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## QUARTERLY REPORT TO SHAREHOLDERS 31 DECEMBER 2005

- Oilex to list on **AIM market in London in February 2006.**
- **30% earning interest in Cambay Field**, onshore Gujarat State, awaiting approval of Ministry of Petroleum & Natural Gas, anticipated grant February 2006. **Drilling planned to commence March/April 2006.**
- Oilex is continuing to **develop exploration and production opportunities for the Alliance group including Videocon, GSPC, GAIL and HPC/Prize** in India, Australia and the Indian Ocean rim.
- Preparing to complete **Donga-3 discovery well** in ATP 805P Surat Basin for long term production test in February 2006.
- **1,274 barrels of oil** produced in the quarter from **Rookwood South-1 well** and sold to Inland Oil Refinery. **Total production of 7,286 barrels** to 31 December 2005.
- **Water Dump Flood** operations at Rookwood to improve oil production rate and ultimate recovery at **Rookwood South-1 well** in ATP 608P are planned to start in February 2006.
- **EPP 27 farmout** negotiations plan to be concluded by 10 February, subject to conclusion of a suitable farmin agreement between Oilex and Great Artesian Oil & Gas Ltd.
- Retain **A\$5.5 million** of available funds.

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### CORPORATE DETAILS

#### Board of Directors

Max D.J. Cozijn	Non-Executive Chairman
Bruce McCarthy	Managing Director
Raymond Barnes	Technical Director
Geoffrey Johnson	Non-Executive Director

#### Capital Structure

Ordinary Shares	50,014,319
Unlisted Options	16,430,534

#### Stock Exchange Listing

Australian Stock Exchange  
ASX Code: **OEX**

#### Principal & Registered Office

Level 3, 50 Kings Park Road  
West Perth WA 6005, Australia  
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#### Share Registry

Security Transfer Registrars Pty Ltd  
770 Canning Highway  
Applecross WA 6153, Australia  
Telephone: +61 8 9315 2333  
Facsimile: +61 8 9315 2233  
Email: registrar@securitytransfer.com.au

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## OPERATIONS REVIEW

### SURAT BASIN, QUEENSLAND

#### **ATP 608P Remainder Block [Oilex 48.125%]**

Pinnacle West-1 well was drilled to a total depth of 1,595m and plugged and abandoned with no shows on 10 October 2005. It appears that the structure is too far from the main migration pathway to have received any hydrocarbons. No further work has been undertaken. Results of the testing of Donga-3 along trend to the southeast on ATP 805P will be considered before a joint work programme is prepared for the two blocks.

#### **ATP 608P Rookwood Block [Oilex 60.435%]**

*Dump flood program to commence Feb'06 to increase oil rate and recovery.*

The dump flood operation originally planned for December was postponed because no rig was available. The Ensign 44 rig was contracted in December and the rig is scheduled to arrive at Rookwood West-1 to commence operations on 10 February 2006. The objective of the dump flood is to provide pressure support to the producing horizon by allowing deeper, normally pressured water bearing horizons to cross flow into the oil producing level and to accelerate production (potentially up to 80 bopd) from Rookwood South-1. If the operation is successful, we expect to enhance the recovery rate and therefore significantly increase reserves (25% recovery would represent an increase of 90,000 STB).

*1,274 barrels of oil were produced during the December quarter*

The current production rate from Rookwood South-1 well is approximately 14 barrels of oil based on 14 hours of pumping every 2-3 days. Reservoir pressure continues to decline at a rate conforming to prediction. 1,274 barrels of oil were produced to the end of the December quarter, with total cumulative oil production of 7,286 barrels to 31 December 2005. All of the oil produced is currently being sold to Inland Oil Refinery.

During the quarter, Oilex acquired an additional 1.375% interest in each of the ATP 608P blocks from private interests by issuing 27,500 Oilex shares.

#### **ATP 805P [Oilex earning 42.5%] Donga-3 Well**

*Farmed in and drilled Donga-3 discovery well*

Donga-3 oil discovery is planned to be completed and brought into production on a long term test basis when the Ensign 44 rig is released from the workover activity at Rookwood in February. The objective of the test is to determine from the pressure decline curve and the production rate the potential reserve volume and the sustainable production rate. A work programme that may involve acquiring seismic data and drilling more wells on the structure will be considered after 2-3 months production testing.

