

**PELICAN RESOURCES LIMITED**

(ABN 12 063 388 821)

**QUARTERLY REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2005**

**HIGHLIGHTS**

**PHILIPPINES**

**ROMBLON PROJECT**

The Company and its venture partner established a Philippine registered corporation Sibuyan Nickel Properties Development Corporation to be the Romblon company to hold the project tenements. The shareholders of the corporation are Pelican's wholly owned subsidiary Sunshine Gold Pty Ltd (40%), Sunpacific Resources Philippines, Inc (35%) and All-Acacia Resources, Inc (25%).

Work during the Quarter focused on pursuing approval processes required for the documentation to accompany the two MPSA tenement applications and the two small scale mining permits.

It is anticipated the main tenement containing the delineated nickel resources (MPSA Application No AMA-IVB-025) which has been lodged with the Central office of the DENR (Department of Environment and Natural Resources) will be granted in the coming Quarter ending 31 March 2006.

**WESTERN AUSTRALIA**

**BELLARY SPRINGS**

The Bellary Springs tenement is entirely underlain by various lithologies of the Archaean Fortescue Group with a considerable amount of Cainozoic surficial cover. This younger material contains twelve small mapped remnants of Robe Pisolite (now referred to as Channel Iron Deposits or CID), which is most abundant in the east of the tenement.

A field inspection and random grab sampling of the remnant pisolite caps returned assay results that show the iron values are generally high with about half the samples collected containing over 56% iron.

**COCKATOO ISLAND PROJECT**

Portman Iron Ore Limited, as representative for the Cockatoo Island Project, reported that for the December 2005 Quarter 306,434 wet metric tonnes of iron ore were produced and 325,040 wet metric tonnes of iron ore shipped.

**XANADU PROJECT**

Newcrest Operations Limited, the project operator, advised that three RC holes for 726 metres and three diamond holes for 426.2 metres were drilled during the Quarter.

## REVIEW OF OPERATIONS

### REPUBLIC OF THE PHILIPPINES

#### **ROMBLON PROJECT, SIBUYAN ISLAND, ROMBLON PROVINCE (MPSA APPLICATION No. AMA-IVB-025)**

Interest: Option to purchase  
Operator: Pelican Resources Ltd/All-Acacia Resources Inc.

Pelican Resources Limited, through its Philippine subsidiaries and in conjunction with its Joint Venture partner All-Acacia Resources Inc. aims to establish a nickel laterite direct ore shipping operation on Sibuyan Island in the Romblon Province of the Philippines.

The Company and its venture partner established a Philippine registered corporation Sibuyan Nickel Properties Development Corporation to be the Romblon project company that will hold the project tenements. The shareholders of the corporation are Pelican's wholly owned subsidiary Sunshine Gold Pty Ltd (40%), Sunpacific Resources Philippines, Inc (35%) and All-Acacia Resources, Inc (25%).

Work during the Quarter focused on pursuing approval processes required for the documentation to accompany the two MPSA tenement applications and the two small scale mining permits. Representatives at the Barangay, Regional and Provincial levels were consulted as part of the on-going process for the approval of the proposed open cut mining and shipping of ore.

It is anticipated the main tenement containing the delineated nickel resources (MPSA Application No AMA-IVB-025) which has been lodged with the Central office of the DENR (Department of Environment and Natural Resources) will be granted in the coming Quarter ending 31 March 2006.

The second MPSA application (AMA-IVB-167) which links the two separate blocks of MPSA application AMA-IVB-025 is ready to be published, aired and posted on the relevant Bulletin Boards of the Province. The two small scale mining permits are awaiting the granting of the Environmental Compliance Certificates subject to field inspection and verification.

#### **MABUHAY PROJECT, SURIGAO DEL NORTE PROVINCE, MINDANAO ISLAND (MPSA APPLICATION No. 000029-X)**

Interest: Earning 80%  
Operator: Sunpacific Resources Philippines Inc.

