Pioneer nICKEL

Quarterly Report

FOR THE PERIOD ENDING 31 DECEMBER 2003

Key Points

- On 4 December 2003 Pioneer lists successfully on the ASX, fully oversubscribed, raising $5.5 million.
- Drilling commences immediately at Acra. Three holes intersect magmatic nickel sulphides confirming Pioneer's exploration model.
- Pioneer retains Newexco Services Pty Ltd to facilitate geophysical programmes at Acra and Jubilee. Transient Electromagnetic (TEM) surveys completed at Acra and Jubilee identify conductors for further testing.
- Pioneer retains Southern Geoscience Consultants Pty Ltd to facilitate geophysical exploration at Wattle Dam and Higginsville. TEM surveys commence at Wattle Dam. Conductors are already evident.
- Detailed aeromagnetic surveys are underway at Wattle Dam and Higginsville.
- Intensive drilling programme forecast for the March 2004 quarter.

Overview

Pioneer Nickel Limited ("Pioneer") is a Kalgoorlie based nickel sulphide ("NiS") explorer with a strategically located tenement portfolio in the highly productive nickel sulphide provinces of the Eastern Goldfields.

On 4 December 2003 Pioneer successfully listed, fully oversubscribed, on ASX and immediately commenced an intensive exploration programme, engaging both Newexco and Southern Geoscience to facilitate detailed geophysical programmes that are a feature of modern nickel sulphide exploration.

Work completed since listing includes:

- Four RC holes drilled for 1,014m at Acra which intersected magmatic nickel sulphides;
- 274 MLTEM stations surveyed at Acra generating 2 conductors;
- 370 MLTEM stations at Jubilee generating 2 conductors;
- 644 soil samples at Acra and Jubilee;
- Commenced 1,150 MLTEM stations at Wattle Dam; and
- Aeromagnetic surveys at Wattle Dam and Higginsville.

Exploration activities for the March quarter will focus on Wattle Dam, Acra and Jubilee where further TEM surveys and reconnaissance drilling are planned.

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Acra
- 4 drillholes, magmatic nickel sulphides intersected;
- 274 MLTEM stations generate 2 anomalies;
- 274 soil samples analysed.

