

Quarterly Report

For the three months ending 31 March 2005

March Quarter Highlights

- Numerous high grade intersections were returned and included the **discovery of an additional five new ore surfaces**. Best results received during the quarter are:

| | |
|---|-----------------------------|
| ▪ 60m @ 7.6 g/t gold from 303m in HIGD016 | Western Zone |
| ▪ 70m @ 4.2 g/t gold from 346m in HIGD013 | Western Zone |
| ▪ 31m @ 8.2 g/t gold from 214m in HIGD016 | Eastern Zone |
| ▪ 28m @ 5.3 g/t gold from 313m in HIGD030 | Western Zone |
| ▪ 23m @ 5.0 g/t gold from 216m in HIGD030 | Eastern Zone |
| ▪ 7m @ 72.0 g/t gold from 386m in HIGD030 | High Grade Discovery |
| ▪ 2m @ 26.2 g/t gold from 146m in HIGD020 | High Grade Discovery |
| ▪ 1m @ 162 g/t gold from 244m in HIGD026 | High Grade Discovery |

- Avoca completed **26 drill holes for 11,394m** in resource drilling at Trident during the quarter.
- The significant thicknesses and varied style of the high grade mineralisation encountered in the 33 diamond drill holes completed to date suggest that **Trident is a major mineralised gold system**. The Company believes the deposit will continue to grow with additional drilling and improved geological understanding of the structural framework that controls the mineralisation.
- Infill TEM surveys at Cowell have further defined the strong TEM conductor identified from a reconnaissance survey late in 2004. The conductor lies 1km south of Avoca's high grade copper-gold discovery and **measures 500m long and exhibits a dip extent of 300m**.
- Avoca completed a private placement and option to joint venture three South Australian projects with Canadian mining giant Teck Cominco. Teck Cominco subscribed for 967,542 shares at 31 cents per share and has the option to spend \$1.5M on each of the Cowell and Port Julia copper-gold projects; and the Redhill diamond project to earn 80%. Avoca's 20% interest is free-carried until Teck Cominco makes a decision to mine. Avoca can contribute 20% of mine development and operation costs or convert its interest to an NSR royalty.

1. WA Projects (100% AVO)

1.1 Higginsville Gold Project

The 178km² Higginsville Gold Project is located mid-way between the regional mining centres of Kambalda and Norseman in Western Australia's Eastern Goldfields. The Company has made a significant gold discovery at Trident, located 200m north of underground workings associated with the previously mined out Poseidon South open pit.

During the quarter the Company focused on resource drilling at Trident and completed **26 drill holes including 7,652m of diamond drilling and 3,742m of RC drilling for a total of 11,394m**. Significant results from the 17 drill holes with results received are shown in **Table 1**. Each of the 17 holes exhibit significant intersections on either the Eastern Zone or the Western Zone, and in some occasions on both zones (eg HIGD016 intersected **60m @ 7.6 g/t in the Western Zone and 31m @ 8.2 g/t in the Eastern Zone**).

Discovery of New High Grade Lode Style at Trident.

During the quarter, Avoca discovered a new high grade lode style west of the Western Zone mineralisation. The new ore zone has been intersected in four drill holes over a strike distance in excess of 120m and remains open to the north, south and west. The new style of mineralisation is characterised by a thick north-dipping sub-horizontal quartz vein that is between **3.5 and 7m in true thickness**. Visible gold is present in all four intersections and is preferentially and occasionally spectacularly developed on the upper and/or lower margins of the thick quartz vein. The best drill result received to date is listed below:

7m @ 72 g/t gold from 383m in HIGD030

A second high grade quartz vein located 11m down hole of the 7m @ 72 g/t intersection returned **1m @ 25.9 g/t** gold from 401m in HIGD030.

It is clear from visual logging of the hole and from the assay results received to date that the mineralised vein has a high proportion of nuggetty gold. Galena is also present in the mineralised vein which further characterises this new mineralisation style, as no galena has been observed in the Eastern and Western Zones.

The generally sub-horizontal attitude of the vein is broadly similar in orientation to that of the rich Two Boys deposit (mined 82,000 ounces of gold at a head grade of 14 g/t) which is located 2km to the south of Trident. The flat nature of the new ore zone is markedly different to the typical steeply oriented lodes that define

the Western and Eastern lodes. **Figure 1** shows the location of the new zone of mineralisation in relation to the adjacent Eastern and Western Zones.

The Company believes the location of the new flatter style of mineralisation provides substantial potential for additional high grade mineralisation further to the west of existing drilling. There is no bedrock drill testing west of the 7m @ 72g/t intersection in HIGD030.

Infill Drilling of the Western and Eastern Zones

Following detailed logging and interpretation of the results from the 33 diamond drill holes completed to date, it appears that the development of mineralisation in the central part of the deposit is different to that observed at the northern and southern limits of the deposit. For both the Western and Eastern Zones, the nature of the mineralisation changes from very thick moderate to high grade mineralisation seen in the centre of the deposit to between two and four well defined high grade lodes displaying good continuity toward the deposit limits. The Company believes the central part of the deposit may be amenable to large tonnage bulk underground mining techniques, and more conventional narrow vein long hole mining toward the edge of the deposit.

