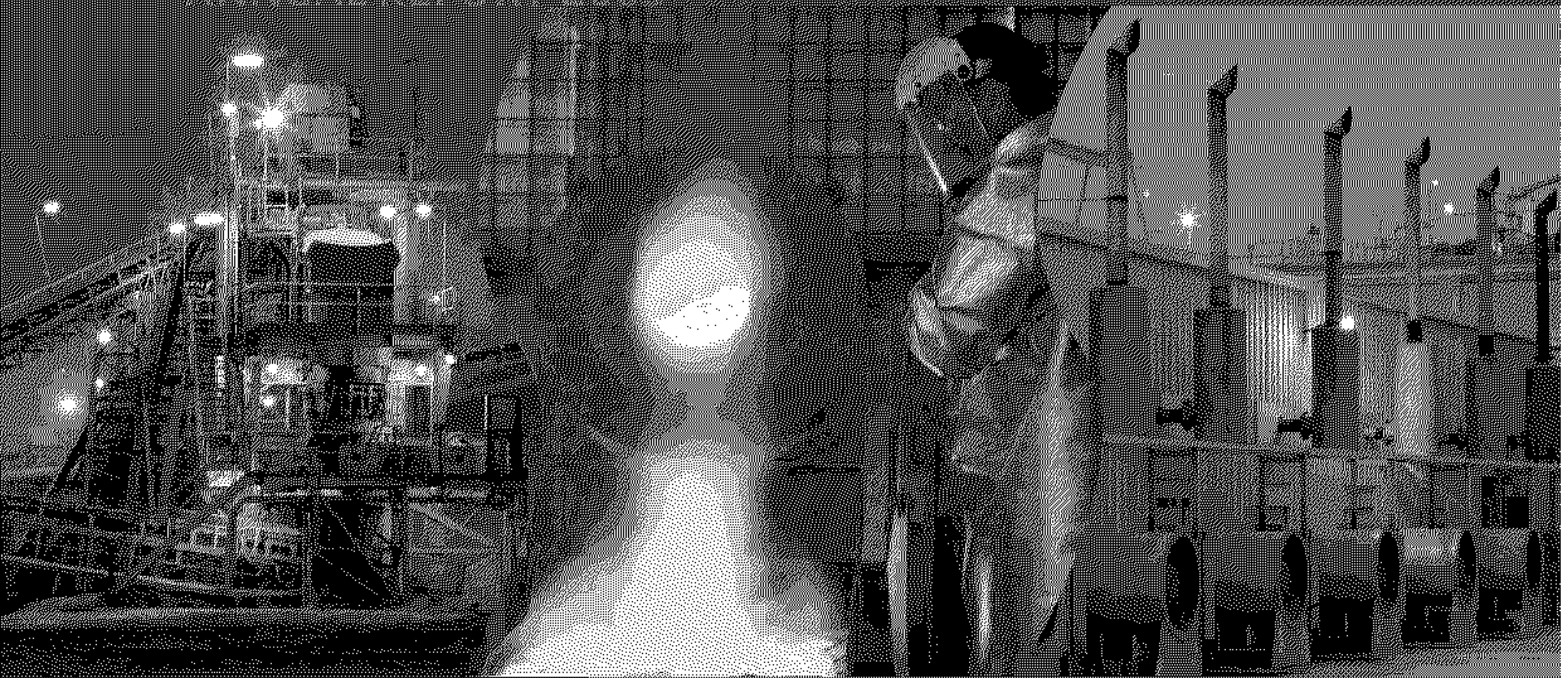
EQUIGOLD NL

ABN 42 060 235 145

ANNUAL REPORT 2005



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DIRECTORY

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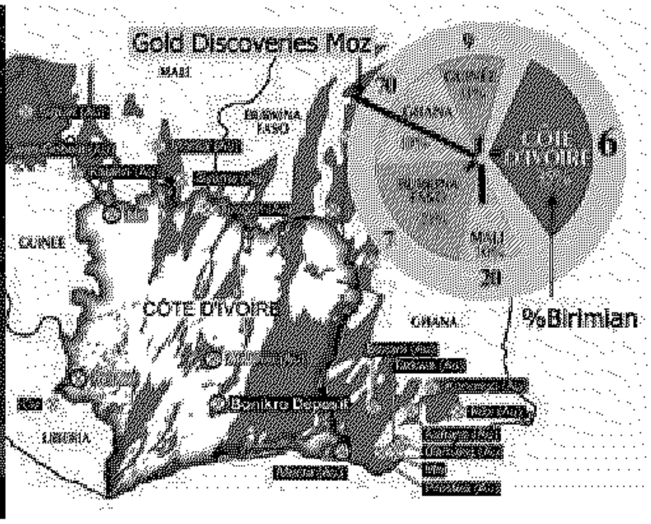


CHAIRMAN'S STATEMENT

The year ended 30 June 2005 has been a positive, yet challenging year for Equigold. The Company's gold production for 2005, at 153,761 ounces, went very close to matching the all time record production of 2004 and has seen Equigold consolidate its position as a profitable mid-tier Australian gold producer.

The gold mining industry experienced both positive and negative influences during the year. On the positive side the gold price was relatively strong during the year, ranging from A$535 to A$585 and averaging A$561 per ounce. Through a combination of forward sales and spot deliveries the Company was able to achieve an effective price for gold sales during the year of A$601 per ounce. This was an improvement on the price of A$583 per ounce achieved in 2004. At the time of writing the gold price has increased to around A$610 per ounce, providing the Company with further opportunity to increase its revenues.

