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# LEYSHON

ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE: 28 JANUARY 2005

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## DECEMBER 2004 QUARTERLY REPORT

Leyshon Resources Limited (“Leyshon”) (ASX : LRL) today reports on a successful quarter during which it announced significant high grade drill intersections from a diamond drilling programme on its Zheng Guang gold project in Heilongjiang, northeast China and made significant progress in advancing joint ventures in the Province and elsewhere in China.

Leyshon’s strategy is to target underexplored gold projects in Heilongjiang and elsewhere in China with a view to building an inventory of high grade gold resources. This will be achieved through the application of the latest exploration techniques designed to fully test the potential of each project.

At the Zheng Guang project, the first to be tested under a Province wide agreement with the Heilongjiang Bureau of Geology and Mineral Resources, a 4,500 metre diamond drill programme has generated significant high grade gold results including bonanza grade intervals from a newly identified hydrothermal breccia unit. Hole ZGD029 recorded 24 metres @ 28.6 g/t Au, including 6 metres @ 93.0 g/t Au at about 90 metres below the surface.

Joint venture negotiations continued during the Quarter on the most prospective of the projects identified in the Company’s review of the 469,000 square kilometre Province. Heilongjiang is one of China’s most prospective regions for the discovery and development of mineral resources and an attractive destination for Foreign Investment but does have limitations on field activities during its lengthy winter.

Leyshon continues to review opportunities for exploration and potential project development elsewhere in China and is currently undertaking extensive due diligence on a number of gold exploration projects in eastern China which have the potential to fit the Company’s investment criteria.

A placement of 20 million shares was made to London and Australian institutional investors raising A\$7 million and subsequent to the end of the Quarter shareholders approved the divestment of Leyshon’s Australian exploration assets into Echelon Resources Limited.

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LEYSHON RESOURCES LIMITED

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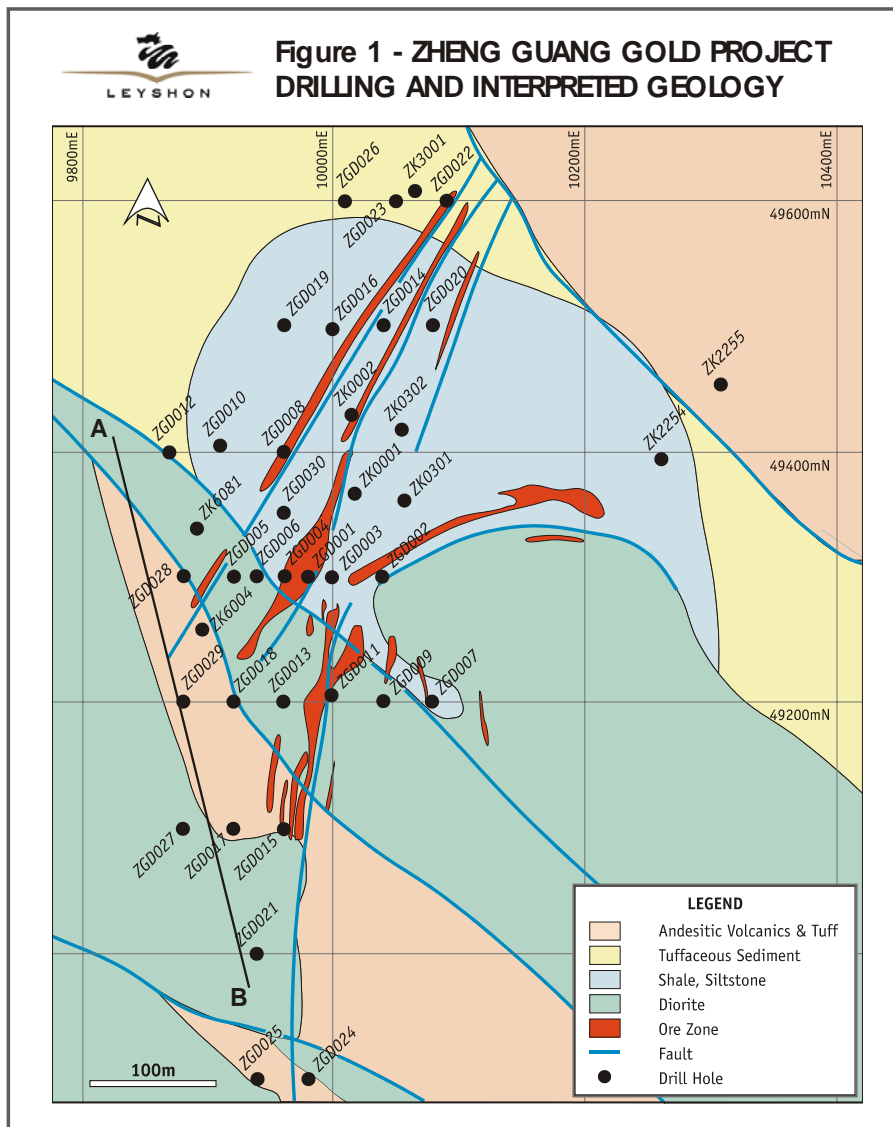
## 1.0 Chinese Projects

