

Quarterly Report

For the period ended 30 September 2004

OVERVIEW

The September quarter has been a particularly busy one for Rox, with two drilling programs, resource estimation and a pit optimisation study completed.

A RAB drilling program of 6,764 metres early in the quarter identified a number of targets which returned high-grade drill intercepts. Three of these targets at Bonnie Jean, Ballarat Menzies and Wedderburn were followed up with RC drilling (1,316 metres) later in the quarter. Disappointingly, the RC follow-up did not reproduce the high-grade hits from the earlier RAB drilling. The RAB drilling also identified a number of other lower grade targets which are yet to be tested by RC drilling.

The RC drilling program did produce a further high-grade intercept at Lady Shenton North, of **5 metres at 12.1 g/t Au** from 5 - 10 metres depth. The intercepts at Ballarat Menzies were also of interest producing **5 metres at 1.81 g/t Au** from 10 - 15 metres depth and **5 metres at 1.44 g/t Au** from 40 - 45 metres depth.

The RC drilling also discovered a new nickel laterite zone west of Yunndaga, called Acacia Ridge, with high-grade nickel hits of **14 metres at 0.91% Ni, 0.17% Co** and **15 metres at 0.76% Ni, 0.17% Co** being recorded. The high cobalt values are particularly noteworthy. This is believed to be an extension of the large Highway nickel laterite deposit to the south.

Resource estimation using new drilling data increased the resource by **11% to 170,900 ounces contained gold**, with **77% in the Measured and Indicated category**. Pit optimisations of these new resources identified 24,000 ounces that could be profitably mined. The Company will continue to seek to expand resources and will concentrate on drilling high-grade targets beneath surface deposits in the coming quarters.

EXPLORATION AND DEVELOPMENT ACTIVITIES

RAB Drilling

Rox Resources Limited (ASX code RXL, "Rox") completed a RAB drilling programme of 145 holes totalling 6,764 metres in early August, testing soil anomalies on the Aspacia-Yunndaga Trend, the Eastern Mafic Trend (mainly targeting shallow gold workings) and the First Hit South RAB anomaly. Holes were sampled at 5 metre intervals and assayed for gold by Atomic Absorption Spectroscopy, except for smaller intervals at the end of holes.

Two new discoveries were made at Bonnie Jean and Ballarat Menzies, located SE of Lady Harriet (see attached map). Best results included:

S7RB0052	13 metres @ 9.9 g/t Au from 20m depth (to EOH) at Bonnie Jean,
S8RB0004	10 metres @ 1.24 g/t Au from 15m depth at Ballarat Menzies, and 1 metre @ 7.8 g/t Au from 30m depth (to EOH), and
FHRB0006	5 metres @ 12.8 g/t Au from 25m depth at Wedderburn (south of First Hit pit)

Other noteworthy results were:

S8RB0001	5 metres @ 1.09 g/t Au from 10m depth at Ballarat Menzies,
S8RB0002	5 metres @ 2.31 g/t Au from 15m depth at Ballarat Menzies,
S8RB0005	5 metres @ 1.43 g/t Au from 10m depth at Ballarat Menzies,
FHRB0007	5 metres @ 2.49 g/t Au from 25m depth at Wedderburn, and
FHRB0008	10 metres @ 1.46 g/t Au from 40m depth at Wedderburn.

Full drill results are shown in Table 1 and prospect locations are shown on Figure 1.

RC Drilling

An RC drilling program of 21 holes totalling 1,116 metres was completed during September, following up previous RAB and RC results at Bonnie Jean, Ballarat Menzies, Wedderburn and Lady Shenton North. All holes were drilled at inclinations of -60° to local grid east. Significant results returned from 5 metre composite samples (1 metre split assays are still awaited) were:

LSRC0004	5 metres at 12.1 g/t Au from 5m to 10m 5 metres at 1.96 g/t Au from 20m to 25m
LSRC0006	10 metres at 0.94g/t Au from 20m to 30m
BMRC0001	5 metres at 1.81g/t Au from 10m to 15m 5 metres at 1.11g/t Au from 25m to 30m
BMRC0006	5 metres at 1.44g/t Au from 40m to 45m

Disappointingly the RC twin of the previous RAB hole at Bonnie Jean (13m @ 9.9. g/t Au) did not return any values greater than 0.2 g/t Au. Full results are given in Table 2.