Donga-3 spudded on 11 October 2005 and reached a total depth of 1,590m on 25 October 2005. A Drill Stem Test (DST) was run over the interval 1,574m-1,582.5m and 23 barrels of light oil were recovered during the DST. Following a flow period of 8 hours through a 3/8" choke and a 16 hour shut-in period, 6bbl (oil equivalent) heavy hydrocarbon gas, 23bbl light crude oil, 3bbl mud contaminated oil and 39bbl of formation water were circulated out of the test string. The well was cased and suspended on 28 October 2005.

The well was prognosed to intersect the primary Triassic sandstones 25 metres updip from Donga-1 and 13 metres updip from Donga-2, which recovered light sweet crude oil and water when drilled in 1965 and 1979 respectively. The result of the test is encouraging given that the main objective horizons were intersected significantly low to prognosis.

*Numerous leads to be followed up*

ATP 608P and ATP 805P have a common boundary and a structural trend extends from ATP 608P to the south-east into ATP 805P along which a string of structural leads has been mapped by Bow Energy Ltd. Seismic acquisition would most likely be concentrated along this trend.

### **ATP 593P Don Juan North-1 [Oilex 76%]**

No further work undertaken. Three graticular blocks were relinquished at the request of the government.

### **ATP 574P [Oilex 57.5%]**

The joint venture undertook a partial farmout to White Sands Petroleum Pty Ltd (WSP) in June 2005 to work-over the Conloi-1 well. WSP were to earn 60% interest in the permit by conducting a work over of the Conloi-1 well including cleaning out the well bore to attempt to re-establish production, with the option to re-perforate the former producing interval to gather pressure and fluid data.

WSP did not complete its obligations under the farmout agreement and did not earn its interest.

### **ATP 794P (Previously ATP 589P) [Oilex varying interests of 10% to 88%]**

On 21 November 2005, the Operator advised Oilex that the Queensland Department of Natural Resources and Mines (QDNRM) had issued the new Permit for ATP 794P with effect as from 31 October 2005 for a period of 12 years.

#### **Barcoo Junction Block [Oilex 88%]**

No further work undertaken. Oilex will continue with its reassessment of the available data to determine the viability of drilling this prospect.

The vendor of 80% of the total 88% equity in this block that is held by Oilex retains a 5% Net Profits Interest (NPI). Under the acquisition agreement with the vendor, Oilex is obliged to use its best endeavours to initiate a drilling program on the Barcoo Junction North Prospect within 12 months of grant of the permit. This vendor has continued to threaten legal action regarding Oilex's performance of its obligations under this acquisition agreement. Based on legal advice, the directors consider there is no merit in the threatened action.

#### **Barcoo Block [Oilex 40%]**

As advised previously, Bow Energy NL is earning 25% equity interest in the block from Victoria Petroleum NL (VPE) by undertaking 500km of seismic reprocessing and contributing to VPE's cost of drilling a well. Bow has completed the seismic reprocessing over the Moothandella structure. The reprocessed data are superior to the earlier processing and indicate that the structure is more intensely faulted than previously interpreted. Several modest-size, fault independent closures have been identified.

Bow has evaluated the eastern part of ATP 794P and considers that there is exploration potential in the Trinidad and Hobson's Gap areas where several large, relatively shallow (~1600 metres) untested four-way closures have been identified. The ATP 794P Joint Venture is planning a 205 kilometre seismic reprocessing program over the Trinidad area structures in the next quarter. On completion of that work, the JV anticipates having drilling locations that may be attractive targets, additional to Moothandella, on this block.

### **ATP 548P [Oilex 11.35%]**

No further work was undertaken.

**EROMANGA  
BASIN,  
QUEENSLAND**

### **ATP 545P [Oilex 45.5%]**

No further technical work was undertaken, however an application for adjoining permits ATP 797P and ATP 798P was made in conjunction with Roma Petroleum NL (Oilex 55%) and these applications are still being processed by the QDNRM. No advice has been received from QDNRM.

Five graticular blocks were relinquished at the request of the Government.

### **ATP 677P- Application [Oilex 50%]**

Seqoil Pty Ltd (wholly owned subsidiary of Oilex) and the native title claimants have executed a Right to Negotiate Agreement, and we are awaiting execution of this agreement by the Queensland Minister.