### 1.1 Zheng Guang

Leyshon became one of the first foreign mining companies to establish a formal presence in the mineral rich province of Heilongjiang when it established the Sino foreign Joint Venture Company Black Dragon Mining Company Limited (Black Dragon) with the Heilongjiang Bureau of Geology and Mineral Resources (HLJ-BGMR). Leyshon is earning 70% of Black Dragon and has the right to increase its equity to 90%.

As previously reported a number of strong gold results were generated from the 4,500 metre diamond drilling programme completed on the Zheng Guang project during the September quarter. These results are very encouraging and indicate that the mineralisation is higher-grade than first anticipated.

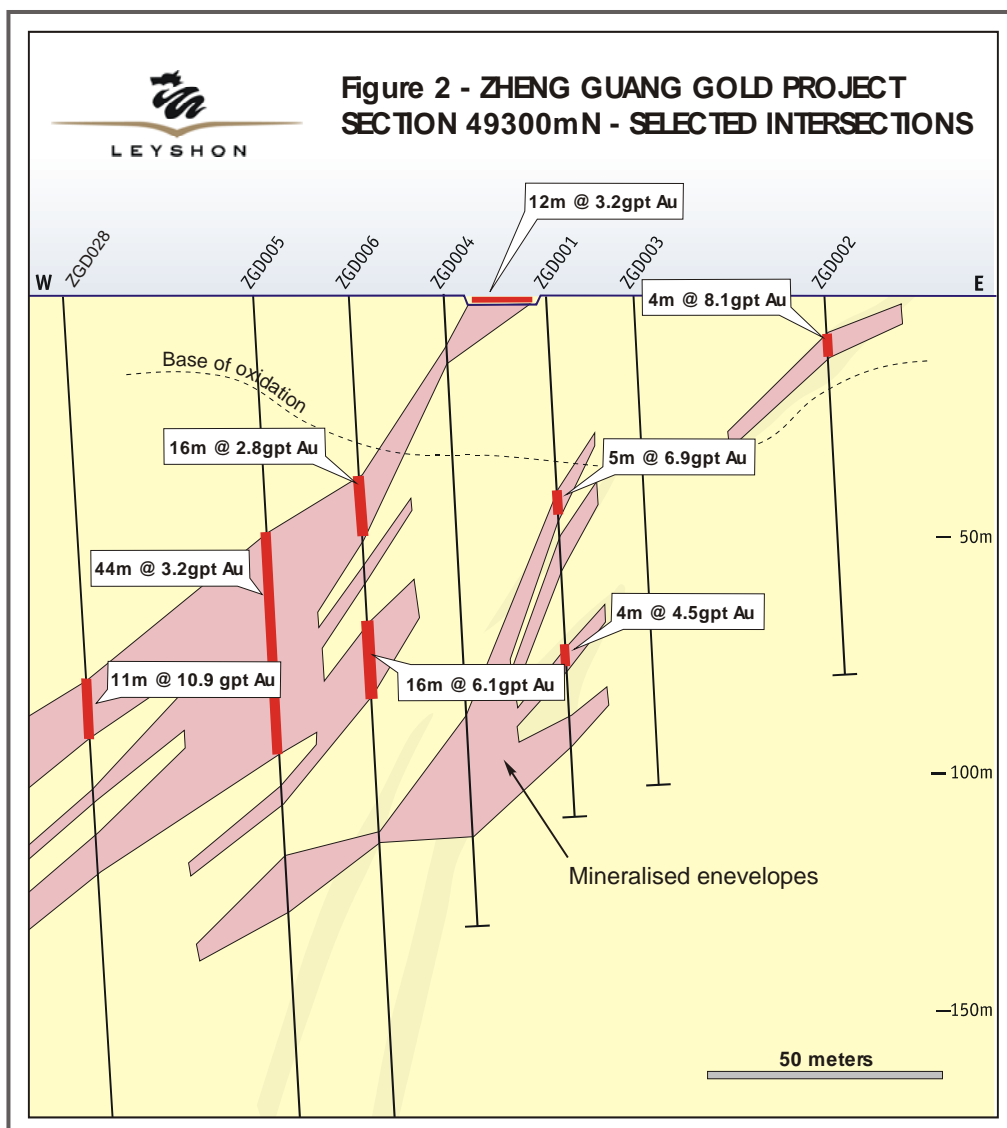
Strong mineralisation has been intersected in hole ZGD028 (11 metres @ 10.9 g/t Au) located 50 metres down-dip from earlier drilling, ZGD005 (44 metres @ 3.2 g/t Au), indicating better dip extension of the high-grade mineralisation within the central mineralised area. (See Figures 1 and 2)