New high grade lodes continue to be identified within the Eastern and Western Zones. Table 1 lists the results of five new ore surfaces with better results of the new discoveries from the Eastern Zone including **1m @ 162 g/t** from 244m in HIGD026 and **2m @ 26.1 g/t** from 146m in HIGD020. New ore surfaces of the Western Zone include **3m @ 11.2 g/t** from 219m in HIGD018 and **7m @ 8.5 g/t** from 283m in HIGD023.

Figure 2 is a cross section that shows the thick nature of mineralisation in the centre of the deposit at 6489340mN, which lies 80m north of Figure 1. The mineralisation in Figure 1 is observed to develop a series of well defined high grade lodes away from a thicker core of mineralisation. Both cross sections show the location of several of the new ore surfaces described here.

Figure 3 is a long section of the Western Zone and shows the location and drill results of all holes completed to date. The drill holes are colour-coded based on the thickness and grade of the intersections for each hole and defines what appears to be a broadly circular shape of the mineralised envelope on the Western Zone. The Western Zone mineralisation is seen to lie along the same trend as the high grade mineralisation observed in the Poseidon South mine, located 200m to the south, and clearly defines the excellent potential for additional mineralisation to the north of Trident.

| Hole ID | Northing (m) | From (m) | To (m) | Interval (m) | Grade (g/t gold) | Comment |
|------------|--------------|------------|-------------|--------------------|------------------|------------------------------------|
| HIGD012 | 6489340 | 212 | 221 | 9 | 1.8 | Eastern Zone |
| | | 254 | 285 | 31 | 2.4 | Western Zone - includes: |
| | | 254 | 268 | 14 | 4.3 | |
| | | 283 | 285 | 2 | 7.1 | |
| HIGD013 | 6489335 | 278 | 328 | 50 | 0.9 | Eastern Zone - includes: |
| | | 278 | 282 | 4 | 4.2 | |
| | | 306 | 316 | 10 | 1.5 | |
| | | 325 | 328 | 3 | 2.4 | |
| | | 346 | 416 | 70 | 4.2 | Western Zone - includes: |
| | | 346 | 355 | 9 | 9.5 | |
| | | 372 | 386 | 14 | 8.4 | |
| | | 394 | 407 | 13 | 4.8 | |
| | | 411 | 416 | 5 | 5.1 | |
| HIGD014 | 6489340 | 387 | 391 | 4 | 3.2 | Eastern Zone |
| HIGD015 | 6489298 | 117 | 147 | 30 | 1.7 | Eastern Zone - includes: |
| | | 117 | 122 | 5 | 2.2 | |
| | | 139 | 147 | 8 | 5.1 | New Surface on Eastern Zone |
| | | 212 | 213 | 1 | 11.6 | Western Zone |
| HIGD016 | 6489300 | 214 | 245 | 31 | 8.2 | Eastern Zone, includes: |
| | | 214 | 227 | 13 | 15.4 | |
| | | 231 | 236 | 5 | 2.8 | |
| | | 242 | 245 | 3 | 9.8 | |
| | | 303 | 363 | 60 | 7.6 | Western Zone, includes: |
| | | 303 | 311 | 8 | 2.5 | |
| | | 313 | 343 | 30 | 11.5 | |
| | | 346 | 355 | 11 | 5.9 | |
| | | 361 | 363 | 2 | 9.9 | |
| HIGD017 | 6489260 | 375 | 419 | 43 | 2.3 | Western Zone - includes: |
| | | 381 | 385 | 4 | 4.0 | |
| | | 392 | 397 | 5 | 5.7 | |
| | | 406 | 411 | 5 | 4.3 | |
| HIGD018 | 6489256 | 149 | 154 | 5 | 5.0 | Eastern Zone |
| | | 172 | 174 | 2 | 8.2 | Eastern Zone |
| | | 219 | 222 | 3 | 11.2 | New Surface on Western Zone |
| | | 256 | 263 | 7 | 6.4 | Western Zone |
| HIGD019 | 6489260 | 179 | 180 | 1 | 11.5 | Eastern Zone |
| | | 235 | 238 | 3 | 6.2 | Eastern Zone |
| | | 350 | 359 | 9 | 3.7 | Western Zone (incomplete) |
| | | | | | | |
| HIGD020 | 6489220 | 146 | 148 | 2 | 26.1 | New Surface on Eastern Zone |
| HIGD021 | 6489428 | 351 | 353 | 2 | 3.3 | Eastern Zone |
| | | 423 | 424 | 1 | 2.6 | Western Zone |
| | | 464 | 465 | 1 | 3.0 | Western Zone |
| HIGD022 | 6489350 | | | | | Assays Awaited |
| HIGD023 | 6489426 | 227 | 232 | 5 | 1.4 | Eastern Zone |
| | | 283 | 290 | 7 | 8.5 | New Surface on Western Zone |
| | | 314 | 319 | 5 | 1.3 | Western Zone |
| HIGD024 | 6489389 | 145 | 149 | 4 | 6.1 | New Surface on Eastern Zone |
| | | 297 | 320 | 23 | 1.7 | Western Zone - includes: |
| | | 314 | 320 | 6 | 4.1 | |
| HIGD025 | 6489220 | | | | | Assays Awaited |
| HIGD026 | 6489389 | 244 | 245 | 1 | 161.6 | New Surface on Eastern Zone |
| | | 285 | 292 | 7 | 4.1 | Eastern Zone |
| | | 383 | 384 | 1 | 11.6 | Western Zone |
| HIGD027 | 6489269 | 377 | 381 | 4 | 3.8 | Eastern Zone |
| HIGD028 | 6489300 | 171 | 175 | 4 | 3.0 | Eastern Zone |
| | | 194 | 203 | 9 | 4.7 | Eastern Zone |
| | | 243 | 255 | 12 | 3.6 | Western Zone |
| HIGD029 | 6489300 | | | | | Assays Awaited |
| HIGD030 | 6489260 | 216 | 239 | 23 | 5.0 | Eastern Zone - includes: |
| | | 216 | 220 | 4 | 12.4 | |
| | | 233 | 239 | 6 | 8.2 | |
| | | 313 | 341 | 28 | 5.3 | Western Zone |
| | | 368 | 371 | 3 | 4.4 | Western Zone |
| | | 386 | 393 | 7 | 72.0 | New Discovery |
| 401 | 402 | 1 | 25.9 | New Surface | | |
| HIGD031 | 6489429 | 254 | 260 | 6 | 1.4 | Western Zone |