### **OTWAY BASIN, SOUTH AUSTRALIA**

#### **EPP 27 (earning 60% from Great Artesian Oil and Gas Ltd (GOG))**

Oilex and GOG continue to negotiate on the farmin agreement that will formalise the arrangement by which Oilex may earn 60% working interest in permit EPP 27. Those negotiations were dependent on the permit remaining in good standing with the authorities and on 23 December GOG advised Oilex that the Designated Authority in South Australia agreed to suspend the EPP 27 permit for a period of 12 months from 21 December. The term of permit year 6 now ends on 24 February 2007.

*Oilex is continuing to pursue farmin parties*

Oilex is pursuing the farmout of a portion of its 60% earning interest and expects to conclude those discussions concurrent with executing the farmin agreement. Subsequent to the end of the quarter, GOG advised Oilex that it had extended the deadline for signing a farmout agreement to 10 February 2006.

### **NEW VENTURES, AUSTRALIA**

#### **OCTOBER 2005 OFFSHORE BIDDING ROUND**

Oilex and its Alliance partners (see below) participated in the Australian offshore licensing round which closed on 20 October 2005. The company, as Operator, prepared and submitted bids on behalf of a strong joint venture comprising GAIL (India) Ltd, Gujarat State Petroleum Corporation Ltd (GSPC) and Prize Petroleum Company Ltd (HPC/Prize), a subsidiary of Hindustan Petroleum Corporation Ltd.

Subsequent to the end of the quarter, the Joint Authority advised Oilex that its bid on one of the blocks was unsuccessful. Oilex is evaluating other opportunities on behalf of its Indian alliance co-venturers to gain access to projects in Australia.

### **NEW VENTURES, INDIA**

#### **CAMBAY FIELD, Gujarat State [Oilex earning 30% pending Government approval]**

*Oilex has acquired 30% of Cambay Field in Gujarat subject to Government approval. Oilex is operator.*

Oilex executed a Farmin Agreement and Deed of Assignment and Assumption with the Cambay joint venture parties in October 2005 and the relevant documents were submitted to the Directorate General of Hydrocarbons, for approval by the Ministry of Petroleum & Natural Gas in New Delhi.

Oilex is the nominated Operator for the joint venture (JV) and is collating and reviewing all available field data with a view to presenting a work programme to the JV for redeveloping the field. Initial work is focussed on determining appropriate remedial action that could enhance the current production rates from individual wells and indicate possible additional pay zones.

The Cambay Field was discovered in 1957 and over 60 wells have been drilled on the block. The majority of the wells have been shut in for extended periods of time because of sand or water incursion or downhole equipment problems. A small number of wells are producing oil on an intermittent basis.

The proposals for the first phase drilling programme are being prepared in Perth for consideration by the Joint Venture. The programme will start in late March or early April and be completed prior to the onset of the monsoon early June.

Oilex is hoping to conclude discussions on the acquisition of a parcel of similar assets within the next 2 months.

## ALLIANCE AGREEMENTS

As previously advised, Oilex has signed Alliance Agreements with three of India's large public sector companies or their subsidiaries to participate jointly in oil and gas exploration and production projects primarily in Australia and India and in the broader area of the Indian Ocean rim. The companies are Gujarat State Petroleum Corporation Ltd (GSPC), Gas Authority of India Ltd (GAIL) and Hindustan Petroleum Corporation Ltd (HPC/Prize) and its affiliate Prize Petroleum Company Ltd. These companies have very strong balance sheets and have, in recent years, taken direct equity in exploration permits in India and overseas. Earlier last year Oilex signed a similar agreement with Videocon International Ltd, a large Indian public listed company.

Oilex is contributing its exploration and production expertise and has excellent technical support from key Australian consulting groups that are familiar with Indian joint venture operations and petroleum basins.

## PERMITS

## PERMITS

Refer permit schedule attached hereto for the current permit positions.

## CORPORATE

## ACQUISITION OF INDEPENDENCE OIL & GAS

*Independence Oil & Gas entry to onshore Timor Leste*

Oilex acquired 98.04% of the issued capital of the unlisted company Independence Oil & Gas Limited ("IOGL") in December. The consideration for the acquisition is 980,534 Oilex shares plus one free Oilex option exercisable at \$0.50 per share and expiring 7 December 2008. The vesting of the shares and exercise of the options is conditional upon the acquisition by IOGL of an onshore petroleum permit in Timor Leste (formerly East Timor) within the option period. All of these securities are subject to a 12 month voluntary escrow.

Oilex will proceed to acquire the remaining 19,566 shares in IOGL.