In the west of the deposit a thick zone of intense hydrothermal brecciation has been intersected containing abundant pyrite and base metal sulphides and reporting by far the highest grades seen to date.

Hole ZGD029 recorded an exceptional 24 metres @ 28.6 g/t Au, including 6 metres @ 93.0 g/t Au towards the hanging-wall of the breccia unit at about 90 metres below the surface. The intersection is down-dip from thinner breccia hosted intercepts including 2 metres @ 18.4 g/t Au, indicating that the breccia unit is rapidly thickening to the north and at depth.

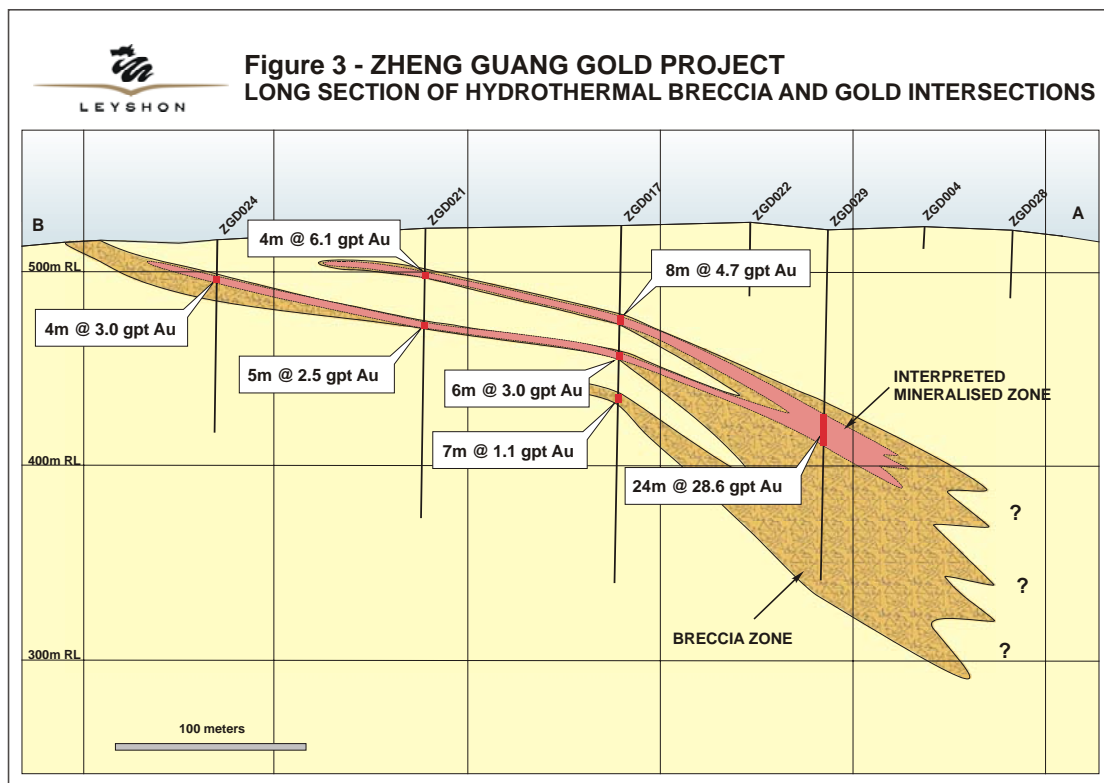
A number of the assays in excess of 20 g/t Au (maximum 1 metre sample intervals) were checked and good high-grade assay repeatability was achieved. No visible gold was recorded in the core logging. High gold values are associated with high concentrations of sphalerite, pyrite and galena within the breccia matrix, indicating a relatively fine-grained nature for the gold and similar to the other mineralisation style at Zheng Guang.



The unusually high-grade mineralisation occurs where the projection of the west dipping ore structures that control the previously identified Zheng Guang mineralisation intersects a receptive hydrothermal breccia. (Figure 3).

The breccia unit has been traced for over 300 metres and appears to form an irregular pipe-like to sheeted structure that plunges shallowly north. Drill hole ZGD018 (Figure 1), located 40 metres east of ZGD029 recorded a previously reported intercept of 2 metres @ 18.4 g/t Au from 73 metres depth in similarly altered breccias, and is now believed to be the up-dip extent of the high grade zone.

It appears that the breccia unit and mineralisation is thickening down plunge and that, even over short strike lengths, it has the potential to add substantial high-grade ounces to the deposit with further drilling.



