers, accounting records and other documents;
- a review of the assumptions used to compile the pro forma statement of financial position
- a review of the adjustments made to the pro forma historical financial information;
- a comparison of consistency in application of the recognition and measurement principles in Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by the Company disclosed in Section 6 of the prospectus; and
- enquiry of Directors, management and others.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Conclusion

Review Statement on Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that:

- the pro forma statement of financial position as set out in Section 6 of the prospectus has not been properly prepared on the basis of pro forma transactions;
- the historical information, as set out in Section 6 of the prospectus does not present fairly:
 - a) the historical statement of financial position of the Company as at 30 April 2003in accordance with the recognition and measurement principles prescribed in Accounting Standards and other mandatory professional reporting requirements, and accounting policies adopted by the Company disclosed in Section 6 of the prospectus.

Subsequent events

Apart from the matters dealt with in this report, and having regard to the scope of our report, to the best of our knowledge and belief no material transactions or events outside of the ordinary business of the Company have come to our attention that would require comment on, or adjustment to, the information referred to in our report or that would cause such information to be misleading or deceptive.

Independence or Disclosure of Interest

PKF does not have any interest in the outcome of this issue other than the fact PKF will continue as auditor of Renison Consolidated Mines NL for which normal professional fees will be received.

Yours faithfully,
PKF

A handwritten signature in black ink, appearing to read 'J. Frayne', written over a horizontal line.

JIM FRAYNE
PARTNER - AUDIT

6.3 Proforma Statement of Financial Position

The Proforma Statement of Financial Position as at 30 April 2003 has been prepared as if the Convertible Notes pursuant to the Offer have been issued.

	Consolidated	
	Statement of Financial Position	
	30 April 2003	Post Fund Raising Proforma
	\$	\$
Current Assets		
Cash Assets	2,332	2,602,332
Receivables	42,408	42,408
Other Financial Assets	198,878	198,878
Other	44,484	44,484
Total Current Assets	288,102	2,888,102
Non-Current Assets		
Receivables	270,035	270,035
Property, Plant & Equipment	5,475,139	5,475,139
Exploration and Development	2,178,352	2,178,352
Other – Borrowing Costs	-	100,000
Total Non-Current Assets	7,923,526	8,023,526
Total Assets	8,211,628	10,911,628

Current Liabilities

Payables	683,467	683,467
Interest Bearing Liabilities	408,888	408,888
Provisions	13,978	13,978
Total Current Liabilities	1,106,333	1,106,333

Non-Current Liabilities

Interest Bearing Liabilities	-	2,700,000
Provisions	400,000	400,000
Total Non-Current Liabilities	400,000	3,100,000

Total Liabilities	1,506,333	4,206,333
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Net Assets	6,705,295	6,705,295
-------------------	------------------	------------------

Equity

Parent Entity Interest		
Contributed Equity	27,521,477	27,521,477
Accumulated Losses	(20,816,182)	(20,816,182)
Total Equity	6,705,295	6,705,295

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial report is a general-purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001 which includes applicable Accounting Standards. Other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) have also been complied with. The financial report has been prepared in accordance with the historical cost convention.

Principles of consolidation

The consolidated accounts are those of the consolidated entity, comprising Renison Consolidated Mines NL (the parent entity) and all entities which Renison Consolidated Mines NL controlled from time to time during the period and at 30 April 2003.

Information from the financial statements of subsidiaries is included from the date the parent company obtains control until such time as the control ceases. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent company has control.

Subsidiary acquisitions are accounted for using the purchase method of accounting. The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full.

Cash

Cash on hand and in banks and short-term deposits are stated at the lower of cost and net realisable value.

Trade and Other Receivables

Trade and other receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred. Receivables from related parties are recognised and carried at the nominal amount due. Interest is taken up as income on an accrual basis.

Investments

Investments in associates are carried at the lower of the equity-accounted amount and recoverable amount in the financial report. All other non-current investments are carried at the lower of cost and recoverable amount.

Investments are brought to account at cost. The carrying amount of investments is reviewed periodically by directors to ensure they are not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the shares' current market value or other factors such as the underlying net assets in the particular entities.

Recoverable Amount

Non-current assets are not carried at an amount above their recoverable amount, and where carrying values exceed this recoverable amount assets are written down. In determining recoverable amount the expected net cash flows have not been discounted to their present value.

Property, Plant and Equipment

All property, plant and equipment is measured at cost less accumulated depreciation, where depreciation is calculated on a straight line basis over the estimated useful lives for the period the assets are put to productive use.

Major depreciation periods are

- | | |
|------------------------------|-----------|
| - Mine Site Buildings | 7-8 years |
| - Mining infrastructure | 7-8 years |
| - Mining plant and equipment | 7-8 years |

- Motor vehicles 5-6 years
- Office and computer equipment 3-8 years

Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis.

Finance leases

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the group are capitalised at the present value of the minimum lease payments. A lease liability of equal value is also recognised.