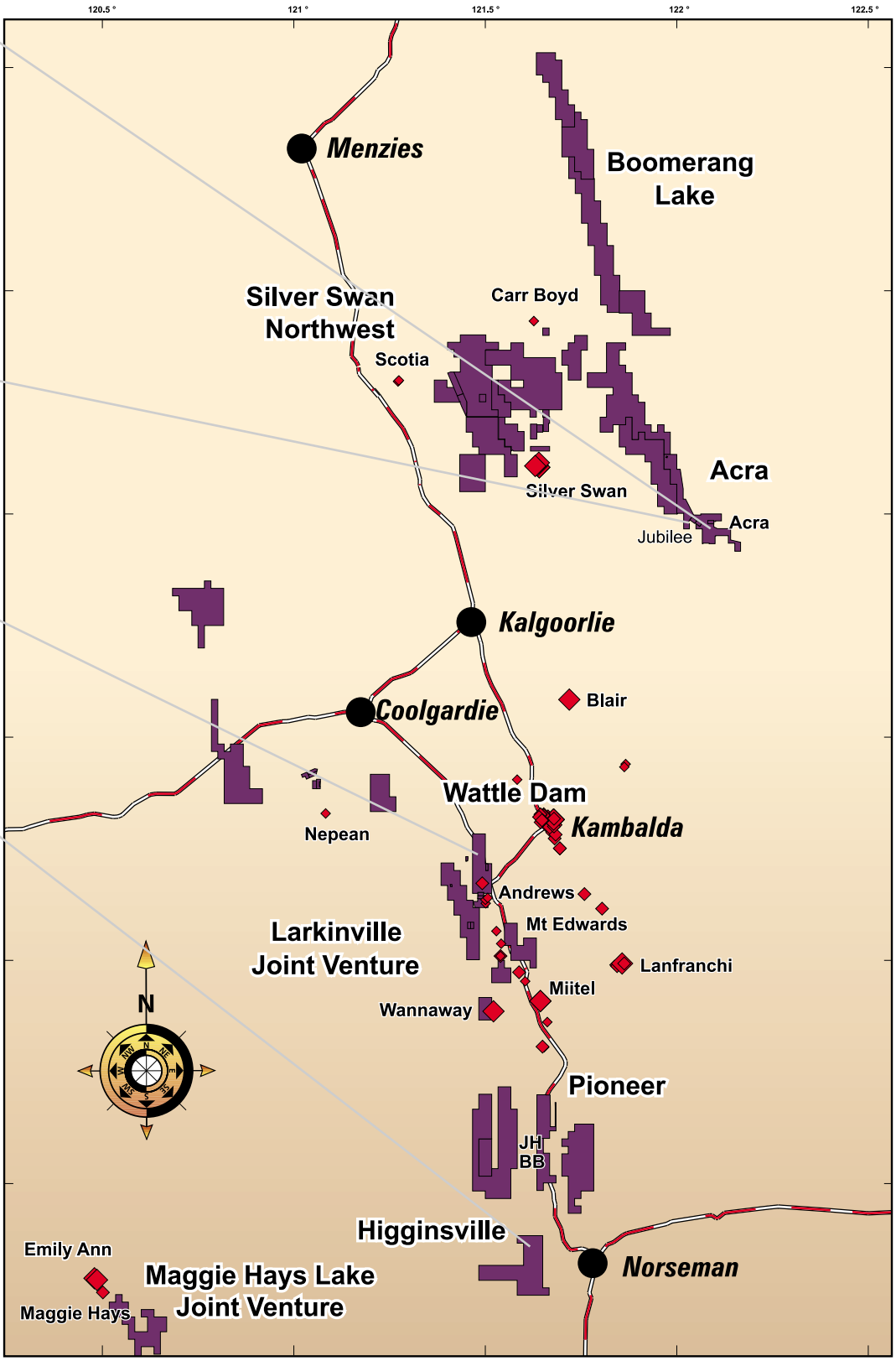
Jubilee
- 370 MLTEM stations generate two anomalies;
- 370 soil samples analysed.

Wattle Dam
- 20% of 1,150 station MLTEM programme completed;
- Detailed aeromagnetic survey flown.

Higginsville
- Detailed aeromagnetic survey flown.

Pioneer has retained both Newexco Services Pty Ltd ("Newexco") and Southern Geoscience Consultants Pty Ltd ("Southern Geoscience") to provide consultative geophysical services to Pioneer. The management of Pioneer have a long-standing working relationship with both groups.

Pioneer Nickel Ltd Tenement Portfolio



1. JUBILEE PROVINCE

1.1 Acra

Pioneer 100% (nickel and gold).
Heron retains all rights to nickel oxide and laterite ore.

Immediately following listing, Pioneer completed a 4 hole drilling programme targeting electromagnetic anomalies generated by a previous explorer.

Work completed included:

- 4 RC drill holes for 1,014 metres;
- A Moving Loop TEM survey comprising 274 stations, generating two targets; and
- 200m x 50m soil geochemistry with 274 soils taken (results have not been received).

Pioneer's Senior Geologist, Clayton Davy's, is seen logging drill cuttings at ARC-017 while a robotic rod changer attaches another drill rod.
Drill cuttings are assayed for 20 elements when exploring for nickel sulphides, including NiS suite, PGMs, Au and lithogeochemical indicators.

Reverse Circulation Drilling
RC drill testing of targets at Acra and Acra West was completed during December 2003. Drilling totalled 4 holes for 1,014 metres. DHTEM is planned for the March 2004 quarter.

Pioneer has completed a series of three 303m deep RC drill holes (ARC015, ARC016, ARC017) at Acra, targeting zones of known disseminated NiS with coincident TEM responses. The drill holes were of a reconnaissance nature to facilitate new DHTEM surveys, used to locate conductive massive sulphide mineralisation.