At the Zheng Guang North prospect, 1 kilometre north of the main deposit, highly encouraging results have been received from recent shallow trenching including 6 metres @ 6.2 g/t Au from three newly discovered zones of strongly altered material. The new zones are un-drilled and remain open and untested along strike.

The Zheng Guang deposit has been tested over a strike length of 700 metres with results to date confirming the higher than expected tenor of the gold system and, with the recently defined breccia mineralisation, confirmed the potential to significantly increase high-grade mineralisation in the area and the overall grade of the deposit.

Planning for follow-up drilling is well advanced with fieldwork expected to recommence May 2005.

## **1.2 Duobaoshan**

Joint venture negotiations continue with both the Heilongjiang Bureau of Geology and Mineral Resources and the Heilongjiang Department of Land and Resources on the appropriate development strategy for this large undeveloped copper project. Leyshon has completed extensive database compilation on data from over 167 kilometres of diamond drilling and is now awaiting agreement on the strategic direction for the project before embarking on feasibility studies.

## **1.3 Other Joint Ventures**

Leyshon continues to make significant progress in advancing its interests in the high grade gold projects identified in its review of Heilongjiang.

During a period when there is limited field activity in Heilongjiang the Company has taken the opportunity of evaluating opportunities presented to it elsewhere in China. In particular it is currently evaluating mesothermal gold deposits within producing districts in eastern China, an area which hosts some of the largest and oldest gold producing regions and which has prospective geological conditions, good infrastructure and supportive local governments.