Table 1: Drill results from Trident for the March quarter.



HIGGINSVILLE PROJECT
Trident Deposit
Cross Section 6,489,260 N

Drawn : MGIS

Scale : 1 : 2,500

Date : 27/04/2005

Plan No : AVO_05015

6 / 16.0 Downhole width (m) / grade (g/t)
(not true width)

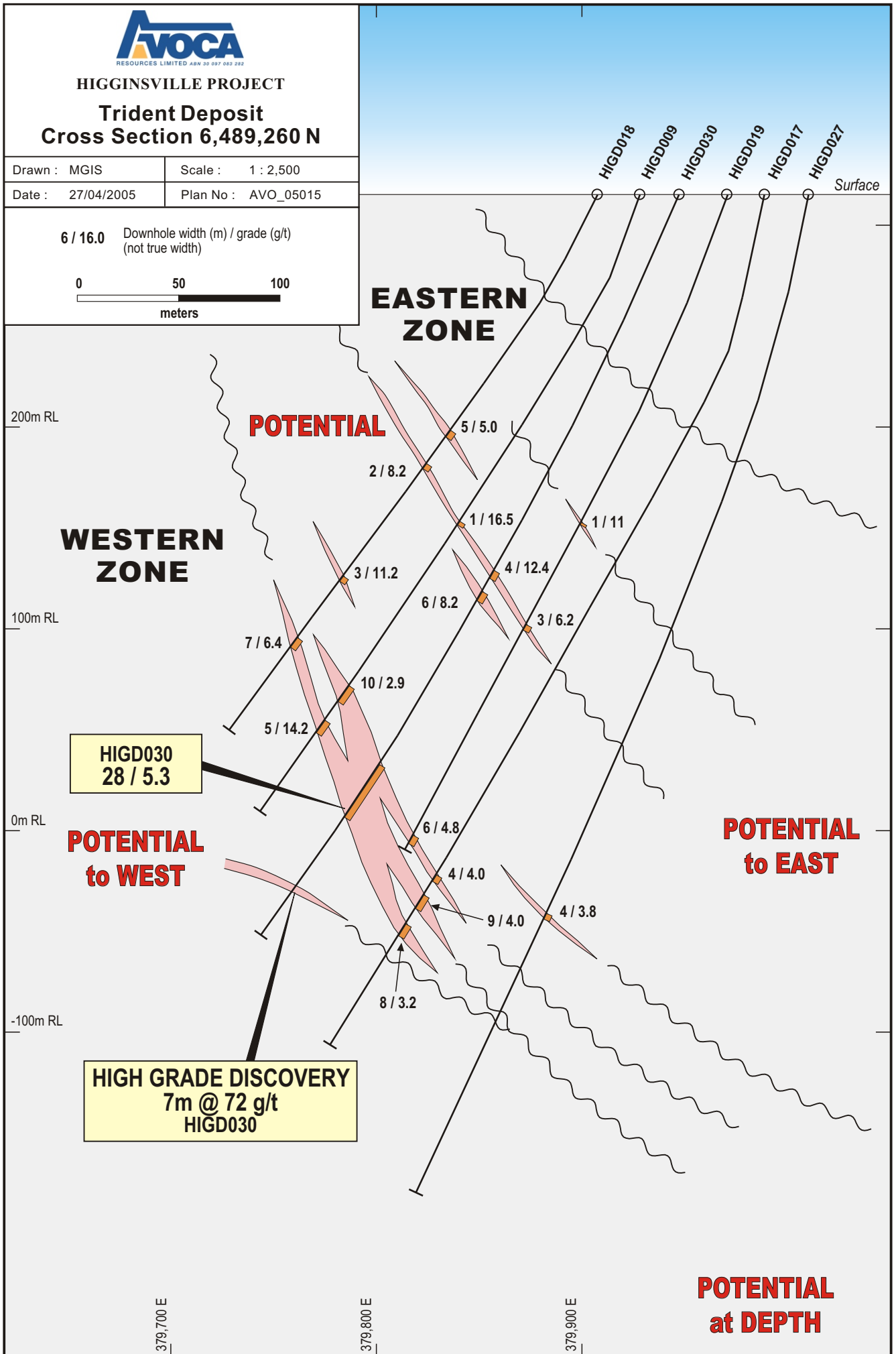
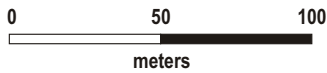