On the negative side, the whole industry experienced operating cost pressures during the year. These cost increases are primarily the result of record high oil and steel prices and the very tight state of the resources labour market. There does not appear to be any respite from these cost increases on the short term horizon. Equigold was not immune to these cost pressures with cash costs increasing at the Company's Kirkalocka project in Western Australia. The Mt Rawdon project was not significantly affected as the power supply is grid rather than diesel generated and the operation benefits from a stable local workforce.

The Company continued its exploration efforts in Ivory Coast in West Africa during the year, with the main focus continuing to be the Bonikro project where gold resources currently stand at 1.37 million ounces. Feasibility studies into development of the project continued during the year. Subject to the political situation in the country permitting, the Company hopes to be in a position to approve development of the project in 2006.

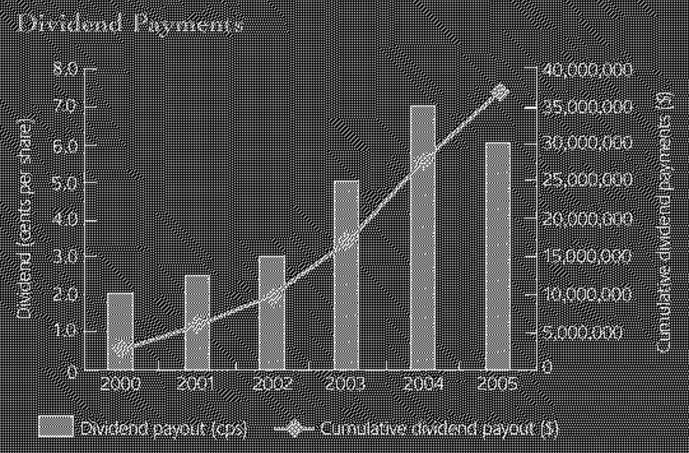
Equigold's exploration portfolio in Ivory Coast has been increased to nine licences covering 5,830 square kilometres, with the granting of three new licences after the end of the financial year. These tenements cover approximately 460 kilometres of the prospective Birimian greenstone rock sequence of West Africa.

