



ACN 006 189 331

## Yamarna Goldfields Limited

### Quarterly Report For The 3 Months Ended 31 March 2005

#### Highlights:

- Significant gold mineralization intersected at De Grey's Mt Berghaus prospect, as well as at Amanda (previously Turner), PGE mineralization extended along strike at Joshua Prospect
- Jackson Gold entered into a joint venture agreement with LionOre Australia Pty Ltd and announces positive results from the Wallbrook Project and Kalgoorlie Regional Gold Project
- The Company received correspondence from Asarco Exploration Company Limited that Asarco is considering disposing of its 80% interest in the Yamarna Joint Venture Project

#### Yamarna Joint Venture Project

(Currently 80% Asarco Exploration Company / 20% Yamarna)

Yamarna has been informed that Asarco Exploration Company, the operator of the project, is evaluating an offer in respect to its interest in the Project. Yamarna maintains a first right of refusal to match any offer and is reviewing its options in regard to Asarco's Joint Venture interest.

No exploration was undertaken at the Project during the March quarter.

#### De Grey Mining Limited

(Yamarna currently holds approximately 1.35m shares and 2.5m options)  
(ASX Code DEG)

During the period in review, De Grey continued to announce further high grade intercepts at its 100% owned Turner River Gold Project, 60kms south of Port Hedland. The Company plans to continue its successful and aggressive gold, platinum and base metals exploration programs throughout the year, with particular focus on developing a gold resource at Mt. Berghaus. The Company has previously announced a resource of 203,000 ounces of gold at Wingina Well, 10km south of Mt. Berghaus, and has other multiple gold exploration targets within its 1,200 sqkm tenement area.

Further follow up drilling is planned to commence later in the calendar year.

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+ See chapter 19 for defined terms.

**Jackson Gold Limited**

(Yamarna currently holds 1.5m shares and is entitled to an additional 1.5m shares in the event that Placer declares the Claypan Dam Project part of a “Declared” area)  
(ASX Code: JAK)

During the period in review, the Company entered into an earn-in and joint venture agreement to explore and develop Jackson’s nickel rights areas which extend over 700 square kilometers in the Kalgoorlie region, with LionOre Australia Pty Ltd. LionOre has an entitlement to earn up to a 60% interest in Jackson’s nickel rights in the region by spending \$6 million over 4 years

Subsequent to the period in review

Wallbrook Project

Exploration drilling of the key prospects at the Company’s Wallbrook Project, located 125km north east of Kalgoorlie, has been completed and assays received indicate the Red Flag and Eleven Bells prospects have been upgraded as planned.

Drilling results from Eleven Bells include:

- 11m @ 9.02 g/t from 45 metres
- 9m @ 3.79 g/t from 95 metres and further down hole 8m @ 3.52 g/t from 122 metres
- 7 m @ 2.88 g/t from 17 metres

Mineralisation has been confirmed at the Red Flag prospect over at least 300 metres strike and contains northern and southern higher grade zones. Drilling results from Red Flag include:

- 7m @ 5.62 g/t from 62 metres
- 7m @ 3.99 g/t from 40 metres
- 5m @ 3.19 g/t from 62 metres

Kalgoorlie Regional Gold Project

Placer Dome Asia Pacific Limited (PDAP) has provided quarterly exploration data that Jackson Gold interprets to be a significant advance in locating the primary source of the Crossroads supergene mineralization.

PDAP drilled a single hole to follow up an end of hole intersection of 4m @ 37.4 g/t from 86 metres down hole depth. The follow up RC hole was successful in locating further mineralization intersecting 5m @ 5.35 g/t from 129 metres.

PDAP have completed 4 diamond drill holes during March, with assay results yet to be received.

The tenements involved at the Crossroads prospect, were originally part of Yamarna’s Claypan Dam Joint Venture with Jackson Gold. Yamarna sold its rights to the tenements for 1.5m shares in Jackson Gold, with an additional 1.5m shares in the event that Placer declares the Claypan Dam Project part of a “Declared” area.

**Atlas Gold Limited**

(Yamarna Currently holds approximately 2m shares and 1.6m options)  
(ASX Code: AGO)

Atlas Gold Limited (AGO) listed on the ASX in December 2004. Since listing the Company has carried out an initial exploration program at its Farrel Well Project, located in the Pilbara W.A.,

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with encouraging initial results. Atlas also commissioned an independent appraisal of the iron potential of its Pardoo Project near Port Hedland, again with highly encouraging results.

**Future Direction**

The Company is evaluating its options with respect to the Yamarna Joint Venture Project and believes this matter should be resolved within the next 60 days. It is also completing due diligence on additional prospective mining tenements for the purposes of acquisition and joint venture. An announcement in respect to these new interests is anticipated shortly.

For and on Behalf of The Board



Richard Revelins  
Director

Disclosure Notices:

- 1) Information in relation to the Yamarna Joint Venture has been compiled and supplied by Asarco Exploration Company Inc.
- 2) Information in relation to De Grey Mining Limited has been compiled and supplied by De Grey Mining Limited based on publicly available information and reports to the ASX.
- 3) Information in relation to Jackson Gold Limited has been compiled and supplied by Jackson Gold Limited based on publicly available information and reports to the ASX.
- 4) Information in relation to Atlas Gold Limited has been compiled and supplied by Atlas Gold Limited based on publicly available information and reports to the ASX.

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## Appendix 5B – 3rd Qtr

### 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

YAMARNA GOLDFIELDS LIMITED

ABN

84 006 189 331

Quarter ended ("current quarter")

31 March 2005

#### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for:		
(a) exploration and evaluation	-	(20)
(b) development	-	-
(c) production	-	-
(d) administration	(114)	(430)
(e) contract services	(59)	(284)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	28
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(167)</b>	<b>(706)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(958)	(3,304)
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	1,177	3,934
(c) other fixed assets	-	-
1.10 Loans to other entities	-	(200)
1.11 Loans repaid by other entities	-	200
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>219</b>	<b>630</b>
1.13 Total operating and investing cash flows (carried forward)	52	(76)

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1.13	Total operating and investing cash flows (brought forward)	52	(76)
	<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	-	(60)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	-	(60)
	<b>Net increase (decrease) in cash held</b>	52	(136)
1.20	Cash at beginning of quarter/year to date	533	721
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	585	585

**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	53
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Salaries, directors' fees, corporate advisory & consulting fees at normal commercial rates
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**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

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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	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	10
4.2 Development	20
<b>Total</b>	<b>30</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	459	70
5.2 Deposits at call	126	463
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>585</b>	<b>533</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	Nil			
6.2 Interests in mining tenements acquired or increased	Nil			

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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>	-	-		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	703,596,133	703,596,133		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter	188,276,012	188,276,012	20 cents	01/02/2005
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <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:



(Director)

Date: 29 April 2005

Print name: Richard Revelins

## 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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