



Alliance Energy Limited

3 October 2003

Australian Stock Exchange Limited
20 Bridge Street
SYDNEY 2000

Attention: Company Announcements Platform

QUARTERLY REPORT TO 30 SEPTEMBER 2003 & APPENDIX 5B

Alliance Energy Limited's Quarterly Report to 30 September 2003 and Appendix 5B follow.

Regards

Peter Andrews
Managing Director



Alliance Energy Limited

QUARTERLY REPORT TO 30 SEPTEMBER 2003

Highlights

- **Maldon Gold Project funding**
- **Shareholders' approval sought for change of control**

Corporate

Alliance Energy Limited's Annual Report and Notice of Annual General Meeting were sent to shareholders in mid September 2003.

Shareholders are being asked to approve 15 resolutions which will lead to \$2.39 million in new funding and changes to the Board and the control of Alliance.

Maldon Gold Project

Alliance has reached a new agreement with Roxbury Mining Contractors Pty Ltd for activities within the Maldon Gold Project (as announced to ASX on 16 September 2003).

The parties are still waiting for the permit for the Nuggetty Reef exploration decline.

Gawler Craton

There was no field work during the quarter.

Curnamona Craton

Quasar Resources Pty Ltd (earning 75%) began reconnaissance field work during the quarter.

Peter Andrews
Managing Director

3 October 2003

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

ALLIANCE ENERGY LIMITED

ABN

38 063 293 336

Quarter ended ("current quarter")

30 SEPTEMBER 2003

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (...3... months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(23)	(46)
	(b) development	-	-
	(c) production	(49)	(38)
	(d) administration	(120)	(109)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	8	8
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (GST paid/recouped)	19	19
Net Operating Cash Flows		(165)	(165)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a)prospects	-	-
	(b)equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a)prospects	-	-
	(b)equity investments	-	-
	(c)other fixed assets	-	-
1.10	Loans to other entities	(63)	(63)
1.11	Loans repaid by other entities	20	20
1.12	Other (Transfer to deposit)	4	4
Net investing cash flows		(39)	(39)
1.13	Total operating and investing cash flows (carried forward)	(204)	(204)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(204)	(204)
	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 (Cost of Capital Raising/Prospectus)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(204)	(204)
1.20	Cash at beginning of quarter/year to date	683	683
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	479	479

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	76
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL
1.25	Explanation necessary for an understanding of the transactions	
	All transactions involving Directors and associates were on normal commercial 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

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

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	30
4.2 Development	70
Total	100

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	2	107
5.2 Deposits at call	477	576
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	479	683

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.

Appendix 5B
Mining exploration entity quarterly report

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	65,432,805	65,432,805		
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>			<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 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <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 ~~/does not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:

Date: 3 October 2003

(Director/Company secretary)

Print name: PETER ANDREWS.....

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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