

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Lefroy Resources Limited

ACN

107 118 678

Quarter ended ("current quarter")

30 June 2004

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(39)	(69)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(37)	(37)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	44	45
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(32)	(61)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	(30)	(92)
	(b) equity investments	-	-
	(c) other fixed assets	(24)	(24)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other – Purchase of Controlled Entity	-	-
	Net investing cash flows	(54)	(116)
1.13	Total operating and investing cash flows (carried forward)	(86)	(177)

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1.13	Total operating and investing cash flows (brought forward)	(86)	(177)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	4,719	5,364
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)	(378)	(378)
	Net financing cash flows	4,341	4,986
	Net increase (decrease) in cash held	4,255	4,809
1.20	Cash at beginning of quarter/year to date	554	
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	4,809	4,809

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

Non-cash financing and investing activities

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

In May 2004 the Company issued 1,400,000 fully paid ordinary shares to Sapphire Trading Ltd, 75,000 fully paid ordinary shares to Ochre Australia Pty Ltd, and 437,500 fully paid ordinary shares to Mr G. Lear in respect to the settlement of the acquisition of interests in mining and exploration tenements.

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

Not Applicable.

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development	-
Total	250

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	355	554
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (Commercial Bank Bills)	4,454	-
Total: cash at end of quarter (item 1.22)	4,809	554

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	Nil			
6.2 Interests in mining tenements acquired or increased	EL 39/2004	Under Application	-	100%

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Issued and quoted securities at end of current quarter

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

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>				
7.2	Changes during quarter				
7.3	*Ordinary securities	35,875,001	21,375,001		
7.4	Changes during quarter (a) Increases through issues (b) Increases through release from escrow	20,787,500			
7.5	*Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter				
7.7	Options <i>(description and conversion factor)</i>				
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

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Compliance statement

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



Sign here: Date: 28 July 2004
(~~Director~~/Company Secretary)

Print name: Anthony Samaha

Notes

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

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