Figure 1



HIGGINSVILLE PROJECT
Trident Deposit
Cross Section 6,489,340 N

| | |
|-------------------|---------------------|
| Drawn : MGIS | Scale : 1 : 2,500 |
| Date : 27/04/2005 | Plan No : AVO_05014 |

6 / 16.0 Downhole width (m) / grade (g/t)
(not true width)

0 50 100
meters

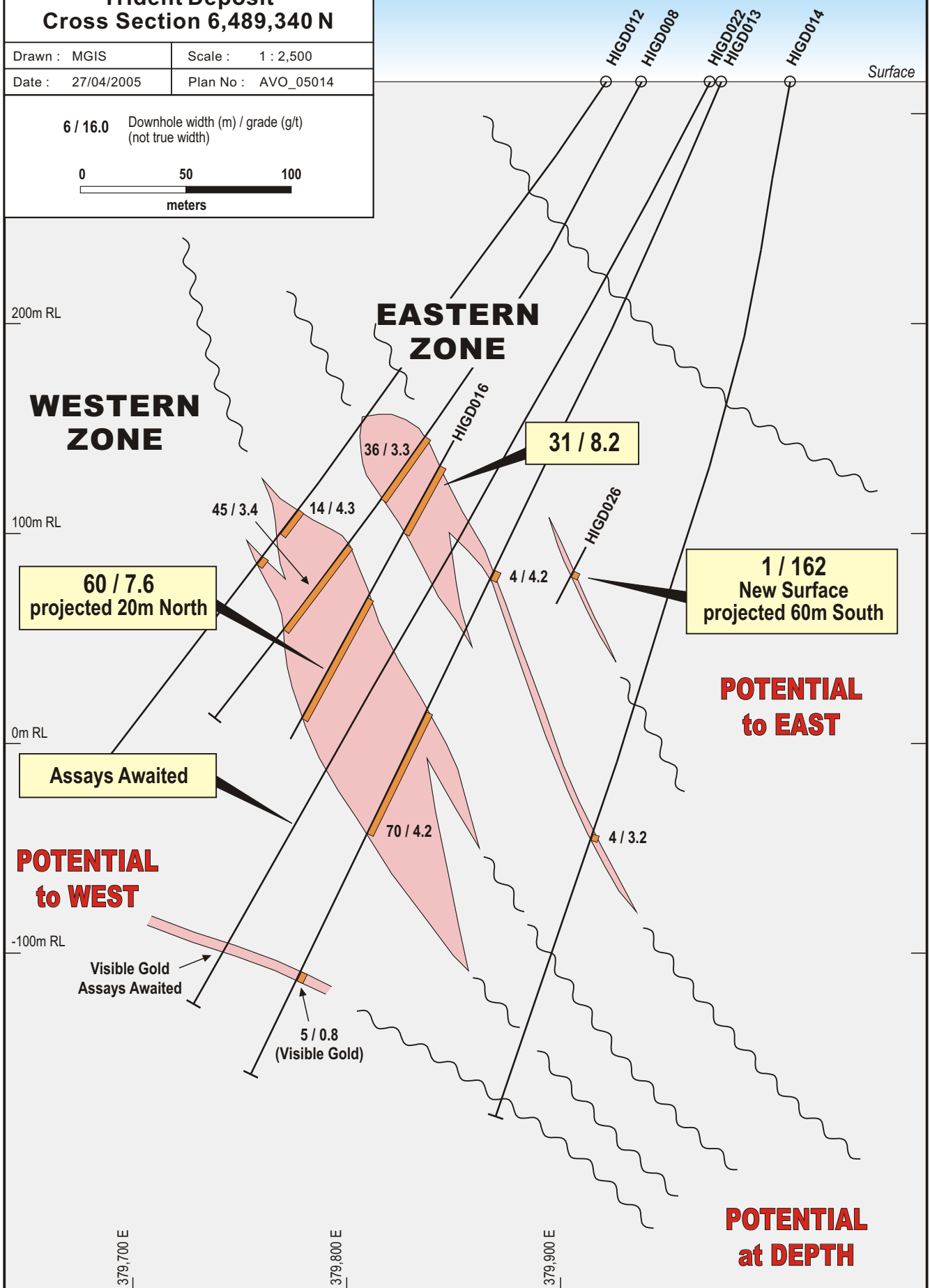


Figure 2

Cross Section Cross Section
Figure 1 Figure 2

Surface

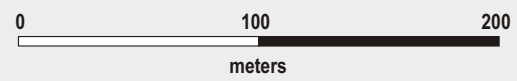
POTENTIAL

200m RL

Existing Underground Development

- >300 gram metres
- 150 - 300 gram metres
- 50 -150 gram metres
- 10 - 50 gram metres
- <10 gram metres