Several zones of disseminated magmatic NiS, evidenced by sulphide morphology, intercumulus position and coincident anomalous Cu, Pt and Pd, were intersected within mesocumulate to adcumulate komatiite in each of the three holes.

One hole collared at Acra West, ARC014, tested the overturned basal contact of the ultramafic unit adjacent to AD-004 (reported intercept of 0.27m at 4.36%Ni). This hole terminated in ultramafic olivine mesocumulate at 105m.

Acra is located 80km east of Kalgoorlie.

Acra was discovered during the 1960s, but has only been sporadically explored for NiS since.

Reverse Circulation ("RC") drilling is a cost-effective technique that delivers uncontaminated pulverised rock to the surface through an inner drill rod annulus.

Down Hole Transient Electromagnetic ("DHTEM") is an acronym for an electromagnetic survey involving a drill hole probe that is used to locate nearby massive sulphide mineralisation.

Transient Electro Magnetic ("TEM") surveys, used to locate massive sulphide mineralisation, use either a Moving transmitter Loop ("MLTEM") or a Fixed transmitter Loop ("FLTEM") for the duration of the survey while "in-loop" and "slingram" describe the receiving loop position.

Acra Project: Reverse Circulation Drilling
Significant Results

Hole ID	North (m)	East (m)	Depth (m)	Interval (m)	Intercept (m)	Ni (%)	Cu (%)	Pt+Pd (ppm)
ARC015	21,828	3,656	303	220 to 240	21	0.60	0.060	0.154
Including				235 to 236	1	1.07	0.053	0.271
ARC016	21,773	3,739	303	247 to 251	4	0.52	0.042	0.250
ARC017	21,880	3,571	303	201 to 220	19	0.60	0.038	0.224
Including				201 to 203	2	1.26	0.090	0.399

Moving Loop TEM
Pioneer has retained Newexco Services Pty Ltd to facilitate a MLTEM survey covering 13.2 line kilometres, comprising 274 stations, at Acra. Two anomalies were detected and recommended for follow up testing.

ACC_1 is a single peaked anomaly which is evident from mid time channels. The peak of this anomaly tends to migrate to the west with time indicating good down dip extent. The anomaly is also weakly evident on neighbouring lines.

Preliminary numerical modelling suggests a moderate west dipping, weak conductor approximately 100m below surface. The modelled source conductance is consistent with stringer/matrix mineralisation.

ACC_2 is a single peaked mid time anomaly located along strike and between previously identified FLTEM anomalies C13 and C8. The source is considered to be stringer/matrix mineralisation, possibly similar to that of ACC_1.

Infill MLTEM and FLTEM on the lines to the north and south will be completed to detect any short strike-length conductors.

1.2 Jubilee

Pioneer 100% (nickel and gold).
Heron retains all rights to nickel oxide and laterite ore.

Jubilee is located approximately 5km NW along strike form Acra.

