

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97.

Name of entity

Falcon Minerals Limited

ACN or ARBN

009 256 535

Quarter ended ("current quarter")

31 March 2005

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Sales	—	—
1.2	Payments for (a) exploration and evaluation	(854)	(1,189)
	(b) development	—	—
	(c) production	—	—
	(d) administration	(104)	(207)
1.3	Refunds received – EL applications & other	—	—
1.4	Interest and other items of a similar nature received	39	128
1.5	Interest and other costs of finance paid	—	—
1.6	Income taxes paid	—	—
1.7	Aggregate cashflows from disposals of entities net of cash received	—	—
1.8	Net GST Refund/(Paid)	(57)	(15)
	Net Operating Cash Flows	(976)	(1,283)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a)prospects	--	--
	(b)equity investments	—	--
	(c) other fixed assets	—	(5)
1.9	Proceeds from sale of: (a)prospects	—	—
	(b)equity investments	--	--
	(c)other fixed assets	--	--
1.10	Loans to other entities	—	—
1.11	Loans from other entities	—	—
1.12	Other (provide details if material)		
	Net investing cash flows	—	(5)
1.13	Total operating and investing cash flows (carried forward)	(976)	(1,288)

1.13	Total operating and investing cash flows (carried forward)	(976)	(1,288)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	265	345
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - capital raising costs	-	-
Net financing cash flows		265	345
Net increase (decrease) in cash held		(711)	(943)
1.20	Cash at beginning of quarter/year to date	3,421	3,653
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,710	2,710

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	88
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

All payments to directors and associates are on normal commercial terms.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	–	–
3.2 Credit standby arrangements	–	–

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	–
Total	300

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	409	157
5.2 Deposits at call	2,301	3,264
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,710	3,421

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Bond Hill 2947		100%	Nil
6.2 Interests in mining tenements acquired or increased	No change			

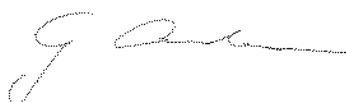
Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Number issued	Number quoted	Par value (cents)	Paid-up value (cents)
7.1	Preference +securities (description)				
7.2	Issued during quarter				
7.3	+Ordinary securities	125,652,349	125,652,349		Fully paid
7.4	Issued during quarter	1,090,676	1,090,676		Fully paid
7.5	+Convertible debt securities (description and conversion factor)				
7.6	Issued during quarter				
7.7	Options (description and conversion factor)	16,793,954	16,793,954	Exercise price 20 cents	Expiry Date 30 June 2005
7.8	Issued during quarter				
7.9	Exercised during quarter	1,090,676			
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:
(Company Secretary)

Date: 27 April 2005

Print name: Graham Anderson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 *The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.*
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be compiled with

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