60m @ 7.6 g/t Downhole width (m) / grade (g/t) (not true width)

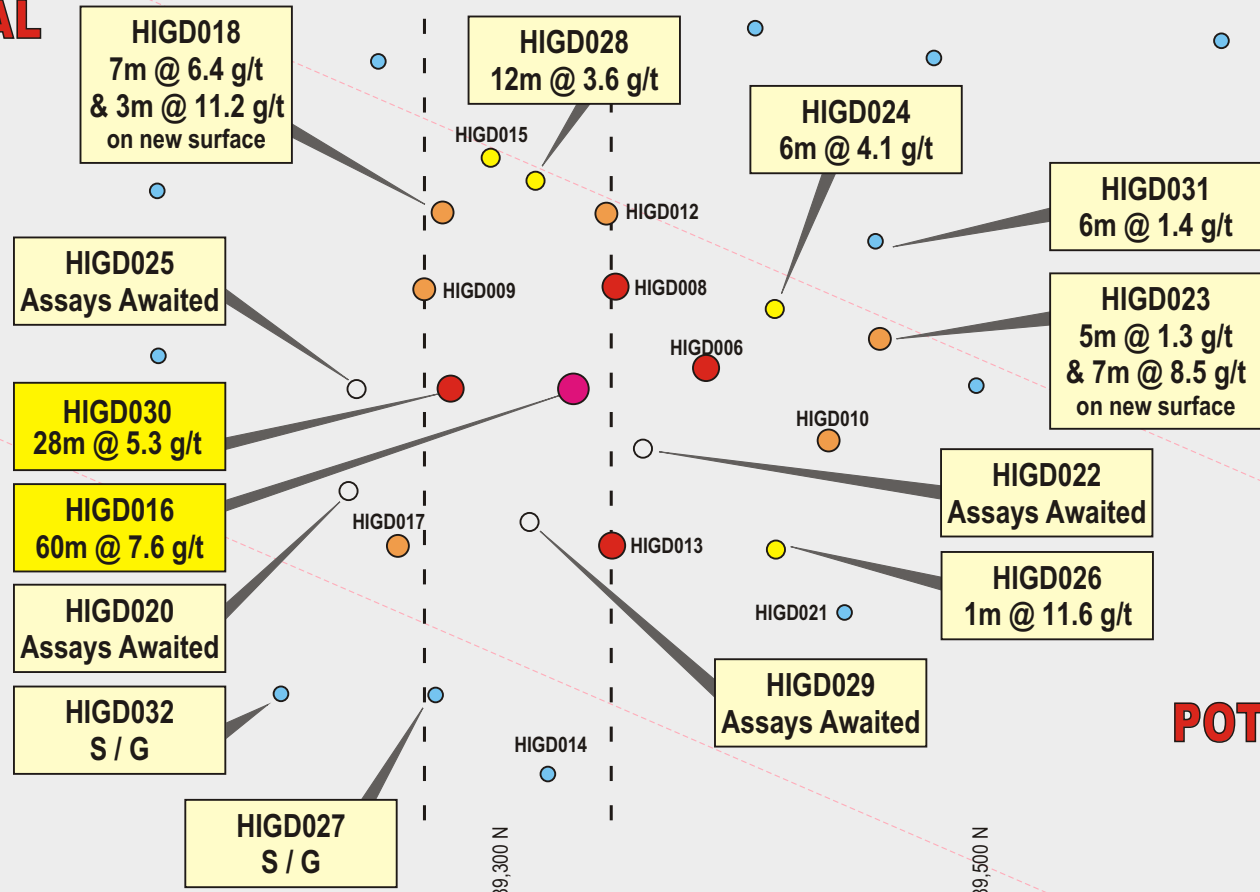


0m RL



HIGGINSVILLE PROJECT
Trident Western Zone
Long Section

| | |
|-------------------|---------------------|
| Drawn : MGIS | Scale : N.T.S |
| Date : 27/04/2005 | Plan No : AVO_05013 |



POTENTIAL

6,489,300 N

6,489,500 N

-200m RL

Figure 3

Potential for Additional Discoveries in the Trident Region

The Company believes that Trident has the potential to develop into a large gold deposit. The 33 diamond drill holes that have been completed define a combination of very thick (+50m) moderate to high grade mineralisation; several steep east dipping high grade lodes in both the Western and Eastern Zones of the deposit; and a new style of very high grade mineralisation associated with a thick (3.5 to 7m) sub-horizontal quartz vein located further west than the Western Zone. All the mineralisation described to date occurs in a large gabbro body (Poseidon Gabbro) which is at least 600m thick, of which approximately a 250m thick section shows strong mineralisation within numerous lodes of different style. The major structural network that is responsible for the mineralisation defined to date is open at depth, to the east, west and to the north. The Company believes that with ongoing drilling and detailed geological documentation of drill core, it will continue to discover more zones of high grade mineralisation and confirm its view that Trident is a major new gold deposit.