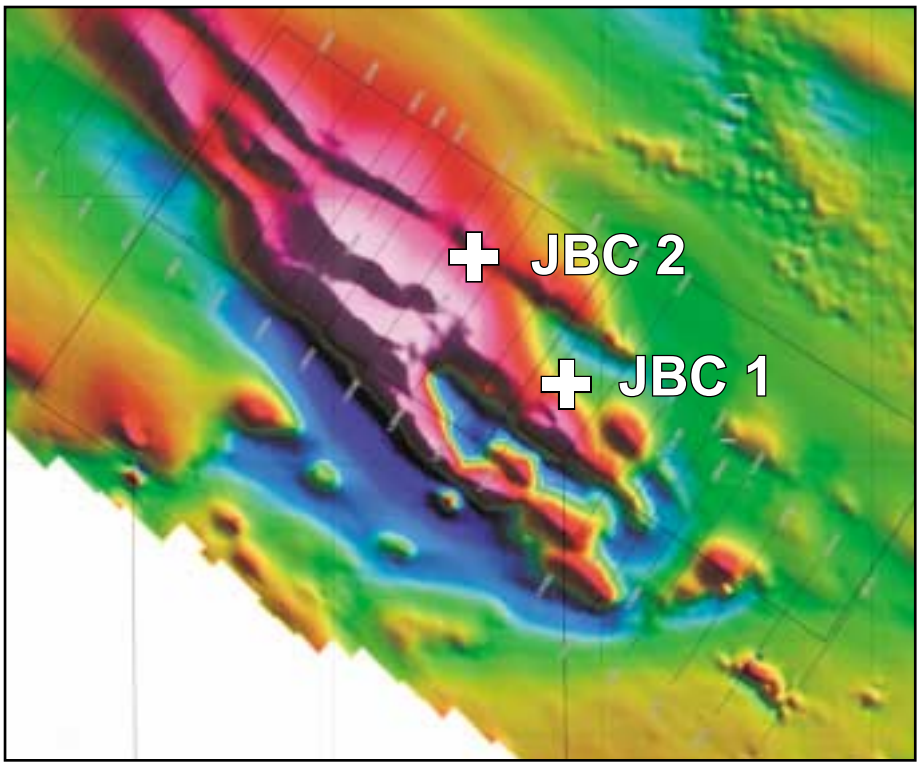
In conjunction with field work at Acra, a MLTEM survey was completed targeting ultramafic units at Jubilee, including the Jubilee gossan occurrence.

Work completed included:
- A MLEM survey covering 17.35 line kilometres, comprising 370 stations; and
- 200m x 50m soil geochemistry with 370 soils taken (results have not been received).

Two moderate and two weak anomalies were detected and follow-up TEM is recommended.

Jubilee comprises a discrete lens or channel of ultramafic rocks.

Moving Loop TEM
A MLTEM survey completed at Jubilee covered 17.3 line kilometres and included 370 stations. The survey had a 200m line spacing with a 50m station spacing. The data were modelled and interpreted by Newexco.



Total Magnetic Intensity Image which highlights ultramafic rocks, basal sediments and the location of MLTEM anomalies.

Two anomalies, **JBC_1** and **JBC_2** warrant further geophysical follow-up.

- Both anomalies are related to a steeply-dipping geological contact indicated by surface conductivity conditions
- From Total Magnetic Intensity ("TMI") imagery, the anomalies are located on the basal ultramafic contact
- Both anomalies are best represented in late-time EM data indicative of their bedrock origin
- Both anomalies are of limited strike-extent (<400 metres), typical for nickel sulphide deposits, and hence are not related to regional stratigraphic rock units.

Taking these observations into account, the high conductance (800S) and late time exponential decay curve reported at JBC1, this response is considered by Newexco to be consistent with characteristics of a massive sulphide.

A true NiS gossan has been identified at Jubilee.

1.3 Boomerang Lake

Pioneer 100% (nickel and gold).
Heron retains all rights to nickel oxide and laterite ore.

Geochemistry for the southern project area, collected by a previous gold explorer, has been compiled in a digital form. Due to the complicated regolith in this project area, detailed evaluation of the geochemistry is required before commenting on its effectiveness for NiS exploration.

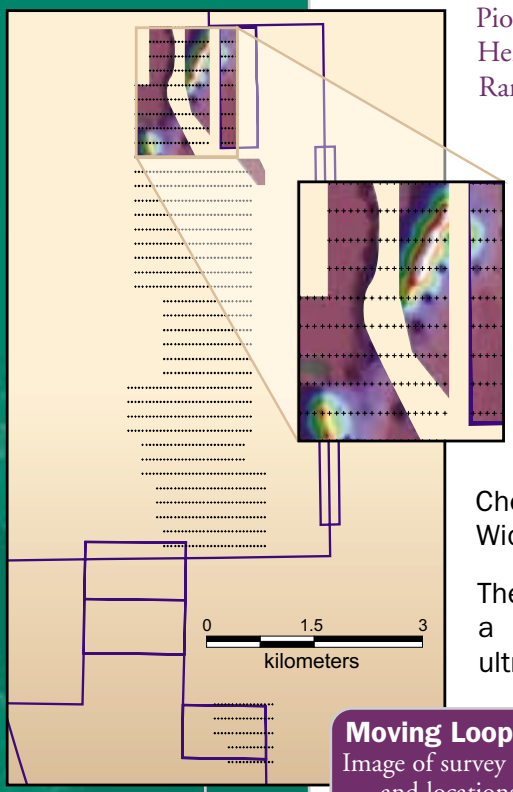
Pioneer has been approached by a nickel sulphide producer which seeks a joint venture over the project.