Borrowing Costs

Borrowing costs are capitalized and amortised on a straight line basis over the period of the loans to which they relate.

Exploration, evaluation, development and restoration costs

Costs Carried Forward

Costs arising from exploration and evaluation activities are carried forward provided such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. Costs carried forward in respect of an area of interest that is abandoned are written off in the year in which the decision to abandon is made.

Amortisation

Costs on productive areas are amortised over the life of the area of interest to which such costs relate.

Restoration Costs

Restoration costs that are expected to be incurred are provided for as part of the cost of the exploration, evaluation, development, construction and production phases that give rise to the need for restoration. Accordingly, these costs are recognised gradually over the life of the facility as these phases occur. The costs include obligations relating to reclamation, waste site closure, plant closure, platform removal and other costs associated with the restoration of the site. These estimates are current costs and have not been discounted to their present value. Any changes in the estimates are adjusted on a retrospective basis.

Payables

Liabilities for trade creditors and other services and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis. Trade account payables are usually settled on a 30 day basis.

Interest Bearing Liabilities

All borrowings are measured at the principal amount. Interest is charged as an expense as it accrues.

Contributed Equity

Ordinary share capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and revenue can be reliably measured. The following specific criteria must be met before revenue is recognised:

Sale of minerals: Revenue from the sale of minerals is accrued upon confirmation from the mint of the quantity of gold and silver refined at the mint.

Interest: Revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Taxes

Income taxes

Tax-effect accounting is applied using the liability method whereby income tax is regarded as an expense and is calculated on the accounting profit after allowing for permanent differences. To the extent timing differences occur between the time items are recognised in the financial statements and when items are taken into account in determining taxable income, the net related taxation benefit or liability, calculated at current rates, is disclosed as a future income tax benefit or a provision for deferred income tax. The net future income tax benefit relating to tax losses and timing differences is not carried forward as an asset unless the benefit is virtually certain of being realised.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense of the item. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Employee Entitlements

Liabilities for employee entitlements to annual leave and other current employee entitlements are accrued at nominal amounts calculated on the basis of current wage and salary rates. Liabilities for other entitlements, which are not expected to be paid or settled within twelve months of reporting date are accrued in respect of all employees at the present values of the future amounts expected to be paid. Employee entitlements expenses and revenues arising in respect of wages and salaries, annual leave, sick leave and other types of employee entitlements are charged against profits on a net basis in their respective categories.

Assumptions in relation to the proforma Statement of Financial Position

The following transactions have been assumed in relation to the proforma Statement of Financial Position:

The Company has raised a total of \$2,700,000 by the issue of Convertible Notes with \$1,500,000 having been raised by means of an excluded offer subsequent to 30 April 2003 and \$1,200,000 raised in accordance with this prospectus. Costs of \$100,000 have been incurred in relation to both raisings noted above. Because of the terms of issue, the Convertible Notes have been recognised as interest bearing liabilities in accordance with Australian Accounting Standards.

7 RISK FACTORS

7.1 Introduction

An investment in the Company involves a number of risk factors which are specific to the Company and the industry in which the Company operates.

The Company is also exposed to general market risks associated with any ASX listed investment. Before investing in the Company, the Directors believe that prospective investors should consider carefully the following risk factors in conjunction with other information contained in this Prospectus.

This section describes the areas the Company regards as potential risks associated with an investment in the Company. These risk factors may impact upon the future performance of the Company and while some of these risks may be mitigated through the use of contingency plans and safe guards, some of the risks are outside of the control of the Company and cannot be mitigated. Intending subscribers and prospective investors should carefully consider the following risk factors in light of the whole of this Prospectus before making an investment in the Company. There can be no guarantee that the Company will achieve its stated objectives and that any forward looking statements will eventuate. An investment in the Company should be considered speculative.

7.2 General Risks

Stock Market Investments

Intending subscribers and prospective investors should be aware that there are risks associated with investments in securities of companies listed on the Stock Exchange. The share price of a publicly traded company can be highly volatile and the value of the Company's securities can be expected to fluctuate depending on various factors, and that the price of the Company's securities may trade below or above the offer price. Various factors that may affect the market price of the Company's securities include general worldwide economic conditions, changes in government policies, investor perceptions, movements in global interest rates and global stock markets, variations in the operating costs and costs of capital replacement that the Company may require in the future, all market conditions that are specific to the particular industry.

Domestic Economic Conditions

It is possible that a general downturn in the Australian economy will affect the performance of the Company and as such the market value of securities in the Company.

Further, alterations in government fiscal, monetary and regulatory policies may well affect the performance of the Company.

International Economic Conditions

The Company's performance may be influenced by changes in inflation, interest rates, exchange rates and taxation.

Volatility in the Australian Dollar and exchange rates could result in fluctuations in the Company's operating result and financial conditions.