The Mabuhay Gold Mine, originally referred to as the Mindanao Motherlode Mine, is located in the extreme north-east of Mindanao Island and lies some 16 kilometres south-east of Surigao City, the capital of Surigao del Norte. The mine itself is only two kilometers from the sealed highway to Surigao City.

The completion of diamond drill hole DDH 12 during the September Quarter marked the end of the current phase of drilling. No drilling or field work was completed at Mabuhay during the December Quarter but drill hole DDH 12 was logged in detail.

**SUNSHINE GOLD PROJECT, DAVAO ORIENTAL PROVINCE,  
MINDANAO ISLAND (EP 000002-00-XI)**

Interest: 70%  
Operator: Sunshine Gold Pty Ltd (a wholly-owned subsidiary)

The Sunshine Project is located on the east side of the island of Mindanao and lies approximately 200 km south of the Mabuhay area. The project is currently held in abeyance.

**WESTERN AUSTRALIA**

**KIMBERLEYS**

**COCKATOO ISLAND PROJECT (M04/235)**

Interest: 100%  
Operator: HWE Cockatoo Pty Ltd

Portman Iron Ore Limited, as representative for the Cockatoo Island Project, reported that for the December 2005 Quarter 306,434 wet metric tonnes of iron ore were produced and 325,040 wet metric tonnes of iron ore shipped. Pelican receives royalties of \$0.50 per metric tonne shipped.

**ASHBURTON TROUGH**

**WYLOO PROJECT (E08/853, E08/854)**

Interest: 49%  
Operator: NuStar Mining Corporation Limited (earning 51%)

Nustar Mining Corporation Limited, the project operator, advised that the December Quarter operations comprised several auger geochemistry and rock chip sampling programmes.

A total of 302 auger holes were completed by Orbit Drilling using a Toyota-mounted auger rig and samples assayed for Au, As, Cu, Pb, Zn, Ag, Sb and Hg by Amdel in Perth. Drill hole spacings varied from 400m by 400m reconnaissance grids to 100m by 50m infill areas. Results are summarized below.

At **Halley Prospect** (centered on 432500mE, 7483000mN) 200m by 100m auger drilling delineated anomalous gold, arsenic, lead, antimony and mercury along 2000m of Mt McGrath stratigraphy adjacent to the unconformity with Duck Creek Dolomite.

Auger drilling at **Firestone Prospect** (centered on 450500mE, 7479500mN) returned weakly anomalous localized gold values with sporadic elevated arsenic and antimony values. The majority of significant results consisted of zinc values relating to shale horizons.

Auger drilling at **Woolshed, Zwicky and Wyloo** (respectively centered on 414000mE, 7486500mN; 446000mE, 7480000mN; 422500mE, 7487500mN) failed to return any significant results.

A rock chip sampling programme, comprising 23 samples, was completed over an area at the **Highway Prospect** (centered on 420500mE, 7494500mE) that had previously returned anomalous gold, silver and lead results. Results were disappointing with maximum values of 4ppb Au, 0.13% Pb and 3.2ppm Ag.

**XANADU PROJECT (M52/83, M52/84, M52/105, E52/812)**

Interest: 28%  
Operator: Newcrest Operations Limited.

Newcrest Operations Limited, the project operator, advised the company that three RC holes for 726 metres and three diamond holes for 426.2 metres were drilled during the Quarter. Sixteen rock chip samples were collected.

**Big Bend**

Three RC holes for a total advance of 726 metres were drilled at Big Bend to follow up on the significant results obtained in hole XRC076 reported last Quarter. A vertical hole (XRC079) was drilled adjacent to XRC076 to test the down-dip potential for mineralization and two step-out holes (XRC080 and XRC081) were drilled 100m to the east and west of XRC076.

All three holes intersected dolomite, silty dolomite and interbedded chert with disseminated pyrite. Alteration in XRC079 was dominated by silica replacement, sericite and graphite; that in XRC081 was similar but less intense. XRC080 failed to reach target depth.