Leyshon is currently undertaking extensive due diligence on a number of gold exploration projects in eastern China which have the potential to fit the Company's investment criteria.

## **1.4 Reporting of Leyshon Exploration Results**

Many of the projects assessed by Leyshon are either advanced exploration targets or operating mines which have resources or reserves that do not comply with the JORC minerals reporting standard. Leyshon reviews all available data and conducts its own estimations to ensure that reported ore resources and reserves are to JORC standards.

Exploration activities are conducted by local contractors under the supervision of experienced Leyshon geoscientists. Quality assurance and quality control guidelines, with both internal and external checks, are employed to ensure that reported information meets appropriate Australian reporting standards.

## **1.5 Establishment of Office in Beijing**

Leyshon has relocated its main office from Perth to Beijing from where it now manages all its operations and the majority of its administrative functions. Managing Director Paul Atherley has relocated to Beijing. The intention is for the Company to build a local profile allowing it to rapidly respond to investment opportunities and to take full advantage of low Chinese operating costs in the majority of its activities.

## **2.0 Australian Projects**

In Australia, the five mining leases that cover the historic Mount Leyshon Mine have been joint ventured ("JV") with Newcrest Operations Limited ("Newcrest"). The key terms of the JV require a minimum expenditure by Newcrest of \$750,000 within an eighteen month period before withdrawal. If Newcrest incurs total expenditure of \$3.5 million within 5 years, it will earn a 70% interest in the project. The JV will operate in tandem with the current Fenian JV between Newcrest and Leyshon, bringing exploration expenditure to \$6,000,000 within the Mount Leyshon region over the next five years. Activities have also continued on the Company's other joint venture interests with Xstrata, Newcrest and BHP-Billiton.

### **2.1 BHP Billiton Joint Ventures (Leyshon diluting to 49%)**

#### **Eastern Succession JV (EPM's 9462, 12807 and EPMA's 12458, 12514 and 12516)**

The JV covers two Exploration Permit for Minerals (EPM's) and three applications (EPMA's). The key terms of the JV require a minimum expenditure by BHP Billiton of \$200,000, on the project as whole before withdrawal. Each licence will require expenditures of \$250,000 to earn 51%, an additional \$250,000 to advance to 70% and a further \$1,500,000 to secure 80% equity.

BHP Billiton has identified the tenements as having the potential to host both lead-zinc-silver and iron oxide copper gold mineralisation as part of an in-house regional targeting initiative.

During the last quarter, several lines of ground magnetics/ground gravity were completed on the Tributary Creek EPM (9462) over a high priority gravity target (STRF-007) generated by BHP Billiton's Falcon gravity gradiometer. The target was then tested with two diamond drill holes that intersected a package of micaceous schist and gneiss intercalated with amphibolite and a possible exhalative Fe-Mn horizon which was intersected in the upper parts of hole ESD04005, however Pb and Zn are not anomalous.

#### **Selwyn Central JV (EPM12499)**

The JV comprises the Selwyn Central EPM12499, approximately one hundred kilometres south of Cloncurry. Under the terms of the agreement, BHP Billiton has agreed to expend up to \$3,000,000 to earn 80% equity in the EPM.

BHP Billiton has now defined four priority magnetic targets and has completed several lines of ground gravity and soil sampling over the targets. These data have now been interpreted and drilling is scheduled after the wet season to test them. The anomalies are considered to have the potential to host Pg-Zn-Ag mineralisation and/or iron-oxide copper gold mineralisation.

### **2.2 Carpentaria Joint Venture Agreement (Leyshon Diluting to 49%)**

The momentum of the exploration campaign continued with expenditure for the JV now totaling \$2,106,234. The principal activities during the quarter have included, a dipole-dipole IP survey on the Paradise Shear and Great Australia West prospects in

the Mount Avarice EPM8588, situated on the outskirts of Cloncurry and geological mapping, rock-chip and soil sampling on the Orient area (EPM 12207 Southeast Isa 1).