Ongoing Financial Requirements

The Company anticipates that its existing resources, together with the net proceeds of this offer will enable it to maintain its currently planned operations until March 2004 at which time further funding, either debt, equity or both may be required for the development of an underground mine at Tom's Gully.

However, the Company's future financial requirements will depend upon various factors including the performance of the Quest 29 dump leach and outcome of the feasibility study on the development of an underground mine at Tom's Gully.

Should the Company need to raise additional funds there can be no assurance that additional funds would be available on a timely basis, on favourable terms or at all, or that such funds, if raised, would be sufficient to enable the Company to continue to implement its' business strategy. If adequate funds are not available, the Company's business will be materially and adversely affected.

7.3 Specific Risks

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. The exploration and development of natural resources is a speculative activity that involves a high degree of risk.

Intending subscribers should be aware that an investment in the Company involves many risks which may be higher than the risks associated with an investment in other companies. The specific risk factors that should be taken into account in assessing the Company's activities and investment in the Company include but are not limited to the following.

Uninsured Operating Risks

Following the commencement of any operations a variety of risks and hazards beyond the Company's control could cause operations to be disrupted, suspended or shut down. These risks and hazards include environmental hazards, industrial accidents, technical failures power interruptions, labour disputes, inclement weather conditions and other unforeseen circumstances. While the Company intends to maintain insurance substantially consistent with industry practice the Company cannot assure that this insurance will be available in the future on commercially acceptable terms or that any coverage obtained will be adequate and available to cover any or all of these claims.

Quest 29 Dump Leach

Despite the best attempts at budgeting costs and revenues to a reasonable degree of confidence, operating parameters can be difficult to predict and are often outside the Company's control. This could affect economic performance at the Quest 29 Dump Leach. In particular, the prediction of the grade of ore (that will be mined) from drilling results, and the impact of mining factors such as drilling and blasting and dilution can be difficult and the actual grade mined can vary from that scheduled. Similarly there can be significant variability in scale up of laboratory metallurgical testwork results to the actual leaching response in an operation and the gold produced can vary both in quantity and in rate of production compared to that predicted.

Final contractual arrangements are currently being concluded with the mining contractor and mining of ore is scheduled to commence in early July. Whilst it is expected that the arrangements will be finalised there is a risk that they will not be and in this event mining operations will be delayed whilst the company engages another contractor or deferred until next year.

Tom's Gully Feasibility Study

The Mining Management Plan to conduct mining activities (exploration, carbon stripping etc) was lodged with the Northern Territory government on the 30th May 2003. To undertake exploration, an Authorisation under the Northern Territory Mining Management Act (2001) is required and this is expected shortly. Delays in receipt of this authorisation would result in delays to the diamond drilling programme and feasibility study.

There is a risk that the diamond drilling programme scheduled to commence in July will show that the steeply dipping veins/structures (which have been shown to be mineralised by mapping and sampling on the foot wall of the pit) do not have as large an impact on the grade of the resource as assumed in the scoping study. In such a circumstance, the scope of the feasibility study may be changed, or the study terminated, and it may not be viable to develop and underground mine at Tom's Gully as envisaged in the scoping study.

The drilling programme is also collecting samples for metallurgical testwork. In the event that the metallurgical characteristics are not as amenable to processing as envisaged in the scoping study, the scope of the feasibility study may be changed, or the study terminated, and it may not be viable to develop an underground mine at Tom's Gully as envisaged in the scoping study.

Foreign Exchange

Since 1996 the AUD\$/US\$ has traded in a range from a low of around 48 cents to a high of around 81 cents. The fluctuating exchange rate has a direct affect on operating cashflows. The Company does not currently have any currency hedging in place.

Commodity Pricing

The gold price has fluctuated over the past ten years from lows of around US\$250/oz to highs of around US\$380/oz. The fluctuating gold price has a direct effect on operating cashflows. The Company does not currently have any commodity hedging in place.

Resources and Reserves

As in all mines, there is an inherent risk in the possibility that some of the stated resource may not be able to be extracted, thereby affecting envisaged production rates and operating schedules. The confidence levels of Inferred Resources are of a lower confidence level than measured or indicated resources or proven and probable reserves and as a consequence the potential risk of variation in schedules is greater.

Head Grade

Variations in head grade can occur. Mining dilution greater than anticipated can occur due to impacts of mining method, drilling and blasting technique and rock movements.

Hazards

The Company, as an active participant in exploration and mining programmes, may become subject to liability for hazards that cannot be insured against or against which it may elect not to

be so insured because of high premium costs. The Company may incur a liability to third parties (in excess of its insurance cover) arising from pollution or other damage or injury.

Environment

The Company's operations are subject to environmental regulations in all the jurisdictions in which it operates. Environmental legislation and permitting are likely to evolve in a manner which will require stricter standards and enforcement, increased penalties for non-compliance and more stringent environmental assessments of proposed projects. Although the Company will employ environmental management techniques which meet legislative and community requirements, unplanned incidents could have significant environmental impact, resulting in costly rehabilitation or mine closure.