Wattle Dam is located 20km SW of Kambalda.

2. PIONEER PROVINCE

2.1 Wattle Dam Project

Pioneer 100% (nickel).
Heron retains a pre-emptive right to nickel oxide and laterite ore.
Ramelius owns non-nickel rights.



Moving Loop TEM
Image of survey to date and locations of proposed stations.

Channel 30 Conductivity Response Image
Channel 30 is a late time decay channel. The later times are usually characteristic of bedrock conductors.

Wattle Dam includes the strike extensions to the Spargoville NiS mine sequence, the northern extent of the Widgiemooltha Greenstone Belt.

Pioneer has commenced a 1150 station MLTEM survey with in-loop and slingram data collected at each station. The data collection phase will take approximately 8 weeks from early January, however results will be modelled as they are received.

Strongly conductive MLTEM responses due to the "Widgiemooltha Chert" are expected in the Wattle Dam survey. The Widgiemooltha Chert is a geological unit present in the hanging-wall of many of the Widgiemooltha NiS mines including Miitel, Wannaway and Mt Edwards.

The presence of the Widgiemooltha Chert aids exploration by acting as a marker horizon to indicate the Widgiemooltha Mine Sequence ultramafic unit, which hosts NiS mineralisation.

A conductive response from massive NiS may be partially masked by the Widgiemooltha Chert however a combination of detailed geophysical modelling, mapping and geochemistry will be used to validate targets ahead of drilling.

Fugro geophysicist collecting MLTEM data on the Wattle Dam tenements.

200m x 50m soils are being collected over the area of the MLTEM survey to aid in discrimination of potential NiS conductors.

An airborne aeromagnetic survey has been contracted to UTS Geophysics and is scheduled for January 2004.

2.2 Higginsville Project

Pioneer 100% (nickel and gold).
Heron retains a pre-emptive right to nickel oxide and laterite ore.

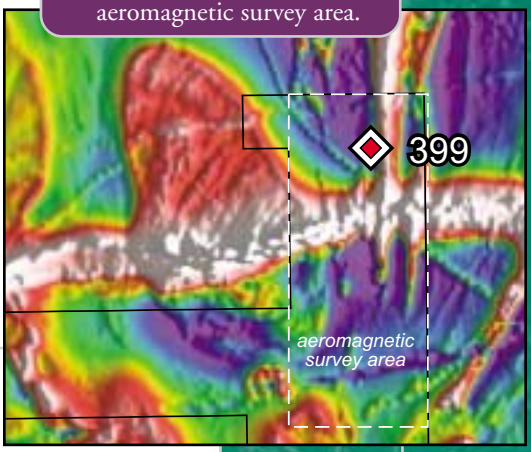
Pioneer has completed the collation of geochemistry collected by previous explorers, which highlighted the "Spinifex" and "399" prospects to be priority targets.

Newexco in their report dated July 2002 summarised previous nickel sulphide exploration of the Pioneer Dome area which established that the earliest komatiite units, known as the Lower Greenstone Sequence, are the most prospective units

for nickel sulphide accumulations. It is these rocks that host the Pioneer nickel deposits situated on the eastern flank of the Pioneer Dome to the north.

Pioneer has contracted UTS to fly a detailed aeromagnetic survey to facilitate the correlation of the Widgiemooltha Greenstone Belt with ultramafic units that occur at the Higginsville 399 prospect within E63/847, adjacent to the Jimberlana dyke. Flying will commence mid-January 2004. Southern Geoscience Consultants will facilitate the contract and interpret results.