Rox also drill tested a likely nickel laterite zone west of Yunndaga, where no previous drilling had occurred. A line of 5 holes for 200m intersected significant nickel in every hole, with best results:

YNRC0003	14 metres at 0.91% Ni, 0.17% Co or 1.59% NiEq, including 2 metres at 1.39% Ni, 0.30% Co or 2.59% NiEq
YNRC0001	15 metres at 0.76% Ni, 0.17% Co or 1.44% NiEq, including 2 metres at 1.06% Ni, 0.45% Co or 2.86% NiEq

(NiEq = Ni + 4 x Co, based on current metal prices)

Drilling intersected both saprolitic material with very high cobalt values, and low magnesium siliceous material, similar to the Highway deposit to the south where Heron Resources Limited recently announced a resource of 85 million tonnes grading 0.72% Ni, 0.051% Co. Heron expect siliceous ore to upgrade to 1.5% Ni.

The high cobalt values in both intercepts, with very high nickel equivalent (NiEq) grades, and the styles of mineralisation are particularly attractive for future processing. Full drilling results are given in Table 3 and drill hole locations are shown on Figure 2.

Resource Estimation

Rox also completed a new resource estimate at Menzies (following its initial drilling programmes), which was used as the basis of a preliminary evaluation of mining options.

The results indicated an 11% increase in contained ounces of gold compared to the previous estimate, and an increase in confidence with approximately 77% of the resource now classified as Measured or Indicated, as shown in the table below at a lower cut-off of 1 g/t.

Category	New			Previous		
	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces
Measured	75,000	2.3	5,500	98,000	2.8	8,900
Indicated	1,559,000	2.5	124,900	810,000	2.9	75,600
Inferred	494,000	2.6	40,500	825,000	2.6	69,100
TOTAL	2,128,000	2.5	170,900	1,734,000	2.8	153,600

Tables 4 & 5 show the results in more detail. Resource estimation methodology is described in Appendix 1.

Pit Optimisation

It was previously recognised that high-grade portions of the resources lying below the open pits may be amenable to exploitation by either underground mining or extensions/cutbacks to the existing open pits. Pit optimisations were run to evaluate how much might be extractable by open pit, to target any in-fill drilling required (particularly at the 86,000 ounce Yunndaga deposit), and to determine where the open-pit to underground transition might be for each deposit.

A series of gold prices ranging from A\$500/oz to A\$700/oz were used in the optimisations and it was assumed that contract mining and toll treatment would be the preferred path for development, as described in Appendix 2.

While the optimisations were run primarily as a tool to begin assessment of various development options, they showed that at a gold price of A\$575/oz, 185,000 tonnes at a grade of 4.4 g/t Au yielding 24,200 ounces may be profitably mined.

However, this is only a preliminary result, and more information will be needed before any definite statements about mining options can be made. For example, in-fill drilling of sparsely drilled areas may increase grades, while a portion of the optimised resources may not be able to be mined due to back-filling of open pits, previous unaccounted for underground mining and geotechnical issues.

Rox will continue to examine the alternatives, including underground mining and on-site treatment as a means of maximising the value of the remaining exploitable resources.

FINANCIAL

As at 30 September 2004, Rox had 32.27 million shares on issue and cash on hand of \$2.95 million.

ABOUT ROX

Rox was listed on the ASX on 27 April 2004, after raising \$4.5 million in its IPO. Rox is a Perth-based gold exploration company focussed on the historic Menzies Goldfield 130 km north of Kalgoorlie in Western Australia. Menzies is a million ounce goldfield with past production from underground mining of more than 650,000 ounces of gold at a grade of 22.5 g/t Au and recent production from open pit mining of over 140,000 ounces at 2.6 g/t Au. Current resources total 170,900 ounces grading 2.5 g/t Au.

