



## Yamarna Goldfields Limited

### Quarterly Report For The 3 Months Ended 30<sup>th</sup> June 2005

#### Highlights:

- Negotiations continue in respect of Yamarna Joint Venture Project. Reconnaissance drilling undertaken.
- Atlas Gold commences an initial 3,500 metre RC drilling program at its Pardoo Iron Ore Project in the Pilbara of Western Australia and completes preliminary exploration drilling at Farrel Well.
- Cangold commences field work at the Thorn Property
- Jackson Gold announces further result of RC and RAB drilling, with an upgrade in resource as well as generation of new resources models expected

#### Yamarna Joint Venture Project

(20% Yamarna 80% Asarco Exploration Company)

The company has been involved in negotiations with the manager and joint venture partner of project Asarco Exploration Company Inc (“Asarco”) in respect of Asarco’s interest in the project. The company has made a formal offer to Asarco and is awaiting a response.

Reconnaissance drilling was undertaken in May over several geological and structural targets at the Yamarna Joint Venture Project. A total of 1,560 metres of RAB drilling in 94 holes and 743 metres of aircore drilling in 12 holes was completed.

Several moderately anomalous gold values warranting follow-up work were located. As the program was of a reconnaissance nature closer spaced drilling is required to determine significance of the results.

#### Atlas Gold Limited

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

Atlas Gold has recently commenced an initial 3,500 metre RC drilling program at its Pardoo Iron Ore Project in the Pilbara of Western Australia. The Company has defined ten drill targets, three of which are adjacent to known iron ore resources controlled by BHP Billiton at Ord, Ridley and F13 north.

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+ See chapter 19 for defined terms.

Results from the initial rock chip sample traverses include:

- 85 metres @ 61.9% Fe and 0.1% P
- 73 metres @ 61.9% Fe and 0.1 P
- 25.3 metres @ 59.19% Fe and 0.05% P
- 27 metres @ 62.76% Fe and 0.1% P

While the exploration program remains at an early stage Atlas is confident of defining more targets as fieldwork progresses in coming months.

In addition, Atlas has also completed 5,128 metres of RAB and RC drilling (83 holes) at its Farrel Well Project. Located 120km south east of Port Hedland the work has largely tested newly defined gold-in-soil anomalies.

On 27 July 2005 Atlas announced initial results from its Farrel Well project including:

- 4m @ 5.95 g/t Au (Graeme – new discovery)
- 1m @ 7.44 g/t Au (NE Zone – new discovery last quarter)
- 5m @ 0.83 g/t Au (Lukangus – new discovery)
- 1m @ 14.4 g/t Au (Morgan – new discovery)
- 4m @ 0.65 g/t Au (Impala – new discovery)

In light of the preliminary nature of the program the above results are considered by Atlas to be highly encouraging and have provided a number of new discoveries.

### **Cangold Limited**

(Yamarna currently holds approximately 5.2m shares)  
(TSX-V: CLD)

In June 2005, the Company announced that it had mobilized crews to the Thorn property in the Atlin Mining Division of northwest British Columbia and field work has commenced. The summer exploration will consist of a comprehensive and integrated program of geological mapping, prospecting, Induced Polarization (IP) geophysics and diamond drilling focused on the discovery of additional gold-silver-copper mineralization in the Thorn Stock and overlying volcanic rocks.

IP geophysical surveying in 2004 proved to be an effective tool for targeting buried sulphide mineralization. The only drill hole to test a 500 metre-long IP anomaly intersected 56.1 metres of 1.27 g/t Au, 16.7 g/t Ag, & 0.19% Cu, including higher grade intercepts such as 4.48 g/t Au, 65.3 g/t Ag & 0.65% Cu over 3.6 metres (Talisker Zone). Untested portions of a large airborne resistivity low will be covered by IP with the goal of identifying new anomalies that have the same signature as that reflecting Talisker Zone mineralization. In total, approximately 20 line kilometres of IP are planned.

At least one hole is planned to test the continuity of the Talisker Zone, while other holes are planned to test new geological and geophysical targets and potentially, the source of high grade boulders discovered in 2004.

Cangold and Rimfire Minerals Corporation are 51:49 joint venture partners in the Thorn Property, with Cangold the operator.