Mechanical

Unscheduled plant shut-downs due to mechanical, electrical or supply failures could have a serious impact on the financial performance of the mining operation.

Technical

In common with all mining practices there are risks associated with the transfer of operating parameters and cost forecasts when geological and mining predictions are transferred to mining operations.

Industrial

Unscheduled stoppages due to industrial action may impact the financial performance of the mining operation.

Exploration

Mineral exploration involves significant risk which even the highest levels of experience, care and planning cannot control. There is no assurance that exploration programmes will be successful in the conversion of resources into reserves or in the discovery of new ore bodies in any or all of the Company's activities.

Political

The political conditions under which the Company currently operates are stable. Potential risk to the company's activities may occur if there are changes to the political, legal and fiscal systems which might effect the ownership and operation of the Company's interests. This may also include changes in exchange control regulations, expropriation of mining rights, changes in government and in legislative and regulatory regimes.

Employees

The ability of the Company to achieve its objectives depends on being able to retain certain key employees. Whilst the Company has entered into employment contracts with the employees, the retention of their services cannot be guaranteed.

Contractors

The Company is dependant on contractors and suppliers to supply vital services to its operations. The Company is therefore exposed to the possibility of adverse developments in the business

environments of its contractors and suppliers. Any disruption to services or supply may have an adverse effect on the financial performance of the mining operation.

Dividends Policy

The Company has not declared a dividend for the year ending 30 June 2003 and does not intend to pay dividends for the year ending 30 June 2004.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of profit, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances in relation to the payment of dividends, or the franking credits attached to such dividends, can be given.

8 Additional Information

8.1 Incorporation

The Company was incorporated in September 1987 as a public company limited by shares.

8.2 Rights attaching to Convertible Notes and Shares

Convertible Notes

Set out below are the terms on which the Convertible Notes are issued.

Definitions

Convert means the redemption of a Convertible Note in conjunction with the Company applying the principal amount of that Convertible Note in subscription for Shares and **Conversion** will be construed accordingly.

Conversion Formula means the formula for the conversion of the Convertible Notes into Ordinary Shares in the Company set out in these Conditions of Issue.

Conversion Notice means a notice in the form set out on each Holding Statement.

Convertible Notes means Convertible Notes to be created and issued by the Company having the Conditions of Issue.

Initial Interest Period means the period from 1 June 2003 to 30 September 2003.

Interest Payment Date means each of the following dates 7 October 2003, 7 April 2004, 7 October 2004, 7 April 2005, 7 October 2005, 7 April 2006, 7 October 2006.

Interest Period means the Initial Interest Period and each of the six monthly periods from 1 October 2003 to the Redemption Date.

Redemption Date means 31 March 2007.

Shares means fully paid Ordinary Shares in the capital of the Company.

Six Monthly Gold Price means the average Australian dollar gold price for the Interest Period by reference to the Perth Mint closing price, or the nearest equivalent thereto, as published from time to time in the Australian Financial Review.

Six Monthly Interest Rate means the greater of 10% or $(10 + (\text{Six Monthly Gold Price} - 550)/50)\%$ per annum.

Term means the period from 1 June 2003 to the Redemption Date.

Issue Of Convertible Notes

The Note Holder subscribes for the Convertible Notes in the amount of the Application Moneys. The Company will issue to the Note Holder the Convertible Notes on the terms and conditions set out in these Conditions of Issue.

Quotation

The Company will seek the quotation of the Convertible Notes on the Australian Stock Exchange Ltd (ASX). If the Convertible Notes are not listed for trade on the ASX within 3 months after the date of issue of the Convertible Notes, the Note Holder may redeem the Convertible Notes by providing notice to the Company whereupon the Company will redeem the Convertible Notes in full together with interest within 30 days of the receipt of that notice.

Interest

The Company will pay interest for each Interest Period on each Interest Payment Date on the Application Moneys at the Six Monthly Interest Rate .

The Note Holder may elect to receive the value of the interest payment in Convertible Notes issued at their face value and otherwise upon the same terms and conditions as their existing notes. Such election must be made at least 7 days prior to each Interest Payment Date.

Conversion

The Note Holder may Convert the Application Moneys and interest accrued but unpaid thereon into Shares in the Company in accordance with the Conversion Formula at any time during the Term by providing a Conversion Notice to the Company. In the event of a Conversion pursuant to this clause Interest will be payable on the Application Moneys from the date of the last interest payment to the date of Conversion.

Conversion Formula

The number of Ordinary Shares to be issued to the Noteholder on conversion of the Convertible Note will be determined in accordance with the following formula:

1 Convertible Note: 20 Ordinary Shares

Unpaid interest will be converted at the rate of 20 Ordinary Shares for each \$1 of interest that has accrued on the Convertible Notes but not been paid as at Conversion.