Dated this 25th day of October 2004.

Signed on behalf of the Board of Rox Resources Limited.



IAN MULHOLLAND
Managing Director

FOR FURTHER INFORMATION CONTACT:

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The information on mineralisation contained in this statement accurately reflects information compiled by Mr Ian Mulholland B.Sc (Hons), M.Sc., F.Aus.I.M.M., F.A.I.G., who is a Competent Person (as defined by the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves) with relevant experience in relation to such mineralisation. Mr Mulholland has given permission for the information to be included in this statement, and is a full time employee of the Company.

Table 1: Menzies RAB Drilling Program Results - July-August 2004

Hole ID	Northing	Easting	Hole Depth (m)	From (m)	To (m)	Intercept (m)	Grade g/t Au	Prospect
S1RB0003	6713930	307640	48	40	45	5	1.11	Aspacia
S1RB0008	6713855	307545	49	45	49 (EOH)	4	1.00	Aspacia
S2RB0009	6712760	308435	79	35	40	5	0.72	Menzies Ltd
S2RB0010	6712745	304415	50	35	40	5	0.66	Menzies Ltd
S4RB0006	6710770	308950	89	35	40	5	0.81	
				40	45	5	1.35	
				45	50	5	0.76	
S4RB0008	6710830	309030	61	30	35	5	0.51	
S5RB0012	6710905	309925	73	30	35	5	0.68	
S5RB0014	6710825	309360	74	45	50	5	0.88	
S6RB0008	6710365	309240	46	30	35	5	0.56	
S7RB0006	6710970	310535	30	5	10	5	0.79	Three Sisters
S7RB0008	6710805	310325	34	25	30	5	0.47	Three Sisters
				30	34	4	1.33	
S7RB0009	6710765	310270	32	0	5	5	0.79	Three Sisters
S7RB0010	6710895	310610	23	5	10	5	0.40	Three Sisters
				10	15	5	1.76	
S7RB0029	6710235	310560	42	35	40	5	0.97	Two Walters
S7RB0034	6710090	310540	26	20	25	5	0.95	Two Walters
S7RB0052	6709310	311145	33	15	20	5	0.60	Bonnie Jean
				20	25	5	18.30	
				25	30	5	6.61	
				30	33 (EOH)	3	1.28	
S8RB0001	6710020	311010	29	10	15	5	1.09	Ballarat Menzies
S8RB0002	6709955	311040	26	15	20	5	2.31	Ballarat Menzies
S8RB0004	6709835	311105	31	15	20	5	1.49	Ballarat Menzies
				20	25	5	0.98	
				30	31 (EOH)	1	7.84	
S8RB0005	6709800	311135	47	10	15	5	1.43	Ballarat Menzies
				20	25	5	0.64	
				35	40	5	0.92	
S8RB0006	6709780	311115	61	40	45	5	0.84	Ballarat Menzies
FHRB0002	6713610	308655	59	40	45	5	0.65	Wedderburn
FHRB0004	6713590	308625	70	40	45	5	0.55	Wedderburn
				45	50	5	0.76	
FHRB0006	6713645	308630	58	25	30	5	12.81	Wedderburn
				30	35	5	0.88	
				35	40	5	0.67	
FHRB0007	6713633	308615	64	25	30	5	2.49	Wedderburn
				35	40	5	0.95	
				40	45	5	0.63	
FHRB0008	6713620	308600	60	35	40	5	0.72	Wedderburn
				40	45	5	1.38	
				45	50	5	1.53	

All holes drilled at -60 degrees towards 053 magnetic azimuth, 5m composite spear sampling, AAS gold assay, 0.5 g/t Au lower cut-off, GDA94 Grid Datum.