Regional Scale TMI Image showing the planned detailed aeromagnetic survey area.



Total Magnetic Intensity (TMI) images are created by processing aeromagnetic data, a measure of the earth's magnetic field, into a graphical image.

As different rock types have different magnetic responses, a TMI image is an invaluable mapping tool when exploring for nickel sulphide.

2.3 Pioneer Project

Pioneer 100% (nickel and gold).
Heron retains a pre-emptive right to nickel oxide and laterite ore.

The Pioneer project consists of one Exploration Licence, one Exploration Licence application and one recently pegged Prospecting Licence application which covers the HH anomaly.

Pioneer is planning to complete MLTEM over specific targets including detailed surveys of the BB and JH deposits.

On the grant of E63/753, a confirmation Diamond drill hole at JH is a high priority, to establish first hand mineralogy and structural data for use when planning future work programmes.

3. GINDALBIE PROVINCE

3.1 Silver Swan Northwest

Pioneer 100% (nickel and gold).
Heron retains a pre-emptive right to nickel oxide and laterite ore.
E27/169, M24/799 and M24/800 Avoca Resources Limited holds non-nickel rights.

Acquisition of regional, 200m line spaced, TMI imagery has enabled Pioneer to prioritise areas for exploration. Accordingly soil sampling within E27/145 is planned.

Pioneer has received an expression of interest in a possible joint venture for this project.

4. SOUTHERN CROSS PROVINCE

4.1 Maggie Hays Lake Project

Pioneer 100% (nickel and gold).
LionOre right to earn 70% in all minerals through spending $0.20 million.

LionOre will fully fund the initial $0.20 million of exploration expenditure and is responsible for keeping the tenement in good standing.

Work by a previous explorer reported a deep, untested conductor south along strike from the LionOre Maggie Hays deposit.

Share Price Performance

The Board of Pioneer Nickel Ltd is cognisant of the fact that since listing Pioneer has traded at a discount to its issue price. This is disappointing, particularly as the results of field-work completed to date have confirmed the prospectivity of Pioneer's projects and validated exploration models. Pioneer has and will continue to operate in a manner that is consistent with the undertakings made in the Prospectus and in the best interest of shareholders.

During the March Quarter Pioneer will:

- Continue to execute exploration programmes using industry-best personnel and techniques on our highly regarded project portfolio;

  The March quarter will see Geochemical, Aeromagnetic and TEM surveys completed at Acra, Wattle Dam and Higginsville. Drilling will follow later in the quarter.

- Establish a high level of communication with shareholders and the market in general;

  The Board plans to raise the public awareness of the Company through continuous disclosure to ASX and regular presentations to broking houses, media and investors throughout Australia.

- Constantly monitor results and review projects; both internally and those on offer, to ensure that exploration funds are spent on the highest priority targets;

  Pioneer's objective is to achieve success through the discovery and development of high grade NiS deposits. It will, however, review other opportunities for establishing a sustainable cash flow through mining should these become available.

Although the nickel price has retreated from decade-long highs, in Pioneer's opinion the fundamentals for nickel demand remain sound, making it an attractive commodity to successfully explore for.

We value you as a shareholder and invite you to call us to discuss Pioneer's progress. If you are in Kalgoorlie, come and meet us!

The information within this report as it relates to geology and mineralisation was compiled by Mr David Crook who is a member of the Australasian Institute of Mining and Metallurgy and is a competent person with over 20 years experience in the minerals industry, including the activity reported. This person consents to the inclusion of this information in the form and context in which it appears in this report.