Redemption

If the Convertible Notes are not earlier converted then the Company will redeem the Convertible Notes at the Redemption Date by repayment to the Note Holder of the Application Moneys and all unpaid interest.

Sinking Fund and Interest Retention Account

To facilitate the repayment to the Note Holders in the event of the redemption of the Convertible Notes the Company will on the first, second and third anniversaries of the Subscription Dates deposit into a trust account maintained by a third party on trust for the Note Holders an amount equal to 15% of the value of the Convertible Notes issued and outstanding. Amounts held in this trust account are held on trust for the benefit of the Note Holders and will be applied towards the repayment of the Note Holders in the event of Redemption of the Convertible Notes. The trustee is authorised by the parties to invest these funds and interest accrued will be retained as part of this sinking fund. In the event the amount held in this sinking fund exceeds 15 %, 30%, or 45% as the case may be of the value of the Convertible Notes the Company is authorised to withdraw that

amount by which the value of the sinking fund exceeds the required level of retentions in the sinking fund. All moneys held in this account will be credited to the Company following the Conversion of all Convertible Notes.

Whilst any Convertible Notes have not been redeemed or converted the Company will maintain a separate bank account which will at all times hold funds equivalent to the maximum interest payments which the Company may be required to make to Note Holders in the succeeding 12 month period provided that the interest rate used for the purpose of calculating this amount will not exceed 10%.

Governing Law

This Schedule shall be governed by and construed in accordance with the laws of Queensland.

Consent To Become A Member

The Note Holder acknowledges and agrees that upon Conversion, the Note Holder will become a member of the Company.

Ranking

The claims of Noteholders rank after secured claims and obligations preferred under the law, but before claims of shareholders of the Company.

Discharge and Release

The Company will immediately be discharged and released from its liabilities, obligations and covenants under this Deed in respect of any Convertible Note on the first to occur of the redemption or Conversion of the Convertible Notes.

Shares

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights attaching to all Shares (including the Shares that the Convertible Notes are convertible into). Full details are contained in the Constitution, available for inspection free of charge at the Company's registered office.

Share Capital

All issued Shares rank equally in all respects.

Voting Rights

At a general meeting of the Company, every shareholder present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for every share held, and for every contributing ordinary share held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing ordinary share. Where there is an equality of votes, the chairperson has a casting vote.

Dividend Rights

Subject to the rights of holders of shares issued with any special or preferential rights (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the shareholders in proportion to the Ordinary Shares held by them respectively, according to the amount paid up (not credited) as paid up on them.

Rights on Winding-Up

Subject to the rights of holders of shares with special rights in a winding-up (at present there are none), on a winding-up of the Company all assets which may be legally distributed amongst the members will be distributed in proportion to the shares held by them respectively, accordingly to the amount paid up or credited as paid up on the share.

Transfer of Shares

Shares may be transferred by instrument in any form which complies with the Company's constitution, the Corporations Act, ASX Listing Rules and SCH Business Rules.

Shares may be transferred by such means in accordance with ASX Listing Rules and the SCH Business Rules. The Directors may refuse to register a transfer of shares only in those circumstances permitted by the Company's constitution, ASX Listing Rules and SCH Business Rules.

Calls on Shares

Where shares are issued as partly paid, the Directors may make calls upon the holders of those shares to pay the whole of or a portion of the balance of the issue price. If a shareholder fails to pay a call or installment of a call, then subject to the Corporations Act and ASX Listing Rules, the shares in respect of the call may be forfeited and interest and expenses may be payable in accordance with the Company's constitution, the Corporations Act and ASX Listing Rules or proceedings taken to recover the amount unpaid.

Further Increases in Capital

The allotment and issue of any new shares is under the control of the Directors and, subject to any restrictions on the allotment of shares imposed by the Company's constitution, ASX Listing Rules or the Corporations Act, the Directors may allot, issue or grant options over or otherwise dispose of those shares to such persons, with such rights or restrictions as they may from time to time determine.

Variation of Rights Attaching to Shares

Where shares of different classes are issued, the rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or with the written consent of the holders of at least three quarters of the issued shares of that class.

General Meeting

Each shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to shareholders under the Company's constitution, the Corporations Act and ASX Listing Rules.

8.3 Prospectus disclosure - Placement

The issue of Convertible Notes pursuant to the recently completed Placement were undertaken to offerees exempt from the disclosure requirements of Chapter 6 of the Corporations Act. Accordingly these securities cannot be on-sold until such time as a prospectus has been issued and the Convertible Notes are quoted on the ASX. As well as the primary purpose of facilitating the Issue this Prospectus has been issued for the purpose of meeting requirements of the ASIC and the ASX to allow the allottees pursuant to the Placement to on-sell Convertible Notes on the ASX.