The IP surveys over the Paradise Shear and Great Australia West revealed some anomalous features. In the case of the Paradise Shear, further field checking will be required, however no further work is planned at the Great Australia West prospect.

The Orient area is located approximately 20km east of Mount Isa with shear and vein-hosted copper in siltstones, sandstones and quartzites assigned to the Surprise Creek Formation, and a small copper working in magmatic units of the Kalkadoon Granite suite. Work has focused on three prospects: the Orient, Orient West and Orient North prospects.

The main *Orient prospect* is a 200 x 50m outcropping, silicified fault zone with occasional shallow pits and gouges revealing copper mineralisation (malachite) hosted in quartz-chlorite faults and shear-hosted quartz pods. Detailed vein mapping of the copper-bearing quartz veins was completed and revealed that the veins generally dip steeply towards the south-southeast as an en echelon array within a shear zone.

Channel samples at *Orient* were collected along the main vein structure and veins in the hanging wall. Cu values were all elevated, with samples across the veins returning values ranging from 250ppm up to 2410ppm. However, the Au values were variable. A soil sampling program was also completed and the results highlighted a broad Cu anomaly over the Orient ridge with a tightly defined anomalous zone along strike to the west of the ridge. Along strike to the east results were anomalous over a broader zone. Four values exceeding 1000ppm Cu (maximum 3570ppm) were recorded on the Orient ridge itself. RC drilling is being considered for the Orient prospect in order to test the main vein structure at depth.

Reconnaissance mapping at *Orient West* indicated that areas of anomalous Cu soil geochemistry from previous sampling generally coincide with Fe-Mn rich, weakly gossanous to lateritic sandstone horizons; gossanous zones developed on NE faults, or quartz veins and variably sheared mafics associated with the Kalkadoon Granite suite. Patchy malachite is locally observed at surface.

The *Orient North* prospect occurs 1.5km NE of the Orient prospect as a prominent 400m long ridge comprising a quartz-filled fault zone hosted in sheared granite, similar to the Orient prospect. The fault is a steeply dipping, north to northeast striking structure, upto 30m wide, with significant fine-grained disseminated pyrite in highly strained, laminated to massive quartz with abundant jarosite staining (probably after sulphides). However, no obvious copper mineralisation was noted.

Rock-chip Sampling and soil sampling results from the Orient West and Orient North prospects were generally subdued in Cu and Au and no further work is planned for these prospects.

### **2.3 Fenian Joint Venture (Leyshon diluting to 30%)**

The JV comprises the Fenian and Laura Exploration Permits for Minerals (EPM10203 and EPM14188), covering 349 square kilometres approximately twenty-nine kilometres south of Charters Towers in Queensland. Under the terms of the JV,

Newcrest are required to spend \$2,500,000 if they wish to earn a 70% interest in the project.

During the December quarter exploration activities focused on the Permo Carboniferous Mathews Pinnacle – Seventy Mile Mount Complex. Newcrest completed a detailed IP survey and received results from three diamond drill holes (FEN007 –FEN009) that were drilled in the September quarter. The results from the drill program are presented in Table 1.

- A deep IP survey was conducted over the Matthew’s Pinnacle – Seventy Mile Mount area and has shown two large chargeability anomalies. It would appear that the copper mineralisation intersected in an earlier drillhole FEN005 (194m @ 0.14% Cu) occurs on the northern edge of one of the anomalies.
- FEN007 intersected minor zones of weak quartz-carbonate-pyrite veining which contained a best result of 1m @ 1.1 g/t Au from 1 to 2m downhole. Minor sulphidic veins from 307 to 321m downhole contained 14m @ 0.14% Cu.
- FEN008 intersected a zone from 565.1 to 608m downhole of minor copper mineralisation (42.9m @ 0.1% Cu) within sulphidic veins and a weakly developed breccia.
- FEN009 contained patchy base metal mineralisation associated with quartz-carbonate-sulphide veins. No assays over 1 g/t Au were returned.