2. SA Projects (100% Avoca)

The Company submitted two projects for assessment to have drilling costs co-funded by the South Australian Government's Plan for Accelerating Exploration (PACE) during the March quarter. The two projects are the Port Julia copper-gold project, located on the Yorke Peninsula and the Redhill diamond project located 30km south-east of Port Pirie.

Results of those projects that have been selected to participate in the PACE initiative will be announced during the June quarter.

2.1 Cowell Copper-Gold Project

Interpretation of the infill transient electromagnetics (TEM) data collected over the Cowell copper-gold targets in the December quarter was completed during the March quarter. The infill TEM survey was conducted over an area where a reconnaissance TEM conductor was identified 1000m south west of Avoca's high grade copper-gold discovery at Glensea in 2004.

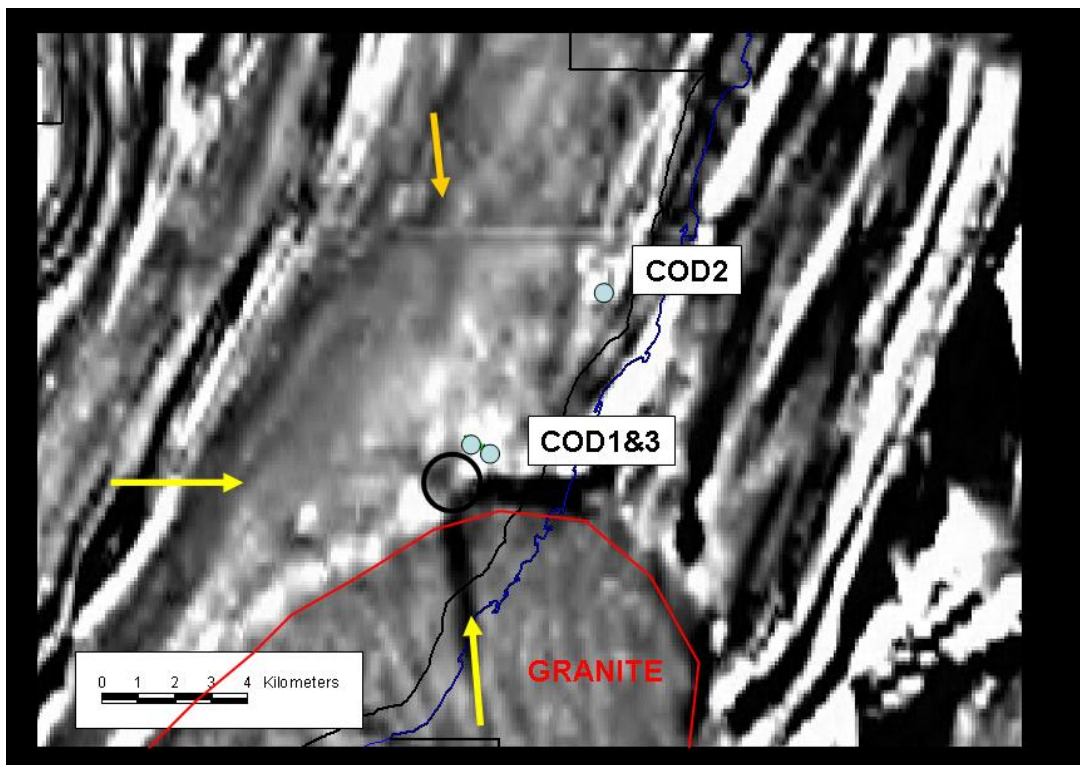


Figure 4: Location of infill TEM anomaly (black circle) at the intersection of structures (arrowed) lying 1km south-west of mineralised drill holes COD 1 and COD 3. Note the TEM anomaly lies adjacent to the margin of a Hiltaba Granite intrusion (red line).

The infill TEM data has further delineated the original conductor identified in the earlier reconnaissance TEM survey. **The conductor is interpreted to be east dipping, have a 500m strike and a 300m dip extent.** It is interpreted to lie at a depth of 150m below the surface.

Avoca had planned to diamond drill test the conductor in the March quarter, however a lack of drill rig availability prevented drilling. It is anticipated drilling will test the TEM anomaly in the June quarter.

Figure 4 above shows the location of the highly conductive TEM anomaly lying at the intersection of two major structures adjacent to the margin of a Hiltaba Granite intrusion. The location of the mineralised Avoca drill holes COD 1 and COD 3 are also shown.

The Company has also acquired a new tenement in the Cowell region, EL 48/05. The tenement is located approximately 20km south west of the TEM anomaly described above, and provides Avoca additional title in the mineralised setting associated with the Hiltaba Granite intrusion.

2.2 Port Julia Copper-Gold Project.

Reconnaissance field mapping and rock chip sampling at the historic Hillside copper-gold mine, located 20km north of Port Julia, has identified chalcopyrite – bornite mineralised haematite breccia from the old mine dumps.

The Hillside copper-gold mine was active in the early 1900s and mined small amounts of high grade copper ore (+20% Cu) from two shafts sunk to 87 feet and 160 feet deep. No modern exploration has been undertaken following closure of the mine during The Depression.

Avoca will plan a detailed gravity survey to identify the extent of haematite altered basement prior to drill testing.