One diamond hole (60.2m RC pre-collar and 309.4m HQ3 core) was drilled to twin XRC076 and better understand the nature of the mineralization. The hole intersected jasperoidal dolomite with some pyrite veins and low temperature quartz veins, clay-chert breccia, strongly clay altered dolomite, sanded dolomite and massive and brecciated dolomite. Two zones of pyrite mineralization were intersected both containing pyrite in late phase veins replacing the matrix of a dolomite breccia.

Results from the core hole did not closely match those of XRC076; possibly the latter intersected a structure that the diamond hole missed.

Significant results from the drilling are presented below.

**RC Drill holes**

| Hole   | AMG East | AMG North | Dip | Azim         | 1 metre sample intercept (+0.1 g/t Au) |              | 4 metre composite (+0.1 g/t Au) |
|--------|----------|-----------|-----|--------------|--|--------------|---------------------------------|
| XRC079 | 582676   | 7407263   | -90 |              | 6m @ 0.35 g/t from 4m                  |              | 24m @ 0.25 g/t from 4m          |
|        |          |           |     |              | 11m @ 0.28 g/t from 16m                |              |                                 |
| XRC080 | 582589   | 7407319   | -60 | 032          | 7m @ 0.40 g/t from 4m                  |              | 32m @ 0.52 g/t from 4m          |
|        |          |           |     |              |  | <b>Incl.</b> | 4m @ 1.19 g/t from 16m          |
|        |          |           |     |              | 21m @ 0.61 g/t from 14m                |              |                                 |
|        |          |           |     | <b>Incl.</b> | 4m @ 1.2 g/t from 16m                  |              |                                 |
|        |          |           |     |              | 2m @ 0.17 g/t from 43m                 |              | 4m @ 0.19 g/t from 44m          |
|        |          |           |     |              | 3m @ 0.18 g/t from 95m                 |              | 8m @ 0.12 g/t from 92m          |
|        |          |           |     |              |  |              | 4m @ 0.1 g/t from 120m          |

## Diamond Drill hole

| Hole  | AMG East | AMG North | Dip | Azim | EOH (m) |       | Interval > 0.1 g/t Au       |
|-------|----------|-----------|-----|------|---------|-------|-----------------------------|
| XD005 | 582675   | 7407271   | -60 | 032  | 369.6   |       | 12m @ 0.73 g/t from 189m    |
|       |          |           |     |      |         |       | 4m @ 0.25 g/t from 36m      |
|       |          |           |     |      |         |       | 7m @ 0.5 g/t from 61m       |
|       |          |           |     |      |         | Incl. | 1m @ 1.50 g/t from 67m      |
|       |          |           |     |      |         |       | 82.3m @ 0.53 g/t from 71.7m |
|       |          |           |     |      |         | Incl. | 0.8m @ 1.20 g/t from 111m   |
|       |          |           |     |      |         | And   | 9.4m @ 1.40 g/t from 123m   |
|       |          |           |     |      |         | And   | 3m @ 1.4 g/t from 134m      |
|       |          |           |     |      |         |       | 12m @ 0.73 g/t from 189m    |
|       |          |           |     |      |         | Incl. | 3.7m @ 2.0 g/t from 194m    |
|       |          |           |     |      |         |       | 9.7m @ 0.39 g/t from 237m   |
|       |          |           |     |      |         | Incl. | 1m @ 1.40 g/t from 242m     |
|       |          |           |     |      |         |       | 14m @ 0.65 g/t from 267m    |
|       |          |           |     |      |         | Incl. | 2.0m @ 2.6 g/t from 270m    |
|       |          |           |     |      |         |       | 13m @ 0.18 g/t from 326m    |

Sixteen rock chips were collected from outcrops of jasperoids and silicified and/or ferruginous dolomites. No significant gold results were returned.

### Claudius

Two attempts at core drilling at Claudius failed to reach the target zone. XD006, a diamond tail of RC hole XRC078 (90m RC and 20.4m HQ3), was abandoned when the hole collapsed while the completion of XD007 (30m RC and 97.4m PQ3) was postponed.