8.4 Material contracts

The Directors are of the view that certain contracts entered into by the Company can be considered “material” when an investor is considering an investment decision under this Prospectus. Summaries of these contracts are set out below. Potential investors should note however that only the principal or main provisions of the contracts so identified by the Directors are set out below and other provisions of the contracts do exist which may be relevant in certain circumstances. Under the Corporations Act, the Company is not required to make copies of the material contracts available for inspection by intending investors.

Directors’ Deeds of Indemnity

The Company has entered into deeds with each of the Directors under which the Company indemnifies the Directors against all costs, losses and expenses which the Directors may suffer or incur in the course of, or in connection with, their acting as Directors.

The Directors are indemnified, to the full extent permitted by law, against any claims or judgments made against the Directors relating in any way to the Company, all legal costs incurred by the Directors in defending any proceedings, any tax or penalty for which the Directors may become personally liable as Directors and in defending any proceedings, whether civil or criminal in respect of alleged negligence, default or breach of duty, in which judgment is given in the Director’s favour or in which they are acquitted.

Bizzell Nominees Loan Facility

The Company has entered into a loan facility of \$300,000 provided by Bizzell Nominees Pty Ltd, an entity associated with a director, Mr S Bizzell. The loan is unsecured and repayable at the earlier of 12 months from its drawdown (January 2003) or upon the Company raising funds sufficient to enable repayment. The Loan facility is otherwise on normal commercial terms and conditions. The full amount of the facility has been drawn down by the Company and it is intended that it be repaid in full by the Company from the proceeds of the Placement and the Issue.

8.5 Litigation

The Company is not involved in any actual or threatened litigation or administrative action.

8.6 Interests of Directors

The nature and extent of each Director’s interests (if any) in the Company held at any time in the last two years in:

- (a) the formation or promotion of the Company; or

- (b) property acquired or to be acquired by the Company in connection with its formation or promotion; is set out in this section.

In accordance with the Constitution, the Company's shareholders as at the date of this Prospectus have determined in general meeting that the maximum total non-executive director remuneration is to be \$250,000 per annum.

The Directors have resolved that Dr Rawlings, in his capacity as the non-executive chairman, will be paid \$40,000 per annum and Mr Anthon in his capacity as a non-executive Director, will be paid \$20,000 per annum. To meet ASX governance guidelines there may be the need for additional non-executive Directors. This will be considered by the Board at the appropriate time.

A Director may also be paid fees or other amounts as the Directors determine if a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Under the Constitution, the Directors are not required to hold any Shares. However, the Directors hold the following Shares, Partly Paid Shares and Directors Options immediately before the Issue. Interests include those held directly and indirectly.

Director	Ordinary Shares	Partly Paid Shares	Director Options
Richard Stacy Anthon	-	3,500,000	-
Stephen Grant Bizzell	11,419,052	6,978,970	6,000,000
Christopher Rawlings	2,148,576	-	-
Richard Phillip Seville	9,922,970	-	12,000,000

8.7 Contracts with Directors

The Company has previously entered into a loan facility of \$300,000 provided by an entity associated with a director, Mr S Bizzell. The loan is on normal commercial terms and conditions. The full amount of the facility has been drawn down by the Company and will be repaid by the Company from the proceeds of the Placement and the Issue.

8.8 Participation of Director in the Placement

An entity associated with a director, Mr. S. Bizzell has applied to participate in the Placement to the extent of \$161,000 (161,000 Convertible Notes). Mr Bizzell's participation is conditional upon the approval of shareholders of the Company being obtained at a general meeting to be held after the close of the Issue

8.9 Tax considerations

Payment of interest on the Convertible Notes, the acquisition and disposal of Convertible Notes, conversion of Convertible Notes into Shares and repayment of the issue price of the Convertible Notes on maturity may have taxation consequences which will differ depending on the specific

financial circumstances of each Noteholder. Investors should seek and rely on their own professional taxation advice in relation to an investment in the Convertible Notes.

8.10 Statement of Competent Person

The information in this Prospectus that relates to Mineral Resources or Ore Reserves is based on information compiled by Mr Chris Creagh, a full-time employee of the Company, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Creagh has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 1999 Edition of the 'Australian Code for Reporting of Mineral Resources and Ore Reserves'. Mr Creagh consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

8.11 Consents

The following parties have given (and not before the date of this Prospectus withdrawn) their consent in writing to the inclusion of the following information in this Prospectus in the form and context in which it appears. None of the following firms or have caused or authorised the issue of this Prospectus or have in any way been involved in the making of the Offer.

- Hemming and Hart, as solicitors to the Issue and to the Company.
- Douglas Heck and Burrell as the share registry of the Company in the form and context in which it is named.
- PKF as Independent Accountants and as the Auditors to the Company and to references made to audited and audit reviewed financial information in the form and context in which those references are included in the Prospectus.

8.12 Interests of experts and parties who have consented to be named

The nature and extent of the interests (if any) that a person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or a promoter of the Company, holds, or held at any time during the last two years in the formation or promotion of the Company or property acquired or to be acquired by the Company in connection with its formation or promotion is set out below.