These greenstone belts host numerous multi-million ounce gold deposits throughout West Africa. It is estimated that 35% of the greenstone rocks of West Africa occur within Ivory Coast, comparing very favourably with Ghana (19%) and Mali (10%). Whilst Ivory Coast has more of the greenstone than Ghana and Mali, its historical gold resource discoveries, at 6 million ounces, are significantly lower than Ghana (70 million ounces) and Mali (20 million ounces). We believe that this is due to the lack of recent, modern exploration work conducted in the country. The geological prospectivity of Ivory Coast for major gold discoveries is very exciting.

Our tenement areas are prospective, largely unexplored and undoubtedly present Equigold with the opportunity to build a major gold resource portfolio in Ivory Coast. Whilst the political situation in the country is likely to remain challenging in the short term, I believe that perseverance with our projects has the potential to deliver significant shareholder value in due course.

Finally, I would like to take this opportunity to acknowledge the significant contribution and efforts of Equigold's management and staff. This small group of dedicated people is the major contributing factor in the continued success of the Company.

Simon Lee AO



HIGHLIGHTS

Corporate

- Profit before tax and write offs of $18.9 million.
- Profit after tax of $6.4 million.
- Payment of 3.0 cents per share fully franked final dividend, taking the full year dividend to 6.0 cents per share.
- Since Equigold first declared a dividend in 2000, the Company has declared total dividends in excess of $36.8 million.
- Cash and bullion holdings at 30 June 2005 of $33.3 million.

Operations and Exploration

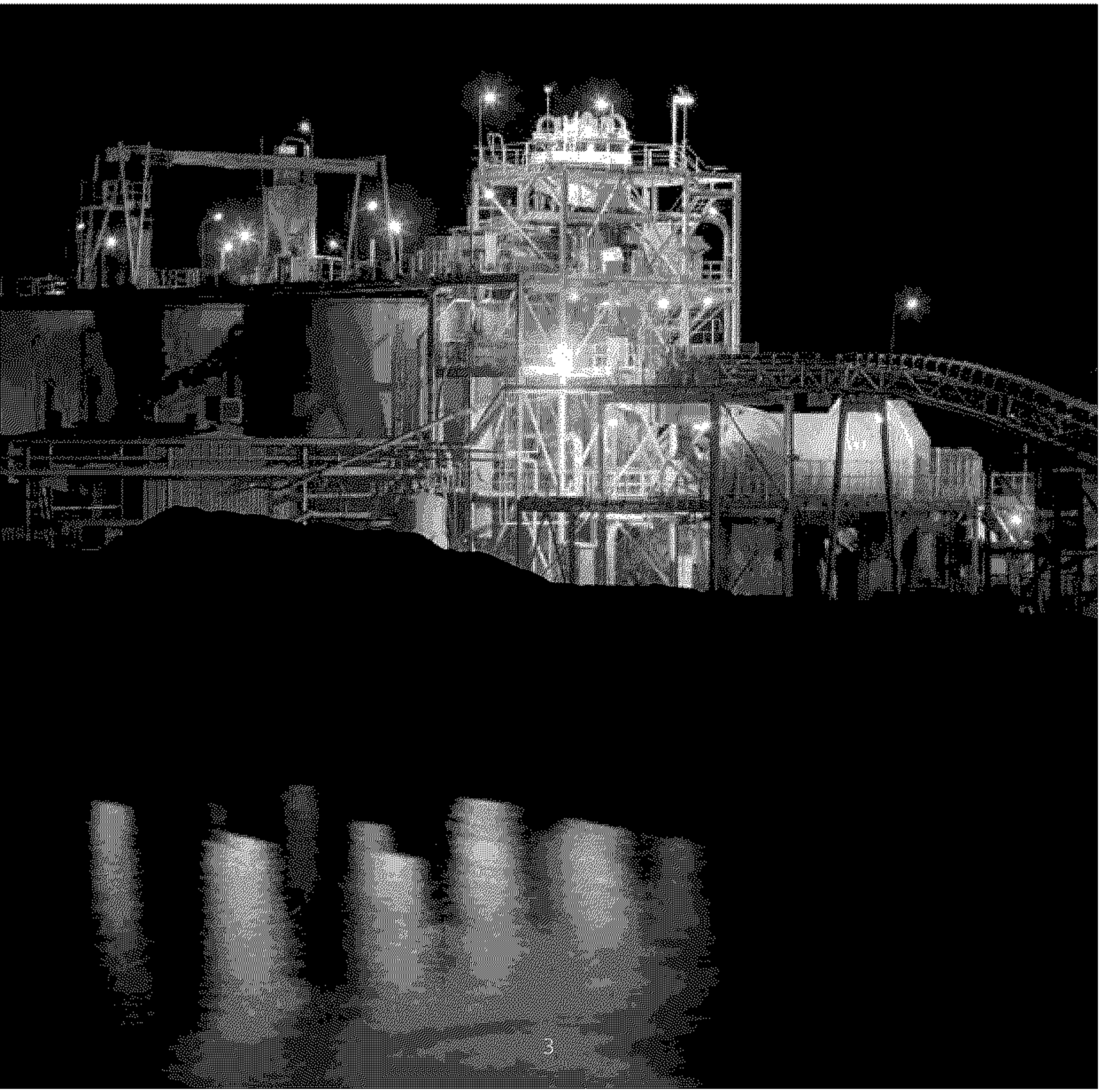
- Gold production of 153,761 ounces.
- Since commencing operations in 1997 the Company has produced in excess of 800,000 ounces of gold.
- A pit optimisation at Mt Rawdon has increased total recoverable gold reserves by 60,000 ounces.
- An updated resource calculation at the Bonikro project in Ivory Coast has increased the resource to 1.37 million ounces of gold.
- The Company has been granted three new exploration licences in Ivory Coast, taking the total tenement package (including licences granted and under application) to almost 9,000 square kilometres.
- Continuation of the feasibility study into development of the Bonikro project in Ivory Coast.