3. Joint Venture Projects

As part of the Company's focus on bringing the Higginsville Gold Project into production, the Company has been active in farming out its non core projects.

The portfolio of Avoca's joint ventures is tabled below:

| JV Partner | Project | Earn-in |
|-------------------------------|---------------|-------------|
| Barrick Gold | Zuleika South | earning 51% |
| Mines and Resources Australia | Mungari | earning 51% |
| Metex / Placer Dome | Laverton | earned 70% |
| Metex / Placer | Mt Morgans | earned 70% |

| | | |
|-------------------------|----------------|---------------------|
| Dome | | |
| Vulcan / Sons of Gwalia | Edjudina | earning 80% |
| Great Gold Mines | South Laverton | earned 80% |
| Regal Resources Ltd | Mt Goose | Option to earn 80%. |

Table 2: Avoca's WA Joint Venture Portfolio.

3.1 Barrick Gold Zuleika South Joint Venture

Barrick Gold earning 51% after spending \$3.0M

The Barrick Gold Zuleika South joint venture covers approximately a 40km strike of the under-explored Zuleika Shear Zone located between the Higginsville and St Ives Gold camps. The project also covers an area called Sinclair Soak that lies beneath Lake Cowan and contains the intersection of the Zuleika Shear Zone and the Boulder Lefroy Fault – two of the highest endowed gold structures in the Eastern Goldfields of WA.

Work completed by Barrick Gold during the quarter involved the completion of a large 250m spaced gravity survey designed to define target areas for follow up exploration. Preliminary anomaly identification from all datasets was completed and a geochemical survey is planned to commence early in the June quarter to test for mineralisation beneath lake cover. Aircore and diamond drilling will be used to test any mineralisation identified beneath the lake sediments.

3.2 Mines and Resources Australia Mungari Joint Venture

MRA earning 51% by spending \$0.75M

Exploration during the quarter involved analysis of 1m splits associated with the 24m @ 1.0 g/t RAB intersection reported in the December 2004 quarter. In addition, field reconnaissance and rock chip sampling over certain parts of the joint venture tenure was completed.

Results of the re-splitting of the anomalous intersection returned best results of 4m @ 1.49 g/t gold from 41m and 7m @ 0.66 g/t gold from 47m.

An estimated 4000m of RAB drilling is planned for the June quarter, along with RC bedrock testing beneath previously defined anomalism in the near-surface oxidised zone.

3.3 Teck Cominco Option to Joint Venture South Australian Projects and the Kalgoorlie East Joint Venture.

Teck Cominco to earn 80% by spending up to \$4.5M on Cowell, Port Julia and Redhill Projects.

Teck Cominco Australia Pty Ltd, a wholly owned subsidiary of Vancouver-based Teck Cominco Limited ("Teck Cominco"), executed an option to joint venture agreement with Avoca during the quarter. The option allows Teck Cominco to earn an 80% interest in each or all of Avoca's South Australian Cowell and Port Julia copper-gold projects; and the Redhill diamond project by spending \$1.5M within 4 years on each project. Should Teck Cominco exercise its option to joint venture all three projects, it will expend \$4.5 million to earn an 80% interest in the projects.

Once Teck Cominco has earned an 80% interest in any one or all of the projects, Avoca's retained 20% interest is free-carried until Teck Cominco makes a decision to mine. Once a decision to mine is made, Avoca can elect to contribute its 20% share of costs, or convert its interest to a 1.5% NSR royalty in the case of diamonds and gold, or a 1.0% NSR royalty in the case of base metals.

4. Corporate

4.1 Share Placement to Teck Cominco

Teck Cominco subscribed for a total of 967,742 shares during the quarter at a price of 31 cents per share. The proceeds are to be used for exploration of the Cowell and Port Julia copper-gold projects on the Eyre Peninsula and Yorke Peninsula respectively, as well as the Redhill diamond project located 30km south east of Port Pirie.

In addition Teck Cominco was issued with 1 million 2-year options to subscribe for Avoca shares at an exercise price of 37 cents per share.

4.2 Exercise of Options

During the quarter 2,700,000 options were exercised at an exercise price of 25 cents per share raising \$675,000.

4.3 Directors

Mr David Quinlivan joined the Avoca Board during the reporting period. Mr Quinlivan is a mining engineer with extensive mining feasibility and project management experience in Western Australia. Mr Quinlivan is a fellow of the Australasian Institute of Mining and

Metallurgy (FAIMM), a Chartered Professional Mining (CPMin) and holds a First Class Mine Managers (WA) Certificate.

Mr Quinlivan's appointment coincides with the resignation of Mr Ian Buchhorn as a non-executive director. The Board thanks Mr Buchhorn for his services to the Company and in particular for his driving force in creating Avoca Resources Limited.

4.4 Shareholders

The Company's top 5 shareholders as at 31 March 2005 are shown below in Table 4.

| Shareholder | % of Issued Capital |
|---------------------------------|---------------------|
| St Ives Gold Mining Co Pty Ltd | 8.49* |
| Westpac Custodian Nominees | 7.10 |
| Gold Fields Australasia Pty Ltd | 6.47* |
| HSBC Nominees Pty Ltd | 4.14 |
| Citicorp Nominees Pty Ltd | 3.76 |

Table 3: Avoca's top 5 shareholders as at 31 March 2005.