Significant results from the drilling are presented below.

| Hole  | AMG East | AMG North | Dip | Azim | EOH (m) |  | Interval > 0.1 g/t Au     |
|-------|----------|-----------|-----|------|---------|--|---------------------------|
| XD006 | 581190   | 7408322   | -60 | 130  | 110.4   |  | 1.3m @ 0.1 g/t from 93.7m |
| XD007 | 581195   | 7408320   | -60 | 130  | 127.4   |  | 3m @ 0.25 g/t from 40m    |
|       |          |           |     |      |         |  | 1m @ 0.16 g/t from 47m    |
|       |          |           |     |      |         |  | 3m @ 0.46 g/t from 50m    |
|       |          |           |     |      |         |  | 1m @ 0.32 g/t from 57m    |
|       |          |           |     |      |         |  | 2m @ 0.22 g/t from 88m    |
|       |          |           |     |      |         |  | 3m @ 0.11 g/t from 92m    |

## EASTERN GOLDFIELDS

### PADDINGTON WEST PROJECT (MLA24/496)

Interest: 100%  
Operator: Pelican Resources Limited

The grant of the tenement is pending.

### MT MONGER PROJECT (M26/637)

Interest: 100%  
Operator: Pelican Resources Limited

No field work was completed during the Quarter.

## PILBARA

### BELLARY SPRINGS (E47/1268)

Interest: 100%  
Operator: Sunrise Exploration Pty Ltd

The Bellary Springs tenement, E 47/1268, was granted during the Quarter and approval was given by the Minister for State Development to explore for iron ore.

The tenement is located 20 km to the north east of Paraburdoo and is cut by both the sealed Paraburdoo to Tom Price road, and the Hamersley Iron (now Pilbara Iron) railway line with its associated maintenance tracks.

E47/1268 is entirely underlain by various lithologies of the Archaean Fortescue Group with a considerable amount of Cainozoic surficial cover. This younger material contains twelve small mapped remnants of Robe Pisolite (now referred to as Channel Iron Deposits or CID), which are most abundant in the east of the tenements.

A brief inspection of one of these pisolite remnants indicated that there was potential for iron grades similar to those found at Panawonnica and Yandicoogina.

A subsequent field inspection and random grab sampling indicated that most of the deposits are in the range of 3-4 metres thick with only a couple with thicknesses of more than 5-6 metres. Most appear to have a lower grade basal portion containing abundant fragments of weathered volcanics grading upwards into better grade pisolites.

Assay results show that the iron values are generally high with about half the samples collected containing over 56% iron with generally good phosphorus values but variable alumina (Table 1)

**Table 1.** Assay data for random grab samples of pisolites

| Sample | Easting | Northing | % Fe  | %Al <sub>2</sub> O <sub>3</sub> | %P    |
|--------|---------|----------|-------|---------------------------------|-------|
| B 2    | 598347  | 7444845  | 54.02 | 5.62                            | 0.05  |
| B 3    | 598028  | 7445907  | 57.8  | 5.95                            | 0.03  |
| B 4    | 596270  | 7444624  | 58.24 | 2.77                            | 0.05  |
| B 5    | 596319  | 7444431  | 53.48 | 5.66                            | 0.08  |
| B 6    | 598970  | 7447077  | 53.90 | 7.36                            | 0.03  |
| B 7    | 599424  | 7447419  | 49.06 | 6.15                            | 0.40  |
| B 8    | 598090  | 7449218  | 52.69 | 7.55                            | 0.04  |
| B 9    | 598347  | 7444845  | 46.0  | 10.3                            | 0.046 |
| B 10   | 597886  | 7445754  | 59.5  | 2.93                            | 0.051 |
| B 11   | 596130  | 7444470  | 57.9  | 3.68                            | 0.046 |
| B 12   | 596179  | 7444278  | 53.6  | 6.61                            | 0.034 |
| B 13   | 598829  | 7446923  | 54.9  | 5.33                            | 0.079 |
| B 14   | 599282  | 7447266  | 58.4  | 3.91                            | 0.050 |
| B 15   | 597948  | 7449065  | 60.2  | 2.98                            | 0.074 |
| B 16   | 598306  | 7444794  | 56.1  | 3.42                            | 0.034 |
| B 17   | 598309  | 7444866  | 53.6  | 6.51                            | 0.093 |
| B 18   | 598316  | 7445019  | 59.2  | 2.93                            | 0.068 |
| B 19   | 597627  | 7445575  | 56.0  | 4.46                            | 0.041 |
| B 20   | 598911  | 7446942  | 59.4  | 2.27                            | 0.059 |
| B 21   | 598856  | 7446916  | 57.0  | 1.82                            | 0.05  |
| B 22   | 599580  | 7446336  | 55.6  | 4.75                            | 0.048 |
| B 23   | 601667  | 7446430  | 58.5  | 3.04                            | 0.07  |
| B 24   | 601751  | 7446581  | 57.1  | 1.02                            | 0.038 |