Table 2: Menzies RC Gold Drilling Results -September 2004

Hole ID	Unsurveyed GDA Coordinates		Total Depth (m)	5m Spear Intercepts (0.2g/t Au lower cut off)			
	North	East		From (m)	To (m)	Length (m)	Au (g/t)
WBRC0001	6713665	308633	35	20	25	5	0.25
WBRC0003	6713633	308609	60	30	40	10	0.24
WBRC0004	6713625	308625	60	30	55	25	0.29
			<i>Incl.</i>	40	45	5	0.50
WBRC0006	6713595	308605	85	60	65	5	0.57
LSRC0004	6712634	308989	45	0	10	10	6.31
			<i>Incl.</i>	5	10	5	12.41
				15	30	15	0.80
			<i>Incl.</i>	20	25	5	1.96
LSRC0005	6712620	308975	66	25	45	20	0.40
			<i>Incl.</i>	35	40	5	0.66
LSRC0006	6712654	308949	64	20	45	25	0.61
			<i>Incl.</i>	20	30	10	0.94
BJRC0001	6709316	311142	50	10	15	5	0.24
				25	30	5	0.45
BJRC0003	6709291	311135	80	20	25	5	0.23
				30	35	5	0.29
				40	70	30	0.31
BMRC0001	6709936	311057	35	10	30	20	0.93
			<i>Incl.</i>	10	15	5	1.81
			<i>Incl.</i>	25	30	5	1.11
BMRC0002	6709903	311076	35	20	25	5	0.61
BMRC0003	6709891	311067	79	35	40	5	0.43
BMRC0004	6709859	311091	35	30	35	5	0.32
BMRC0005	6709835	311105	35	15	35	20	0.48
BMRC0006	6709811	311091	75	35	50	15	0.66
			<i>Incl.</i>	40	45	5	1.34
BMRC0007	6709800	311135	43	10	30	20	0.54
			<i>Incl.</i>	10	15	5	0.98
				35	40	5	0.21

All holes apart from those at Wedderburn were drilled at -60 degrees towards 053 magnetic azimuth. 5m composite spear sampling, AAS gold assay, 0.2 g/t Au lower cut-off for re-sampling at 1m intervals. Collar positions are on GDA94 Grid Datum. Wedderburn holes were drilled at -60 degrees toward 090 magnetic azimuth.

Table 3: Menzies RC Nickel Drilling Results -September 2004

Hole ID	GDA Coordinates		Total Depth (m)	Intercept (0.5% Ni lower cut-off)						
	North	East		From (m)	To (m)	Length (m)	Ni (%)	Co (%)	Mg (%)	NiEq (%) *
YNRC0001	6708300	309550	40	15	30	15	0.76	0.17	8.85	1.44
			<i>Incl.</i>	18	20	2	1.06	0.45	8.86	2.86
				28	30	2	0.93	0.24	10.3	1.89
YNRC0002	6708300	309650	52	21	22	1	1.03	0.031	0.30	1.15
YNRC0003	6708300	309750	46	13	27	14+	0.91	0.17	2.47	1.59
			<i>Incl.</i>	17	19	2	1.39	0.30	0.89	2.59
				23	25	2+	1.45	0.21	3.63	2.29
YNRC0004	6708300	309850	40	6	11	5	0.64	0.074	5.97	0.94
YNRC0005	6708300	309950	22	4	11	7	0.79	0.081	6.78	1.11

* NiEq = Ni + 4 x Co (based on current Ni and Co prices)

+ Poor sample recovery 22-25m

All holes drilled vertical, face-sampling RC hammer, sampled at 1 metre down-hole intervals. Assays by XRF (glass fusion).