**TABLE 1**

Hole No	Northing	Easting	Collar RL	Azimuth AMG	Dip	Total Depth	From	To	Downhole Intercept	Gold Grade	Copper Grade
	(grid)	(grid)	(m)	(grid)		(m)	(m)	(m)	(m)	(g/t Au)	%
FEN007	7759928	429530	342	180	-61	627.6	1	2	1	1.1	
							307	321	14	0.01	0.14%
FEN008	7760370	429610	313	180	-53	657.6	565.1	608	42.9	0.01	0.10%
FEN009	7759442	429021	299	66	-50	702.4				NSA	

#### **2.4 Mount Leyshon Joint Venture (Leyshon Diluting to 30%)**

The Company has entered into a JV with Newcrest on the five mining leases covering the historic Mount Leyshon mine site. The Mount Leyshon operations closed in 2002 after producing over three million ounces of gold. The key terms of the JV require a minimum expenditure by Newcrest of \$750,000 within an eighteen month period before withdrawal and if Newcrest incurs total expenditure of \$3.5 million within five years, it will earn a 70% interest in the project.

Newcrest has selected the project as part of its acquisition program in Queensland and is targeting high-grade gold mineralisation. It has advised that following a data review drill targets have been broadly defined beneath and adjacent to the current open pit and that drilling is expected to commence in the first quarter of 2005.

The joint venture will operate in tandem with the current Fenian JV, bringing potential exploration expenditure to \$6,000,000 within the Mount Leyshon region over the next five years.



## **2.5 Other Projects**

Other than data compilation, integration and program planning no further work was completed on the Cloncurry and Kidston projects or the Exco/Leyshon JV (Leyshon diluting to 49%).

The Company withdrew from the Musgrave JV with Newmont Gold Exploration Pty Ltd during the period.

## **3.0 Corporate Activities**

### **3.1 Divestment of Australian Exploration Assets**

Shareholder approval for the divestment of Leyshon's Australian exploration interests into Echelon Resources Limited was received on 24 January 2005. The divestment will allow Leyshon to focus exclusively on the development of its interests in China and enable the required financial and technical resources to be applied to the Australian exploration interests.

The major points of the divestment are:

- Leyshon will subscribe for 10,112,877 Echelon shares for \$2.0 million and in addition will receive 3.0 million 20 cent options (expiry date of 31 December 2007);
- The Echelon shares will be distributed in specie to Leyshon shareholders on a 1 for 13 basis;
- Echelon will seek to raise at least a further \$1.0 million at 20 cents each, (with oversubscriptions of up to a further \$1.0 million) pursuant to a public offer; and
- Echelon will apply for listing of its shares on the Australian Stock Exchange.

### **3.2 Issue of Options to Consultants**

Following shareholder approval the Company has issued 2.7 million options exercisable at 35 cents to a number of key consultants and employees in accordance with the shareholder resolution.

Table 2 - Zheng Guang Drill Results - December Quarter 04									
Hole No.	N	E	Azim. / Bearing	T.D. (m)	From (m)	To (m)	Interval (m)	Grade g/t	
								Au	Ag
ZGD019	49500	9960	-87/90	152.2	102.00	107.00	5.00	1.5	11.0
ZGD023	49600	10005	-87/91	131.1	97.80	99.30	1.50	1.0	9.3
ZGD024	48900	9980	-87/90	101.06	9.00	13.00	4.00	3.0	18.8
					16.00	17.00	1.00	3.0	4.9
ZGD025	48900	9940	-87/90	151.02	92.00	93.00	1.00	2.6	26.7
					141.00	143.00	2.00	3.1	7.1
ZGD027	49100	9880	-87/90	201.95	58.95	59.60	0.65	1.1	4.4
					113.55	121.00	7.45	6.2	18.8
				(Incl.	113.55	115.00	1.45	22.4)	
ZGD028	49300	9880	-87/90	241	44.00	45.00	1.00	5.6	16.9
					73.00	75.00	2.00	2.8	15.2
					79.00	90.00	11.00	10.9	38.3
					101.00	104.00	3.00	2.7	4.8
					110.00	118.00	8.00	1.0	5.9
					125.00	126.00	1.00	2.7	4.5
ZGD029	49200	9880	-87/90	181.35	40.00	43.00	3.00	16.5	9.9
					90.00	114.00	24.00	28.6	29.5
				(Incl.	99.00	105.00	6.00	93.0)	
ZGD030	49345	9961.5	-87/90	155.15	23.00	25.00	2.00	0.8	2.2
					86.00	87.00	1.00	8.2	18.2
					90.00	101.00	11.00	1.5	7.1
					118.00	124.00	6.00	2.4	12.6

