

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

AUSTRALIAN MINES LIMITED

ABN

68 073 914 191

Quarter ended ("current quarter")

30 SEPTEMBER 2003

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A	Year to date (3 months) \$A
1.1	Receipts from product sales and related debtors		
1.2	Payments for		
	(a) exploration and evaluation	(314,308)	(314,308)
	(b) development		
	(c) production		
	(d) administration	(286,594)	(286,594)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	21,661	21,661
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		(579,241)	(579,241)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a)prospects	(26,110)	(26,110)
	(b)equity investments		
	(c) other fixed assets	(14,855)	(14,855)
1.9	Proceeds from sale of:		
	(a)prospects		
	(b)equity investments		
	(c)other fixed assets		
1.10	Loans to controlled entity	(493,100)	(493,100)
1.11	Loans repaid by other entities	-	-
1.12	Funds invested in Term Deposit, to fund final instalment of Viper Tenement acquisition.	-	-
Net investing cash flows		(534,065)	(534,065)
1.13	Total operating and investing cash flows (carried forward)	(1,113,306)	(1,113,306)

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1.13	Total operating and investing cash flows (brought forward)	(1,113,306)	(1,113,306)
	Cash flows related to financing activities		
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		
1.18	Dividends paid		
1.19	Other – costs of capital raising	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(1,113,306)	(1,113,306)
1.20	Cash at beginning of quarter/year to date	1,562,169	1,562,169
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	448,863	448,863

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
1.23	Aggregate amount of payments to the parties included in item 1.2	98,259
1.24	Aggregate amount of loans to the parties included in item 1.10	493,100

1.25 Explanation necessary for an understanding of the transactions

\$35,037 directors' fees paid in the quarter.
\$63,222 paid in relation to exploration and management services in respect of the tenements.
\$493,100 loan to Controlled entity.

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

Purchase of Golden Ridge Project from St Ives Gold Mining Company Pty Ltd was settled on 28 August 2003. Consideration for the acquisition was issue of 5,000,000 ordinary shares valued at an estimated price of 14 cents per share and 2,500,000 unlisted options with an exercise price of 20 cents expiring on 1 February 2006.

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

None.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A	Amount used \$A
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A
4.1 Exploration and evaluation	400,000
4.2 Development	125,000
4.3 Acquisition of interests	100,000
Total	625,000

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	Previous quarter \$A
5.1 Cash on hand and at bank	448,863	1,264,154
5.2 Deposits at call	-	298,015
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	448,863	1,562,169

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				

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6.2	Interests in mining tenements acquired or increased	M26/219, M26/221 to M26/223; M26/225; M26/284 to M26/289; M26/384; E26/46; P26/2403	100% interest on acquisition of Golden Ridge Project.	-	100%
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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	Preference securities				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	*Ordinary securities	115,395,341	115,395,341	20cents	20 cents
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	5,000,000	5,000,000	20 cents	20 cents
7.5	*Convertible debt securities				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	17,500,000 18,346,350 37,500,000	17,500,000 nil nil	Exercise price 20 cents 20 cents 20 cents	Expiry date 31 March 2004 31 December 2005 1 February 2006
7.8	Issued during quarter	2,500,000	nil	20 cents	1 February 2006
7.9	Exercised during quarter	nil			
7.10	Expired during quarter	nil			

7.11	Debentures (totals only)		
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: 24 September 2003
 Chief Financial Officer/Company Secretary

Print name: Mel Campbell

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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