Pioneer NICKEL

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www.pioneernickel.com.au

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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

PIONEER NICKEL LIMITED

ABN	Quarter ended ("current quarter")
44 103 423 981	**31 DECEMBER 2003**

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	-	-
1.2	Payments for (a) exploration and evaluation	(75)	(81)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(193)	(199)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	29	29
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	(239)	(251)
	Cash flows related to investing activities		
1.8	Payment for purchases of:(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(86)	(86)
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	(86)	(86)
1.13	Total operating and investing cash flows (carried forward)	(325)	(337)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(325)	(337)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	5,528	5,528
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings – Heron Resources Ltd	20	20
1.17	Repayment of borrowings – Heron Resources Ltd	(109)	(109)
1.18	Dividends paid	-	-
1.19	Other – Issue Costs	(360)	(360)
	Net financing cash flows	5,079	5,079
	Net increase (decrease) in cash held	4,754	4,742
1.20	Cash at beginning of quarter/year to date	21	33
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	**4,775**	**4,775**

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	$162
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) Management fees (1 Sept 03 – 31 Dec 03) paid to Heron Resources Ltd an entity related to Messrs Buchhorn, Readhead and Trench- $100k

(i) Legal fees and Director's fees paid to Pullinger Readhead Stewart an entity related to CL Readhead - $62k

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

Heron Resources Ltd was issued 15 million ordinary shares as part consideration for transferring its nickel sulphide assets to the Company at a value of $360k.

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

1. Ramelius Resources Limited ("Ramelius") has the right to earn a 75% interest of the gold and tantalum rights of the Bullabulling and Larkinville Joint Venture Project tenements through sole funding the initial $750,000 of exploration expenditure. Pioneer will retain 100% of all nickel rights and will be free carried until a Decision to Mine is made. 2. LionOre Australia (Nickel) Limited ("LionOre") may earn a 70% interest in all minerals from Pioneer's Maggie Hays Project through expending $200,000 within four years. Once LionOre earns its equity, Pioneer may at its sole discretion convert to a 20% free-carried equity to the completion of a Bankable Feasibility Study that recommends commencement of mining.

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	450
4.2	Development	NIL
	Total	**450**

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	199	21
5.2	Deposits at call	4,576	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	**4,775**	21

+ 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		NIL		
6.2 Interests in mining tenements acquired or increased		Refer below		
	E15/00573	Beneficial Holder (see Note 1)	Nil	100%
	E63/00753	Beneficial Applicant (see Note 1)	Nil	100%
	P63/01278	Registered Applicant (see Note 7)	Nil	100%
	E15/00804	Beneficial Applicant (see Note 1)	Nil	100%
	E63/00845	Registered Applicant (see Note 1)	Nil	100%
	E63/00846	Registered Applicant (see Note 1)	Nil	100%
	E63/00847	Registered Holder (see Note 1)	Nil	100%
	E63/00849	Registered Applicant (see Note 1)	Nil	100%
	E15/00718	Beneficial Holder (see Note 2)	Nil	100%
	M15/01101	Beneficial Applicant (see Note 2)	Nil	100%
	P15/03632	Beneficial Holder (see Note 2)	Nil	100%
	M15/01264	Beneficial Holder (see Note 2)	Nil	100%
	P15/03637	Beneficial Holder (see Note 2)	Nil	100%
	P15/03638	Beneficial Holder (see Note 2)	Nil	100%
	M15/01263	Beneficial Applicant (see Note 2)	Nil	100%
	P15/03767	Beneficial Holder (see Note 2)	Nil	100%
	M15/01323	Beneficial Applicant (see Note 2)	Nil	100%
	P15/03873	Beneficial Holder (see Note 2)	Nil	100%
	M15/01338	Beneficial Applicant (see Note 2)	Nil	100%
	P15/04479	Beneficial Applicant (see Note 2)	Nil	100%
	E15/00679	Beneficial Applicant (see Note 3)	Nil	100%
	E15/00689	Beneficial Applicant (see Note 3)	Nil	100%
	E15/00742	Beneficial Applicant (see Note 3)	Nil	100%
	E16/00269	Beneficial Applicant (see Note 3)	Nil	100%
	P15/04213	Beneficial Holder (see Note 3)	Nil	100%
	P15/04214	Beneficial Holder (see Note 3)	Nil	100%
	P15/04435	Beneficial Applicant (see Note 3)	Nil	100%
	P15/04436	Beneficial Applicant (see Note 3)	Nil	100%
	P15/04437	Beneficial Applicant (see Note 3)	Nil	100%
	P15/04438	Beneficial Applicant (see Note 3)	Nil	100%
	P15/04439	Beneficial Applicant (see Note 3)	Nil	100%
	P15/04440	Beneficial Applicant (see Note 3)	Nil	100%
	P15/04464	Beneficial Holder (see Note 3)	Nil	100%
	E15/00805	Beneficial Applicant (see Note 1)	Nil	100%
	E15/00842	Registered Applicant (see Note 7)	Nil	100%
	E63/00625	Beneficial Holder (see Note 4)	Nil	100%
	E27/00145	Registered Applicant (see Note 1)	Nil	100%
	E27/00169	Beneficial Holder (see Note 5)	Nil	100%
	M24/00799	Beneficial Applicant (see Note 5)	Nil	100%
	M24/00800	Beneficial Applicant (see Note 5)	Nil	100%
	E27/00290	Beneficial Applicant (see Note 1)	Nil	100%
	E27/00294	Beneficial Applicant (see Note 1)	Nil	100%
	E27/00300	Beneficial Holder (see Note 1)	Nil	100%
	E27/00309	Beneficial Applicant (see Note 1)	Nil	100%
	E31/00617	Beneficial Applicant (see Note 1)	Nil	100%
	M27/00388	Beneficial Applicant (see Note 1)	Nil	100%
	E31/00519	Beneficial Holder (see Note 7)	Nil	100%
	E31/00575	Beneficial Applicant (see Note 7)	Nil	100%
	E31/00579	Beneficial Holder (see Note 7)	Nil	100%
	E31/00581	Beneficial Applicant (see Note 7)	Nil	100%