Au Analysis by Aqua-Regia digest and AAS determination on 50g charge at Qiqihar, BGMR Laboratory  
Maximum 2m of internal dilution, 0.5g/t Au lower cut-off grade; and no top-cut value applied.

Information in this report relating to geological data has been compiled or reviewed by Mr. Greg Jones (a member of the Australasian Institute of Mining and Metallurgy) or Mr. Matthew Yates (member of the Australian Institute of Geoscientists) and have sufficient relevant experience in the reported fields of activity. Mr. Jones and Mr. Yates have consented to the release of this announcement.

# 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

**LEYSHON RESOURCES LIMITED**

ABN

75 010 482 274

Quarter ended ("current quarter")

31 December 2004

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	18
1.2 Payments for (a) exploration and evaluation	(346)	(684)
(b) development	-	-
(c) production	-	-
(d) administration	(201)	(352)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	82	169
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	(40)	(40)
<b>Net Operating Cash Flows</b>	<b>(505)</b>	<b>(889)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a)prospects	-	-
(b)equity investments – China JV	(401)	(401)
(c) other fixed assets	(5)	(8)
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	(2)	(5)
<b>Net investing cash flows</b>	<b>(408)</b>	<b>(414)</b>
1.13 Total operating and investing cash flows (carried forward)	(913)	(1,303)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(913)	(1,303)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	5,803	5,803
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 (provide details if material)	-	-
	<b>Net financing cash flows</b>	5,803	5,803
	<b>Net increase (decrease) in cash held</b>	4,890	4,500
1.20	Cash at beginning of quarter/year to date	6,573	6,963
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	11,463	11,463

**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	74
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments include executive remuneration, director's fees, company secretarial services and provision of a fully serviced office.

**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

Not Applicable.

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	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	750
4.2 Development	-
<b>Total</b>	<b>750</b>

### 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	6,082	765
5.2 Deposits at call	5,381	5,808
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>11,463</b>	<b>6,573</b>

### 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	Withdrawal from the Musgraves Project E69/1552, 1554, 1555, 1556, 1569	Joint Venture	Earn in up to 70%	Nil
	Entered into a JV with Newcrest for the Mt Leyshon Mines site ML 1546, 10144, 10148, 10172, 10173	Joint Venture	100%	Potentially diluting to 30%

+ See chapter 19 for defined terms.

6.2 Interests in mining tenements acquired or increased

	None	-	-	-
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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 <b>Preference + securities</b> <i>(description)</i>	1,000	-	Not Applicable	Not Applicable
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	127,466,558	127,466,558	Not Applicable	Not Applicable
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	15,999,160	15,999,160	\$0.35	
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	10,000,000 8,500,000	- -	<i>Exercise price</i> \$0.20 each \$0.30 each	<i>Expiry date</i> 30 June 2007 30 June 2007
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				

+ See chapter 19 for defined terms.

7.11	<b>Debentures</b> <i>(totals only)</i>		
7.12	<b>Unsecured notes</b> <i>(totals only)</i>		

## 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 ~~not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: ..... Date: 28 January 2005  
(~~Director~~/Company secretary)

Print name: **MARK PEARCE**

## Notes

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

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+ See chapter 19 for defined terms.