Table 4: Menzies Total Resources

Prospect	Measured		Indicated		Inferred		Total		Metal
	Tonnes	Grade	Tonnes	Grade	Tonnes	Grade	Tonnes	Grade	Ounces
Lady Irene	5,027	3.21	54,362	3.29	35,044	4.74	94,433	3.82	11,610
Selkirk*			4,015	3.30	14,041	7.09	18,056	6.25	3,627
Lady Sherry	11,800	1.70	13,011	2.29	6,000	1.40	30,811	1.89	1,873
First Hit*			70,492	3.23	69,036	3.08	139,528	3.16	14,157
Aspacia			7,000	3.40	12,000	3.20	19,000	3.27	2,000
Lady Shenton*			260,626	2.99	20,929	4.17	281,555	3.08	27,860
Golden Age	24,500	2.10	9,474	1.65	4,000	1.20	37,974	1.89	2,311
Unknown	22,000	2.30	5,654	2.78	3,500	1.90	31,154	2.34	2,346
South Dump	12,000	2.70	7,500	2.92	2,000	2.30	21,500	2.74	1,894
Warrior			50,150	1.84	0	0.00	50,150	1.84	2,967
Lady Harriet*			132,305	3.08	13,420	2.82	145,725	3.06	14,318
Yunndaga*			944,604	2.20	313,943	1.89	1,258,547	2.12	85,890
Grand Total	75,327	2.27	1,559,193	2.49	493,913	2.55	2,128,433	2.50	170,853

* New resource estimate

Totals may not add up due to rounding.

Figures are rounded in summary tables and for public reporting.

High-grade cuts were applied at different values for different deposits (see Appendix 3) depending on grade distribution statistics

Table 5: Comparison of New Resource Estimates with Previous Resource Estimates

Deposit	Previous			Current			Change Ounces Au
	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	
Lady Irene	94,433	3.82	11,610	94,433	3.82	11,610	0
Selkirk*	18,000	8.95	5,201	18,056	6.25	3,627	-1,574
Lady Sherry	30,811	1.89	1,873	30,811	1.89	1,873	0
First Hit*	71,500	4.56	10,477	139,528	3.16	14,157	+3,680
Aspacia	19,000	3.27	2,000	19,000	3.27	2,000	0
Lady Shenton*	440,000	3.05	43,211	281,555	3.08	27,860	-15,351
Golden Age	37,974	1.89	2,311	37,974	1.89	2,311	0
Unknown	31,154	2.34	2,346	31,154	2.34	2,346	0
South Dump	21,500	2.74	1,894	21,500	2.74	1,894	0
Warrior	50,150	1.84	2,967	50,150	1.84	2,967	0
Lady Harriet*	89,500	1.79	5,149	145,725	3.06	14,318	+9,169
Yunndaga*	830,000	2.42	64,527	1,258,547	2.12	85,890	+21,363
Total	1,734,059	2.75	153,566	2,128,433	2.50	170,853	+17,287

* New resource estimate

Totals may not add up due to rounding.

Figures are rounded in summary tables and for public reporting.

High-grade cuts were applied at different values for different deposits (see Appendix 3) depending on grade distribution statistics

Appendix 1: Resource Estimation Methodology

The Lady Shenton, Yunndaga and Lady Harriet resource estimates were undertaken by Resource Evaluations Pty Ltd, while First Hit and Selkirk were completed by Rox and audited by Resource Evaluations.

Resource estimates by Resource Evaluations Pty Ltd used Inverse Distance Cubed (ID³) grade interpolation, constrained by resource outlines based on mineralisation envelopes prepared using a nominal cut-off grade of 0.5 g/t Au and a minimum down hole length of 3m. Block dimensions were 10m NS x 5m EW x 2.5m vertical with sub-cells of 5m x 2.5m x 1.25m.

Drill data were from the drill database provided by Paddington Gold Pty. Ltd., which was checked and validated by IO Digital Pty. Ltd. The database included exploration/resource definition drilling as well as grade control drilling. Some additional holes drilled recently by Rox were also included. Holes were mostly drilled by reverse circulation (RC) with down hole sampling on 1m and 2m intervals. For resource estimation, samples were composited either to 1m or 2m intervals (depending on the deposit).

A search ellipse of 30m x 30m x 3m radius was used for the first pass of grade interpolation followed by a second pass at 60m, and a third pass at 120-150m. The search ellipse was orientated along the dip and strike of mineralisation. Bulk density values of 1.9 t/m³, 2.3 t/m³ and 2.75 t/m³ were used for oxide, transitional and fresh material respectively. No dilution was modelled.

Resources were classified as Indicated if the drilling pattern was closer than or equal to 20m x 20m, with Inferred classified from this limit up to 100m x 100m (but only if geological continuity was reasonable).