+ See chapter 19 for defined terms.

E27/00273	Beneficial Applicant (see Note 6)	Nil	100%
E27/00278	Beneficial Applicant (see Note 6)	Nil	100%
E28/01223	Beneficial Holder (see Note 6)	Nil	100%
P28/00972	Beneficial Holder (see Note 6)	Nil	100%
P28/00991	Beneficial Holder (see Note 6)	Nil	100%
E31/02003	Registered Applicant (see Note 7)	Nil	100%
E36/02003	Registered Applicant (see Note 7)	Nil	100%

Note 1
Pioneer 100% Heron Resources Limited pre-emptive right to purchase Nickel Oxide ore

Note 2
Ramelius Resources Limited owns precious metal and Ta rights; Pioneer 100% all other metal rights; Heron Resources Limited pre-emptive right to purchase nickel oxide ore

Note 3
Ramelius Resources Limited right to earn 75% of precious metal and Ta rights only; Pioneer 100% all other metal rights; Heron Resources Limited pre-emptive right to purchase nickel oxide ore

Note 4
Pioneer 100% LionOre Australia (Nickel) Limited right to earn 70%

Note 5
Pioneer 100% non- precious metal Rights, Avoca Resources Limited 100% precious metal rights, Heron Resources Limited pre-emptive right to purchase nickel oxide ore

Note 6
Pioneer 100% Heron Resources Limited retains nickel oxide ore

Note 7
Pioneer 100%

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** *(description)*	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities** Ordinary Shares (PIO)	43,900,010	27,640,000		Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	15,000,000 1,000,000 400,000 27,500,000 -	- - 140,000 27,500,000 -	2.4 cents 3 cents 7 cents 20 cents	Fully paid Fully paid Fully paid Fully paid
7.5	**+Convertible debt securities** (*description)*	-	-		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** Unlisted options Unlisted options	 3,500,000 3,000,000	 - -	*Exercise price* 25 cents each 25 cents each	*Expiry date* 31 Dec 2007 31 Dec 2007
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	-	-		
7.11	**Debentures** *(totals only)*				

+ See chapter 19 for defined terms.

7.12	**Unsecured notes** *(totals only)*		

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: 28 Jan 2004
Company Secretary

Print name: JULIE-ANNE WOLSELEY

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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