Part of Oilex's strategy is to acquire exploration assets in the prospective areas of the Northwest Shelf and Timor Sea. IOGL has spent the past 3 years developing a detailed database and contacts in East Timor and offers an efficient entry for Oilex to expand its interests in that region. Oilex has retained the services of experienced personnel who have been involved in IOGL since it was established as a special purpose company for oil exploration, onshore Timor Leste.

## ANNUAL GENERAL MEETING

The Annual General Meeting of the company was held on 14 November 2005 and all resolutions were passed unanimously by show of hands.

## CAPITAL STRUCTURE

*Oilex retains a tight capital structure with 50 million shares on issue*

At 31 December 2005, Oilex has a **total issued capital of 50,014,319** ordinary shares after 3,011,446 shares were released from voluntary escrow in October and December 2005.

In addition there are a total of 16,430,534 unlisted options exercisable at prices of between \$0.20 and \$1.50 per share as detailed in the Appendix 5B attached.

## AIM LISTING- UK

Oilex has applied for a dual listing on the Alternate Investment Market (AIM) of the London Stock Exchange, by way of a compliance listing which should result in Oilex being listed on AIM by the end of February 2006.

The proposed AIM listing is intended to broaden Oilex's shareholder base and offer investors in the UK and European markets easier access to the Company's securities. The dual listing is expected to improve the Company's flexibility and access to the UK Capital Markets for any capital raisings that may be required to develop its future oil and gas exploration and production activities in India and Australia.

RFC Corporate Finance Ltd has been appointed as Oilex's Nominated Adviser and respected London broker KBC Peel Hunt Ltd has been engaged as the Company's AIM broker in the UK.

Oilex retains cash resources of **\$5.5 million as at 31 December 2005**.

Oilex regularly updates its website at [www.oilex.com.au](http://www.oilex.com.au)

**For and on behalf of the Board**



**Bruce McCarthy**  
**Managing Director**  
30 January 2006

*Information in this report has been completed by the Managing Director of Oilex NL B.H. McCarthy B.Sc(Hons) PhD (Geology) who has over 26 years experience in petroleum exploration and production.*

## PERMIT SCHEDULE

### Australian Permits at 31 December 2005:

PERMIT	BASIN	BLOCK NAME	PARTIES	% HELD	OPERATOR
ATP 574P	Surat		Oilex NL (Sequoil Pty Ltd) (Note 2) Victoria Petroleum NL Bow Energy Ltd	57.50 30.00 12.50	Oilex NL
ATP 593P	Surat		Oilex NL (Sequoil Pty Ltd) Victoria Petroleum NL	76.00 24.00	Oilex NL
ATP 794P (Note 1)	Eromanga	Barcoo	Victoria Petroleum NL Oilex NL (Sequoil Pty Ltd)	60.00 40.00	Victoria Petroleum NL
		Regleigh	Icon Oil NL Victoria Petroleum NL Oilex NL (Sequoil Pty Ltd)	60.00 24.00 16.00	Icon Oil NL
		Springfield	Icon Oil NL Victoria Petroleum NL Oilex NL (Sequoil Pty Ltd)	60.00 24.00 16.00	Icon Oil NL
		Barcoo Junction	Oilex NL Oilex NL (Sequoil Pty Ltd) Victoria Petroleum NL	80.00 8.00 12.00	Oilex NL
		Brightspot	Icon Oil NL Victoria Petroleum NL Oilex NL (Sequoil Pty Ltd)	75.00 15.00 10.00	Icon Oil NL
		Part 2	Victoria Petroleum NL Oilex NL (Sequoil Pty Ltd)	60.00 40.00	Victoria Petroleum NL
ATP 608P	Surat	Rookwood	Oilex NL (Sequoil Pty Ltd) Victoria Petroleum NL Private Interests	60.435 29.69 9.875	Oilex NL
		Remainder	Oilex NL (Sequoil Pty Ltd) Victoria Petroleum NL Bow Energy Ltd Private Interests	48.125 24.00 20.00 7.875	Oilex NL
ATP 805P	Surat		Bow Energy Ltd Oilex NL (Sequoil Pty Ltd) Victoria Petroleum NL	42.50 42.50 15.00	Bow Energy Ltd
ATP 548P	Eromanga		IOR Exploration Pty Ltd Netscald Pty Ltd Oilex NL	68.65 20.00 11.35	IOR Exploration Pty Ltd
ATP 545P	Eromanga		Oilex NL Roma Petroleum NL Private Interests	45.50 45.00 9.50	Roma Petroleum NL
EPP 27	Otway		Oilex NL (earning) Great Artesian Oil & Gas Ltd	60.00 40.00	Oilex NL
ATP 677P Application	Eromanga		Oilex NL Challenge Resources Ltd	50.00 50.00	Oilex NL
ATP 797P Application	Eromanga		Oilex NL Roma Petroleum NL	55.00 45.00	Oilex NL
ATP 798P Application	Eromanga		Oilex NL Roma Petroleum NL	55.00 45.00	Oilex NL

NOTE 1: ATP 794P (previously ATP589P)

2: Sequoil Pty Ltd is a wholly owned subsidiary of Oilex NL.