High-grade cuts were 20 g/t Au for Lady Harriet, 25 g/t Au for Lady Shenton, and 30 g/t Au for Yunndaga.

For the resource estimates carried out by Rox, the parameters used were identical to those above except for:

- Sample Quality Control, where examined, showed good repeatability between duplicate samples.
- Minimum down hole interval was 2m with maximum internal dilution of 2m for the 0.5 g/t Au grade envelope.
- Block size of 5m NS x 5m EW x 2.5m vertical was used, with sub-blocks of 2.5m x 2.5m x 1.25m.
- High-grade cuts were 60 g/t Au for Selkirk, and 25 g/t Au, 32 g/t Au and 40 g/t Au for three different domains modelled in the First Hit deposit.

Appendix 2: Pit Optimisation Parameters

The optimisations were undertaken by Intermine Consultants who used the following mining, transport and milling costs, based on industry "standard" costs and/or enquiry. The royalty scheme was the 1% NSR payable to Paddington Gold. Input from a recent geotechnical review by Snowden Mining Industry Consultants was used to determine pit slopes etc.

Milling	\$20/t (estimate of toll milling cost at Paddington or Davyhurst)
Transport	\$7/t (estimate based on use of 100km bitumen road to Paddington @ \$0.07/t.km, or 63km gravel road to Davyhurst @ \$0.11/t.km)
Administration	\$1/t (estimate)
Mining	\$1.50/t (estimated for ore and/or waste)
Recoveries	90% mining, 92% metallurgical (data from previous operator)