In essence, the Bellary Springs tenement contains several mesas capped with relatively iron-rich pisolite.

**DONALD WELL (E45/2534)**

Interest: 100%  
Operator: Sunrise Exploration Pty Ltd

The Donald Well tenement was approved during the Quarter.

**EASTERN GOLDFIELDS**

**PADDINGTON WEST PROJECT (MLA 24/496)**

Interest: 100%  
Operator: Pelican Resources Limited

The grant of the tenement is pending.

**MT MONGER PROJECT (M26/637)**

Interest: 100%  
Operator: Pelican Resources Limited

A geochemical Mobile metal ion (MMI)soil sampling programme was carried out to attempt to define extensions of known mineralisation.

**RELINQUISHMENTS**

Nil

**NEW ACQUISITIONS**

Donald Well E45/2534 located in the Pilbara region WA.

**EXPLORATION EXPENDITURE**

Exploration expenditure during the quarter was \$108,000.

Signed on behalf of the Board of Pelican Resources Limited

J H Hills BSc, BSc Hons, MSc, PhD, M.Aus.I.M.M.

For further information:

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# 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

PELICAN RESOURCES LIMITED

ABN

12 063 388 821

Quarter ended ("current quarter")

31 DECEMBER 2005

### Consolidated statement of cash flows

| Cash flows related to operating activities                      | Current quarter<br>\$A'000 | Year to date (6 months)<br>\$A'000 |
|---|----------------------------|------------------------------------|
| 1.1 Receipts from product sales and related debtors             | --                         | --                                 |
| 1.2 Payments for (a) exploration and evaluation                 | (108)                      | (270)                              |
| (b) development   | --                         | --                                 |
| (c) production  | --                         | --                                 |
| (d) administration  | (151)                      | (293)                              |
| 1.3 Dividends received  | --                         | --                                 |
| 1.4 Interest and other items of a similar nature received       | 9                          | 21                                 |
| 1.5 Interest and other costs of finance paid                    | --                         | --                                 |
| 1.6 Income taxes paid   | --                         | --                                 |
| 1.7 Other (Royalties & GST)                                     | 128                        | 299                                |
| <b>Net Operating Cash Flows</b>                                 | <b>(122)</b>               | <b>(243)</b>                       |
| <b>Cash flows related to investing activities</b>               |                            |                                    |
| 1.8 Payment for purchases of: (a)prospects                      | --                         | --                                 |
| (b)equity investments   | (47)                       | (47)                               |
| (c)other fixed assets   | (1)                        | (5)                                |
| 1.9 Proceeds from sale of: (a)prospects                         | --                         | --                                 |
| (b)equity investments   | --                         | --                                 |
| (c)other fixed assets   | --                         | --                                 |
| 1.10 Loans to other entities                                    | (7)                        | (7)                                |
| 1.11 Loans repaid by other entities                             | --                         | --                                 |
| 1.12 Other (provide details if material)                        | --                         | --                                 |
| <b>Net investing cash flows</b>                                 | <b>(55)</b>                | <b>(59)</b>                        |
| 1.13 Total operating and investing cash flows (carried forward) | <b>(177)</b>               | <b>(302)</b>                       |

