

APPENDIX 5B
Mining exploration entity quarterly report

HINDMARSH RESOURCES LIMITED

ABN 29 106 444 857

Quarter ended
31 December 2005

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(276)	(310)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(135)	(304)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	31	61
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
	Net Operating Cash Flows	(380)	(553)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(53)	(54)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	29	381
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	(14)	(14)
	Net Investing cash flows	(38)	313
1.13	Total operating and investing cash flows (carried forward)	(418)	(240)

1.13 Total operating and investing cash flows (brought forward)	(418)	(240)
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 - share issue expenses	-	(28)
Net financing cash flows	-	(28)
Net increase (decrease) in cash held	(418)	(268)
1.20 Cash at beginning of quarter / year to date	2,902	2,752
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at end of quarter	2,484	2,484
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		
Directors' salaries & fees, superannuation and consulting fees paid to entities associated with Directors.		
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	NIL	
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

	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	170
4.2 Development	-
Total	170

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	34	2,752
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other - 30 & 60 day deposit funds	2,450	-
Total: cash at end of quarter (item 1.22)	2,484	2,752

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	EL 3426	Cronje Dam (SA) granted 19/10/05	Nil	100%
	EL 3469	Mt Roebuck (SA) granted 4/12/05	Nil	100%
	EL 3427	Mt Morris (SA) granted 19/10/05	Nil	100%
	EL 24253	Neutral Junction (NT) joint venture	Nil	earn 80%
	ELA 2005/793	Yalyambo (SA) - application	Nil	100%
	ELA 2005/926	Black Oak (SA) - application	Nil	100%
	ELA 2005/955	Oakbank (SA) - application	Nil	100%

Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (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	20,833,333	14,726,978	Fully paid	Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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 <i>(description and conversion factor)</i>	333,334 1,000,000 2,066,595 1,000,000	- - 2,066,595 -	<u>Exercise price</u> 20 cents 22 cents 25 cents 25 cents	<u>Expiry date</u> 30/10/08 28/02/09 23/03/09 30/06/10
7.8 Issued during quarter	1,700,000	-	25 cents	30/06/10
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
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: 24 January 2006.
Company Secretary

Print name: . PETER COX

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 106: Exploration and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* 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.