* *St Ives Gold Mining Co Pty Ltd and Gold Fields Australasia Pty Ltd are both wholly owned subsidiaries of Gold Fields Limited. Gold Fields Limited and its entities have a 14.96% holding of the issued capital of Avoca.*

The holdings of Westpac Custodian Nominees, HSBC Nominees Pty Ltd and Citicorp Nominees Pty Ltd as shown in Table 3 are held by overseas and Australian-based institutional investors.

The total number of ordinary fully paid shares issued and quoted on the ASX as at 31 March 2005 is 106,221,745.

5. Finance

At 31 March 2005, the Company had cash reserves of \$3.8 million.

For and on behalf of the Board,



Rohan Williams
Managing Director

Information relating to geological matters reported herein was provided by Mr Rohan Williams who is a member of the Australasian Institute of Mining and Metallurgy and has more than 15 years of experience in the field being reported.

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

AVOCA RESOURCES LIMITED

ABN

30 097 083 282

Quarter ended ("current quarter")

31 March 2005

Consolidated statement of cash flows

| Cash flows related to operating activities | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1.1 Receipts from product sales and related debtors | - | - |
| 1.2 Payments for | | |
| (a) exploration and evaluation | (1,077) | (2,387) |
| (b) development | - | - |
| (c) production | - | - |
| (d) administration | (223) | (687) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 51 | 149 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Other (provide details if material) | - | - |
| Net Operating Cash Flows | (1,249) | (2,925) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: | | |
| (a) prospects Higginsville | | (2,250) |
| (b) equity investments | - | - |
| (c) other fixed assets | (51) | (82) |
| 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 (provide details if material) | - | - |
| Net investing cash flows | (51) | (2,332) |
| 1.13 Total operating and investing cash flows (carried forward) | (1,300) | (5,257) |

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

| | | | |
|---|--|--------------|----------------|
| 1.13 | Total operating and investing cash flows (brought forward) | (1,300) | (5,257) |
| Cash flows related to financing activities | | | |
| 1.14 | Proceeds from issues of shares, options, etc. | 675 | 4,251 |
| 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 – Issue Costs | (92) | (171) |
| | Net financing cash flows | 583 | 4,080 |
| | Net increase (decrease) in cash held | (717) | (1,177) |
| 1.20 | Cash at beginning of quarter/year to date | 4,485 | 4,945 |
| 1.21 | Exchange rate adjustments to item 1.20 | - | - |
| 1.22 | Cash at end of quarter | 3,768 | 3,768 |

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 | 161 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

Within item 1.2

- (i) Managing Director's and non- executive remuneration - \$155k
- (ii) Legal fees paid to Pullinger Readhead Lucas an entity related to SJ Unwin - \$6k

+ See chapter 19 for defined terms.

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

| |
|--|
| Issue of 9,849,861 ordinary fully paid shares at a deemed price of 20.3 cents each as part consideration for the acquisition of the Higginsville project |
|--|

- 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 | NIL | NIL |
| 3.2 Credit standby arrangements | NIL | NIL |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|--------------|
| 4.1 Exploration and evaluation | 1,700 |
| 4.2 Development | NIL |
| Total | 1,700 |

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 | 590 | 974 |
| 5.2 Deposits at call | 3,178 | 3,511 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other (provide details) | - | - |
| Total: cash at end of quarter (item 1.22) | 3,768 | 4,485 |

+ See chapter 19 for defined terms.

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 | E25/276 | Registered Holder | 100% | 0% |
| | E31/410 | Registered Holder | 100% | 0% |
| | E31/434 | Registered Holder | 100% | 0% |
| | M38/404 | Registered Holder | 100% | 0% |
| | M38/405 | Registered Holder | 100% | 0% |
| | EL3014 | Registered Holder | 100% | 0% |
| | EL3015 | Registered Holder | 100% | 0% |
| 6.2 Interests in mining tenements acquired or increased | E15/793 | Registered Holder | 0% | 100% |
| | E53/1061 | Registered Holder | 0% | 100% |

+ 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 (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|--------------|---------------|---|--|
| 7.1 Preference + securities <i>(description)</i> | - | - | - | - |
| 7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | | | | |
| 7.3 +Ordinary securities Ordinary Shares (AVO) | 116,071,606 | 106,221,745 | | Fully Paid |
| 7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs | 2,700,000 | 2,700,000 | | |
| 7.5 +Convertible debt securities <i>(description)</i> | - | - | | |
| 7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | | | | |
| 7.7 Options Unlisted options (AVOAM) | 7,300,000 | - | <i>Exercise price</i> 25 cents each | <i>Expiry date</i> 30 June 2006 |
| Unlisted options (Employee) | 3,550,00 | - | 25 cents each | 30 June 2009 |
| 7.8 Issued during quarter | | - | | |
| 7.9 Exercised during quarter | 2,700,000 | - | | |
| 7.10 Expired during quarter | - | - | | |


+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

| | | | |
|------|--|--|--|
| 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 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: 29 April 2005
Company Secretary

Print name: KEVIN HART

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.