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

|      |  |       |       |
|------|--|-------|-------|
| 1.13 | Total operating and investing cash flows (brought forward) | (177) | (302) |
|      | <b>Cash flows related to financing activities</b>          |       |       |
| 1.14 | Proceeds from issues of shares, options, etc.              | --    | --    |
| 1.15 | Proceeds from sale of forfeited shares                     | --    | --    |
| 1.16 | Proceeds from borrowings                                   | --    | --    |
| 1.17 | Repayment of borrowings                                    | (3)   | (6)   |
| 1.18 | Dividends paid   | --    | --    |
| 1.19 | Other (costs of capital raising)                           | --    | --    |
|      | <b>Net financing cash flows</b>                            | (3)   | (6)   |
|      | <b>Net increase (decrease) in cash held</b>                | (180) | (308) |
| 1.20 | Cash at beginning of quarter/year to date                  | 740   | 868   |
| 1.21 | Exchange rate adjustments to item 1.20                     | --    | --    |
| 1.22 | <b>Cash at end of quarter</b>                              | 560   | 560   |

**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<br>\$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 153                        |
| 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

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

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

|     |                             | Amount available<br>\$A'000 | Amount used<br>\$A'000 |
|-----|-----------------------------|-----------------------------|------------------------|
| 3.1 | Loan facilities             |                             |                        |
| 3.2 | Credit standby arrangements |                             |                        |

+ See chapter 19 for defined terms.

**Estimated cash outflows for next quarter**

|              |                            | \$A'000    |
|--------------|----------------------------|------------|
| 4.1          | Exploration and evaluation | 100        |
| 4.2          | Development                | --         |
| <b>Total</b> |                            | <b>100</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<br>\$A'000 | Previous quarter<br>\$A'000 |
|---|--------------------------|----------------------------|-----------------------------|
| 5.1   | Cash on hand and at bank | 30                         | 40                          |
| 5.2   | Deposits at call         | 530                        | 700                         |
| 5.3   | Bank overdraft           | --                         | --                          |
| 5.4   | Other (provide details)  | --                         | --                          |
| <b>Total: cash at end of quarter</b> (item 1.22)  |                          | <b>560</b>                 | <b>740</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 | (refer attached notes)        |                                  |                            |
| 6.2 | Interests in mining tenements acquired or increased           | (refer attached notes)        |                                  |                            |

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**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><br><i>(description)</i>  |              |               |   |  |
| 7.2 Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs, redemptions |              |               |   |  |
| 7.3 <b>+Ordinary securities</b>  | 73,301,626   | 73,301,626    |   |  |
| 7.4 Changes during quarter<br>(a) Increases through issues<br><br>(b) Decreases through returns of capital, buy-backs          |              |               |   |  |
| 7.5 <b>+Convertible debt securities</b><br><i>(description)</i>  |              |               |   |  |
| 7.6 Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through securities matured, converted              |              |               |   |  |
| 7.7 <b>Options</b><br><i>(description and conversion factor)</i>   | 69,868,044   | 57,868,044    | <i>Exercise price</i><br>\$0.20               | <i>Expiry date</i><br>8 April 2006               |
| 7.8 Issued during quarter  | 6,000,000    | --            | \$0.10  | 31 December 2008                                 |
| 7.9 Exercised during quarter   | 6,000,000    | --            | \$0.20  | 31 December 2008                                 |
| 7.10 Expired during quarter  |              |               |   |  |
| 7.11 <b>Debentures</b><br><i>(totals only)</i>   |              |               |   |  |
| 7.12 <b>Unsecured notes</b><br><i>(totals only)</i>  |              |               |   |  |

+ See chapter 19 for defined terms.

## 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: 31 January 2006  
(Company Secretary)

Print name: JOHN PALERMO

## 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.