The amount that anyone has paid or agreed to pay, or the nature and value of any benefit anyone has given or agreed to give for services provided by a person named in the Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus or a promoter of the Company in connection with the formation or promotion of the Company is set out below.

- PKF are entitled to be paid \$7,500 for preparation of the Investigating Accountant's Report and for assistance to the Company in relation to the due diligence process associated with the issue of this Prospectus.
- Hemming and Hart are entitled to be paid \$15,000 for advice and assistance in relation to certain aspects of this Prospectus, assisting the Company in relation to its due diligence regime

and enquiries and in relation to its application for quotation of the Convertible Notes on the ASX.

- Douglas Heck and Burrell has been engaged by the Company to maintain its share registry. The Company pay a periodic payment for this work dependant upon the trading activity in the Company's securities.

8.13 Expenses of the Offer

If the Issue proceeds, the total estimated costs of the Issue and the Placement including accounting fees, legal fees, printing and design costs and application fees, brokerage and other associated and sundry expenses associated with the Issue and Placement are estimated to be approximately \$100,000.

8.14 Consent to Lodgment

Each of the Directors of the Company have consented to the lodgement of this Prospectus with the ASIC.

Signed on behalf of the Company by

Richard Seville

Stephen Bizzell

25 June 2003

The following terms have the following meanings in this Prospectus:

\$	all dollar amounts are in Australian dollars unless otherwise stated
Applicant(s)	person(s) who submit an Application
Application	valid application made to purchase or subscribe for a specified number of Convertible Notes pursuant to this Prospectus
Application Form	form attached to this Prospectus through which an Application can be made
ASIC	Australian Securities & Investments Commission
ASX	Australian Stock Exchange Limited
ASX Listing Rules	rules issued by ASX governing the admission of entities to the official list, quotation of securities, suspension of quotation and removal from the official list of ASX
Au	Chemical symbol for gold
Board	Board of Directors of the Company
CHESS	Clearing House Electronic Subregister System operated by ASX Settlement and Transfer Corporation Pty Limited
CIP	Carbon-in-Pulp, a process of recovering gold from finely ground ore by leaching with cyanide and absorbing the dissolved gold onto carbon
Closing Date(s)	4 August 2003
Company or Renison	Renison Consolidated Mines NL ABN 75 003 049 714
Constitution	constitution of the Company
Corporations Act	Corporations Act 2001 (Cth)
Directors	directors of the Company
EBITDA	earnings before interest, tax, depreciation and amortisation
Electronic Prospectus	electronic version of this Prospectus
Employee	employee of the Company

Existing Shares	fully paid Ordinary Shares in the capital of the Company on issue prior to this Offer
Expiry Date	date which is 13 months after the date of lodgement of this Prospectus with ASIC
Exposure Period	period of 7 days from the date of lodgement of this Prospectus with ASIC unless extended to 14 days by ASIC in accordance with the terms of the Corporations Act
g/t	Grams to the tonne
JORC	Joint Ore Reserves Committee
Normal Office Hours	8.30 am to 5.00 pm Monday to Friday on any day when banks are open for business in Queensland
Offer or Issue	offer of Convertible Notes under this Prospectus
Offer Period	The period commencing on 9 July 2003 and finishing on 4 August 2003 unless extended or otherwise varied
Offer Price	\$1.00 per Convertible Note
Opening Date	date the offer opens being the date no earlier than 7 days after the date of this Prospectus
Partly Paid Shares	25 cent shares issued by the Company that are partly paid as to 3 cents with a balance of 22 cents due to be paid under a call programme on 31 January 2004
Placement	The issue of 1,500,000 Convertible Notes undertaken by the Company prior to the Issue
Prospectus	this document dated 25 June 2003
RAB	Rotary Air Blast – a drilling technique
SCH	Securities Clearing House
Shares or Ordinary Shares	20 cent fully paid ordinary shares in the capital of the Company
tpa	Tonnes per annum

Before completing this form you should read the Prospectus to which this form relates.

This is an important document. If you do not understand it or are in any doubt as to how to complete this form, you should contact your stockbroker, legal or financial advisor without delay.

RENISON CONSOLIDATED MINES NL

ABN 75 003 049 714

ENQUIRIES AND PRINCIPAL REGISTRY OFFICE: C/- Douglas Heck & Burrell Registries

Level 22, 300 Queen Street, BRISBANE QLD 4000, Telephone: (07) 3228 4219

ENTITLEMENT AND ACCEPTANCE FORM

NON-RENOUNCEABLE ENTITLEMENT ISSUE OF 1 CONVERTIBLE NOTE AT \$1.00 FOR EVERY 200 EXISTING ORDINARY SHARES OR 1 CONVERTIBLE NOTE FOR EVERY 1,666 PARTLY PAID ORDINARY SHARES HELD, PAYABLE IN FULL ON APPLICATION.