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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 as part of a “Declared” area)

In May 2005, the Company announced further results from RC and RAB exploration drilling of prospects in the Wallbrook area, located 125 kilometres north east of Kalgoorlie. Highlights of the RC drilling include:

Wallbrook Project

Red Flag Prospect:

- 12m@ 4.83 g/t from 44 metres
- 8m @ 2.79g/t from 56 metres

Redbrook Granite Mineralisation:

- 12m @ 2.38 g/t from 56 metres
- 4m @ 13.40 g/t from 4 metres
- 11m @ 1.54 g/t from 108 metres
- 8m @ 1.58 g/t from 0 metres
- 2m @ 4.94 g/t from 90 metres

Golden Rainbow Deposit

- 3m @ 3.58 g/t from 11 metres
- 3m @ 2.46 g/t from 38 metres
- 5m @ 2.59 g/t from 28 metres
- 4m @ 2.36 g/t from 4 metres

Yilangi Queen Deposit

- 3m @ 7.87 g/t from 97 metres (including 1m @ 18.7 g/t)

The recent drilling at Wallbrook will lead to an upgrade in the resources at Redbrook and Eleven Bells, as well as a new resource at Red Flag. The Red Flag prospect has a defined mineralized strike of approximately 500 metres and has been drilled to 100 metres below surface.

Drilling at Golden Rainbow and Yilangi Queen will result in the generation of new resource models. Golden Rainbow is an oxide (supergene) deposit with a strike length of 600 metres, drilled to approximately 50 metres below surface. Yilangi Queen is a narrow high-grade deposit which has historically been mined underground.

RAB drilling north and south along strike from the Crusader Resource has defined possible areas for resource extension drilling.

Crusader South

- 26m @ 1.27 g/t from 32 metres

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+ See chapter 19 for defined terms.

Crusader North

- 5m @ 2.64 g/t from 68 metres (to end of hole)
- 16m @ 1.54 g/t from 44 metres
- 10m @ 1.17 g/t from 27 metres

Activities will continue with further exploration and metallurgical drilling of the Wallbrook resources and prospects over the coming months. Together with ongoing assessment of acquisition targets in the region, this work will continue to move the project towards development.

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 Jackson Gold Limited has been compiled and supplied by Jackson Gold Limited based on publicly available information and reports to the ASX.
- 3) 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.
- 4) Information in relation to Cangold Limited has been compiled and supplied by Cangold Limited based on publicly available information and reports to the Toronto Venture Exchange, Canada.

# Appendix 5B - 4<sup>th</sup> Quarter

## 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')

30<sup>th</sup> June 2005

### Consolidated Statement of Cash Flows

	Current Quarter \$A'000	Year to Date (12 months) \$A'000
<b><u>Cash Flows Related to Operating Activities</u></b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration and evaluation	(50)	(70)
(b) development	-	-
(c) production	-	-
(d) administration	(151)	(581)
(e) contract services	(61)	(345)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	30
1.5 Interest and other costs of finance paid	1	1
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(259)</b>	<b>(965)</b>
<b><u>Cash Flows Related to Investing Activities</u></b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(752)	(4,056)
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	619	4,553
(b) equity investments	-	-
(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>(133)</b>	<b>497</b>
<b>1.13 Total Operating and Investing Cash Flows</b>	<b>(392)</b>	<b>(468)</b>

+ See chapter 19 for defined terms.

		Current Quarter SA'000	Year to Date (12 months) SA'000
1.13	<b>Total Operating and Investing Cash Flows (Carried Forward)</b>	(392)	(468)
<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>		(392)	(528)
1.20	Cash at beginning of quarter/year to date	585	721
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at End of Quarter</b>	193	193

**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 SA'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		

**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
- |   |
|---|
| - |
|---|

+ See chapter 19 for defined terms.

### Financing Facilities Available

Add notes as necessary for an understanding of the position.

	Amount Available \$A'000	Amount Used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated Cash Outflows for Next Quarter

	\$A'000
4.1 Exploration and evaluation	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	146	459
5.2 Deposits at call	47	126
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: Cash at End of Quarter (item 1.22)</b>	<b>193</b>	<b>585</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		

+ See chapter 19 for defined terms.

### 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 (cents)  (see note 3)	Amount Paid Up Per Security (cents)  (see note 3)
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				
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 July 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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