### Indian Permits at 31 December 2005, pending approval of Government of India:

PERMIT	STATE	BLOCK NAME	PARTIES	% HELD	OPERATOR
Cambay Field	Gujarat		Oilex NL (earning)	30.00	Oilex NL
			Gujarat State Petroleum Corp. Ltd	46.67	
			Niko Resources Ltd	23.33	

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

OILEX NL

ABN

50 078 652 632

Quarter ended ("current quarter")

31 December 2005

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	210	265
1.2 Payments for (a) exploration and evaluation (net)	(1,754)	(2,176)
(b) development	-	-
(c) production	-	-
(d) administration (net)	(390)	(693)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	86	188
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
<b>Net Operating Cash Flows</b>	<b>(1,848)</b>	<b>(2,416)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a)prospects	(7)	(7)
(b)equity investments	-	-
(c) other fixed assets	(132)	(135)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	26	26
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
Other – Bonds	(17)	(17)
<b>Net investing cash flows</b>	<b>(130)</b>	<b>(133)</b>
1.13 Total operating and investing cash flows (carried forward)	(1,978)	(2,549)

1.13	Total operating and investing cash flows (brought forward)	(1,978)	(2,549)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares. (net)	-	-
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 – AIM costs	(50)	(50)
	<b>Net financing cash flows</b>	<b>(50)</b>	<b>(50)</b>
	<b>Net increase (decrease) in cash held</b>	<b>(2,028)</b>	<b>(2,599)</b>
1.20	Cash at beginning of quarter/year to date	7,567	8,138
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>5,539</b>	<b>5,539</b>

### 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	156
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

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- 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

<p>Sequoil Pty Ltd, a 100% wholly owned subsidiary has been advanced funds to satisfy J/V costs.</p>
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## 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		

## Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,000
4.2 Development	-
<b>Total</b>	<b>2,000</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 N/A
5.1 Cash on hand and at bank	437	1,197
5.2 Deposits at call	5,102	6,370
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>5,539</b>	<b>7,567</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 to Quarterly Report	-
6.2	Interests in mining tenements acquired or increased			

## 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</b> <b>*securities</b> <i>(description)</i>	-	-	-	
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	
7.3 <b>*Ordinary securities</b>	<b>50,014,319</b>	<b>50,014,319</b>	Various	
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs (c) Released from Escrow	1,008,034 - -	1,008,034 - 3,011,446	(deemed value) 30 cents - -	
7.5 <b>*Convertible debt securities</b> <i>(description)</i>	Nil	Nil	-	
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>	<b>2,200,000</b> <b>500,000</b> <b>3,000,000</b> <b>980,534</b> <b>2,250,000</b> <b>3,250,000</b> <b>4,250,000</b>	-	<i>Exercise price</i> <b>20 cents</b> <b>\$1.00</b> <b>\$1.50</b> <b>50 cents</b> <b>40 cents</b> <b>50 cents</b> <b>80 cents</b>	<i>Expiry date</i> <b>28/02/2008</b> <b>31/12/2009</b> <b>31/12/2009</b> <b>7/12/2008</b> <b>14/12/2008</b> <b>14/12/2008</b> <b>14/12/2009</b>
7.8 Issued during quarter	<b>980,534</b> <b>2,250,000</b> <b>3,250,000</b> <b>4,250,000</b>		<b>50 cents</b> <b>40 cents</b> <b>50 cents</b> <b>80 cents</b>	<b>7/12/2008</b> <b>14/12/2008</b> <b>14/12/2008</b> <b>14/12/2009</b>
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 <b>Debentures</b> <i>(totals only)</i>	Nil	Nil		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	Nil	Nil		

## 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:  
(Director/Company Secretary)

Date: ... **30 January 2006**....

Print name: .....**Max D.J. Cozijn**.....

## 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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