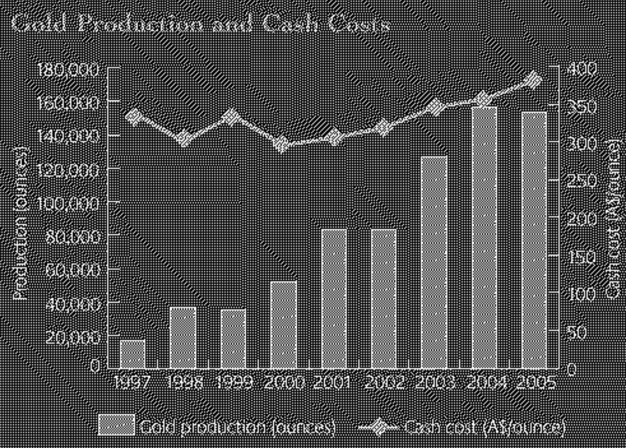
Outlook

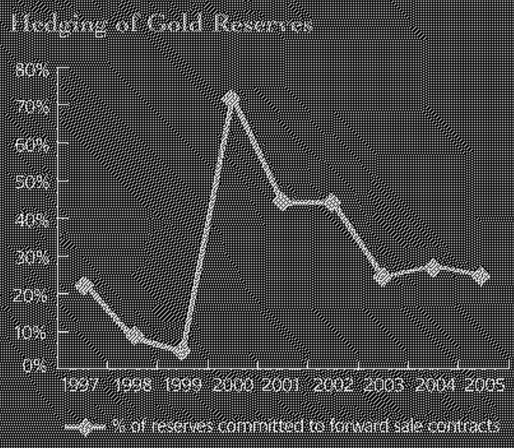
- Gold production for 2006 is forecast at a similar level to 2005 production.
- Feasibility study into development of the Bonikro project due for completion late in 2005.
- If the feasibility study is successful, and subject to the political situation in the country, the Company plans to commence construction of the project in calendar 2006.
- The Company will continue to pursue project acquisition opportunities in the gold industry, where such acquisitions fit the Equigold business model.