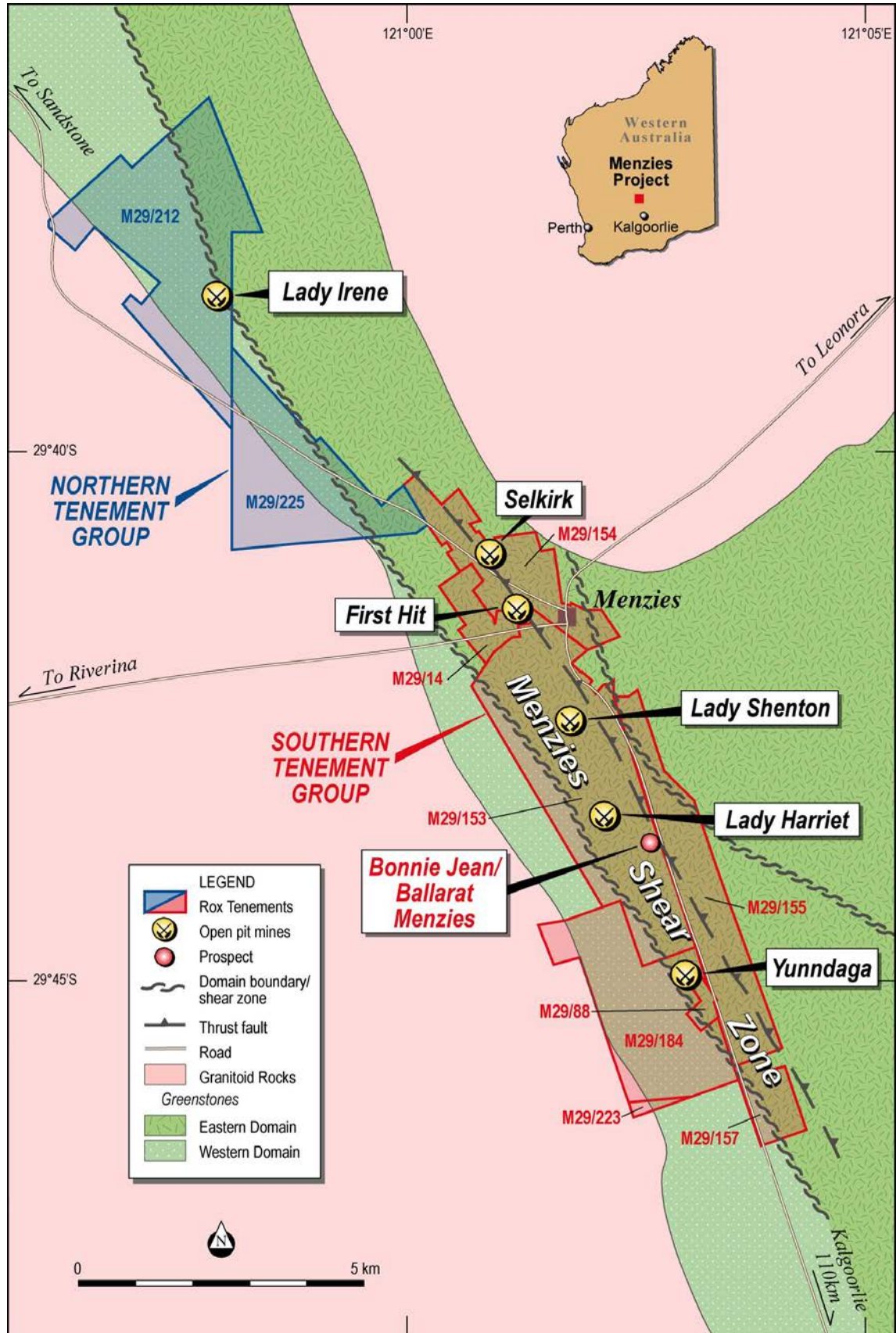


Figure 1: Menzies Project Deposit and Prospect Locations

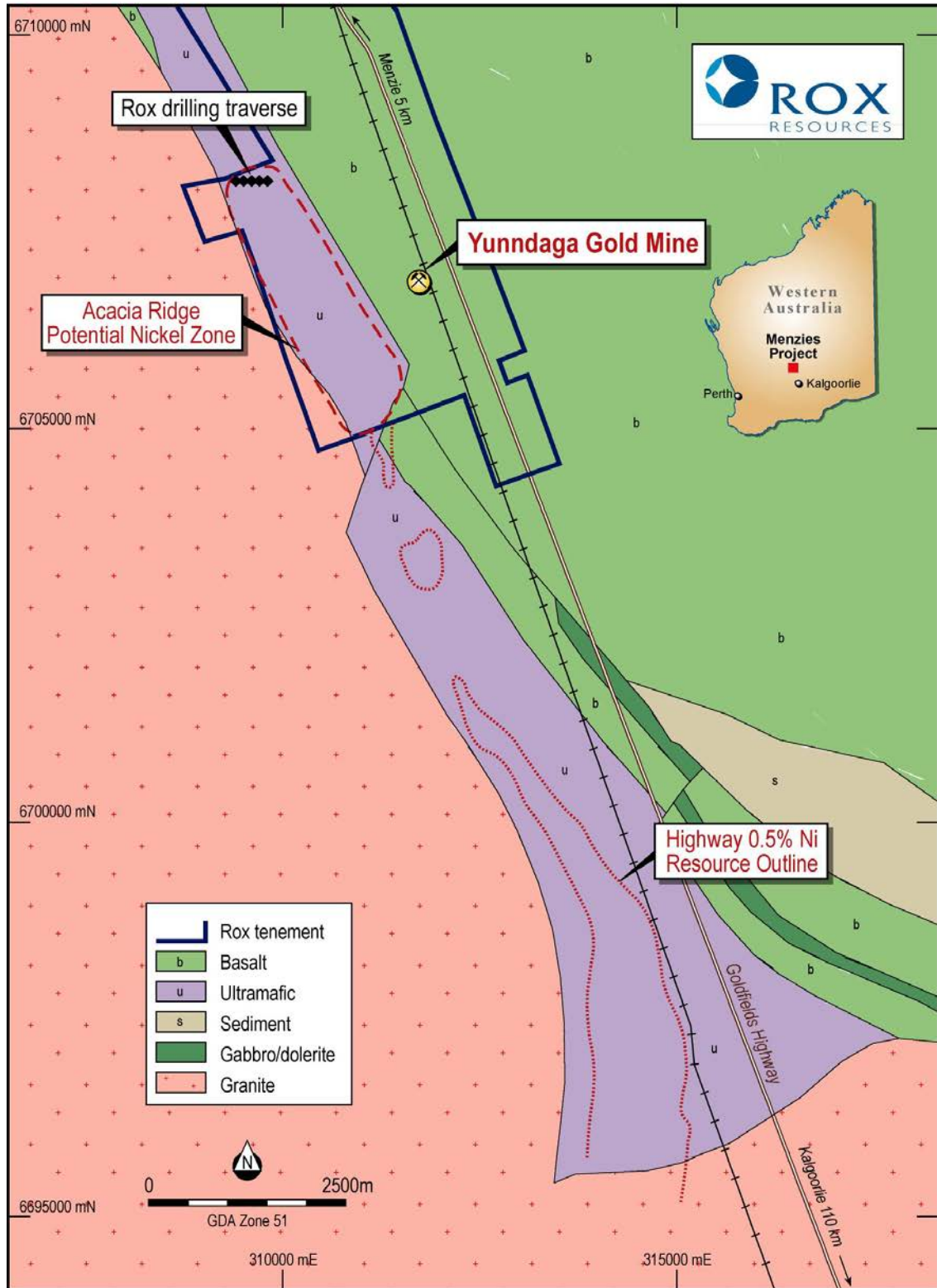


Figure 2: Laterite Nickel Drilling Traverse

APPENDIX 5B

Mining Exploration entity quarterly report

Name of entity

ROX RESOURCES LIMITED

ACN or ARBN

107 202 602

Quarter ended ("current quarter")

September 2004

Consolidated statement of cash flows

	Current Quarter A\$'000	Year to Date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(292)	(292)
(b) development	-	-
(c) production	-	-
(d) administration	(146)	(146)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	39	39
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(399)	(399)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(10)	(10)
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	-	-
Net investing cash flows	(10)	(10)
1.13 Total operating and investing cash flows (carried forward)	(409)	(409)

1.13 Total operating and investing cash flows (brought forward)	(409)	(409)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares (net of costs)	-	-
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	-	-
Net financing cash flows	-	-
Net increase (decrease) in cash held	(409)	(409)
1.20 Cash at beginning of quarter/year to date	3,362	3,362
1.21 Exchange rate adjustments to 1.20	-	-
1.22 Cash at end of quarter	2,953	2,953

**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	68
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions	
N/A	

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	200
4.2 Development	-
Total	200