YOU MAY ALSO APPLY FOR ADDITIONAL NOTES BEYOND YOUR ENTITLEMENT

[Holder name & address would print here]

[Barcode here]

SRN/HIN No:

Entitlement No:

Shares	Your shareholding as at 4 July 2003	Your entitlement to New Convertible Notes	Amount payable on acceptance at \$1.00 per New Convertible Note
Ordinary			
Partly Paid			
Total Entitlement			
Additional Convertible Notes applied for*			
Total Convertible Notes accepted / applied for			

*You may apply for more than your Entitlement. Refer to instructions overleaf.

This Entitlement and Acceptance Form should not be relied on as evidence of the current entitlement of the person named in this Entitlement and Acceptance Form.

OFFER CLOSES 5:00pm (Brisbane time) on 4 August 2003

Only the Shareholder(s) named on the Entitlement and Acceptance Form can apply for Convertible Notes. Return of this form with your cheque on or before 5.00pm (Brisbane time) on 4 August 2003 will constitute acceptance of the offer in accordance with the Prospectus dated 25 June 2003 and will constitute your agreement to be bound by the Constitution of Renison Consolidated Mines N.L.

THIS OFFER IS NON-RENOUNCEABLE - NO SIGNATURE IS REQUIRED

Please complete details of cheque(s) enclosed and ensure that the amount of your cheque equals your acceptance quantity and is made payable to "Renison Consolidated Mines N.L."

Details of Cheque(s)

Drawer	Bank	Branch	Amount \$

Contact NameDaytime Contact Phone Number
(.....).....

PLEASE REFER TO THE REVERSE SIDE FOR LODGEMENT INSTRUCTIONS

LODGEMENT INSTRUCTIONS

ACCEPTANCE OF YOUR ENTITLEMENT

Complete the Entitlement and Acceptance Form, attach your cheque (made payable to "**Renison Consolidated Mines N.L.**"), crossed not negotiable, and forward them to reach the Company's Registry, Douglas Heck & Burrell Registries, Level 22, 300 Queen Street, Brisbane, Qld 4000 or GPO Box 35, Brisbane, Qld 4001 NO LATER THAN 5.00pm (Brisbane time) on 4 August 2003.

Where acceptances and payment have not been received by 4 August 2003, the offer herein contained shall be deemed to have been declined wholly or as to any number of Convertible Notes not applied for, or for which the appropriate payment has been made.

ADDITIONAL CONVERTIBLE NOTES

You may apply for Convertible Notes beyond your Entitlement. Complete the box on the Entitlement and Acceptance Form to indicate the number of additional Convertible Notes you wish to apply for.

By example, if a Shareholder owns 30,000 Ordinary Shares they will be entitled to apply for 150 Convertible Notes under the Entitlement Issue. That Shareholder may wish to apply for Convertible Notes beyond their Entitlement of 150 Convertible Notes to increase their holding. While there is no limitation on any Shareholder applying for additional Convertible Notes, in the case of Applications exceeding the total number of Convertible Notes available, the Directors will exercise their discretion to permit smaller Shareholders to increase their holding.

It is possible, that there will be few or no additional Convertible Notes available for issue. It is an express term that Applicants shall be bound to accept a lesser number of additional Convertible Notes allotted to them than applied for and Applicants shall be bound to accept a refund of money in respect of the number of additional Convertible Notes that may have been applied for and were not issued.

No interest will be paid on any money refunded to Applicants in these circumstances.

ENTITLEMENT NOT TAKEN UP

If you do not wish to take up your entitlement or any portion thereof you need not take any action. Convertible Notes not taken up under the Entitlement Issue will lapse.

GENERAL INFORMATION

- (a) Entitlement and Acceptance Forms do not require signing.
- (b) Applications will only be accepted on this Entitlement and Acceptance Form.
- (c) Entitlements not accepted at the close of the Issue, namely 5.00pm (Brisbane time) on 4 August 2003 will become available for subscription by other shareholders in accordance with the terms of the Issue to Shareholders.

PAYMENT

Application for Convertible Notes must be accompanied by the application money of \$1.00 per Convertible Note. Payments must be made in Australian currency by cheque or bank draft drawn on an Australian bank and be made payable to Renison Consolidated Mines N.L. and crossed "Not Negotiable".

LODGING OF ENTITLEMENT AND ACCEPTANCE FORM

Attach your cheque, made payable to "**Renison Consolidated Mines N.L.**", to this Entitlement and Acceptance Form and deliver or post it to The Share Registry, Renison Consolidated Mines NL, Douglas Heck & Burrell Registries, Level 22, HSBC Building, 300 Queen Street, Brisbane, Qld 4000, or GPO Box 35, Brisbane Qld 4001.

YOUR FORM AND PAYMENT MUST BE RECEIVED BEFORE 5.00PM (BRISBANE TIME) ON 4 AUGUST 2003.