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	-	-
5.2 Deposits at call	2,993	(3,363)
5.3 Bank overdraft	(40)	(1)
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,953	3,362

Changes in interests in mining tenements

See attached Schedule A.

Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 Preference securities <i>(description)</i>	-			
7.2 Changes during quarter	-			
7.3 Ordinary securities	32,272,000	22,572,000		
7.4 Changes during quarter - Issued	-			
7.5 Convertible debt securities <i>(description and conversion factor)</i>	-			
7.6 Changes during quarter	-			
7.7 Options <i>(description and conversion factor)</i>	5,250,000	Nil	<i>Exercise Price</i> \$0.20	<i>Expires</i> 31 January 2009
	1,200,000	Nil	\$0.20	30 April 2007
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>	-			

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.
2. This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 25 October 2004

Company Secretary

Print Name: Brett Dickson

SCHEDULE A

Interests in mining tenements acquired or increased during the quarter

Tenement Reference	Nature of Interest	Interest at beginning of quarter	Interest at end of quarter
M29/14	Owned	100%	100%
M29/88	Owned	100%	100%
M29/153	Owned	100%	100%
M29/154	Owned	100%	100%
M29/157	Owned	100%	100%
M29/184	Owned	100%	100%
M29/212	Owned	100%	100%
MLA29/223	Owned	100%	100%
MLA29/225	Owned	100%	100%
L29/41	Owned	100%	100%
L29/42	Owned	100%	100%
L29/43	Owned	100%	100%
L29/44	Owned	100%	100%
L29/58	Owned	100%	100%

Glossary

M	Mining Lease
MLA	Mining Lease Application
L	Miscellaneous Licence