Equigold, a clear focus on delivering returns to shareholders through discovering, acquiring and developing gold mines.

REVIEW OF OPERATIONS







CORPORATE

Financial Summary

Equigold's revenue from ordinary activities for the year ended 30 June 2005 was $97.07 million. This was 2% higher than 2004 despite gold production of 153,761 ounces being 2% lower than the prior year. The lower gold production was offset by the higher delivered gold price achieved for the year of $601 per ounce compared with $583 per ounce in the prior period.

The Company recorded a profit before tax of $8.95 million and a profit after tax of $6.42 million for the year. This result compares with a pre-tax profit of $23.7 million and after tax result of $16.7 million for 2004. The lower profit for 2005 was predominantly due to the write down of the value of project assets at the Kirkalocka project. This write down was $9.95 million before tax and was the result of a reduction in the project's forecast life of mine cash flows due to increased milling costs, particularly power generation, labour and reagent costs.

The Company continued the policy of paying strong dividends in 2005 with total dividends for the year of 6.0 cents per share, fully franked.

	2005	2004
Operating revenue	$97.07m	$95.55m
Profit before write off & tax	$18.90m	$23.65m
Profit after tax	$6.42m	$16.67m
Earnings per share	4.2 cents	11.2 cents
Dividend per share	6.0 cents	7.0 cents
Gold production	153,761 ounces	156,556 ounces

Cash and Debt

As at 30 June 2005 Equigold had cash and bullion holdings of $33.28 million and no secured debt.

The Company has retained a corporate loan facility of $5 million with Macquarie Bank Limited for working capital requirements, project acquisition opportunities and other corporate purposes.

Gold Hedging

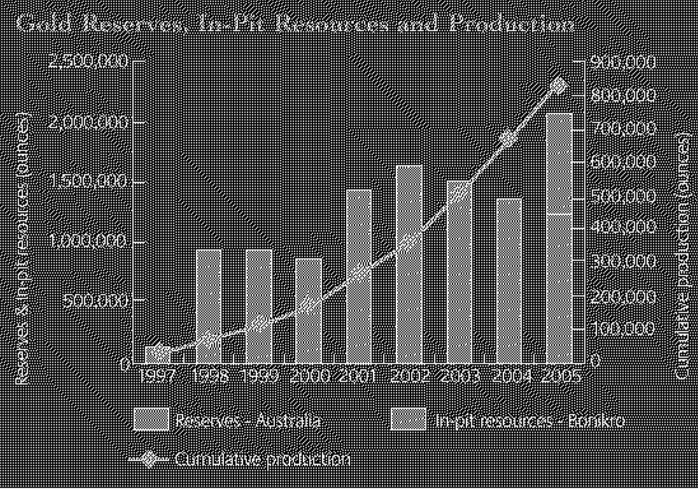
As at 30 June 2005 the Company had 300,328 ounces of gold committed under gold forward sale contracts at an average delivery price of A$598 per ounce. This represented coverage of 24.7% of 30 June 2005 gold reserves. The Company has also granted call options over a further 171,980 ounces of gold, with 20,000 ounces of these call options expiring in 2006 at a strike price of A$580 per ounce and 151,980 ounces expiring in 2011 – 2013 at a strike price of A$700 per ounce.

Outlook

Gold production for 2006 is forecast to be at a similar level to 2005.

The Company intends to complete a feasibility study into the development of the Bonikro project in Ivory Coast during the year. If the feasibility study supports development of the project the Company will, subject to the political situation in the country permitting, pursue development of the project in 2006.

Equigold is continuing to assess potential acquisition opportunities in the gold industry, both in Australia and overseas, with a view to acquiring a value-adding project complementary to its existing projects. Any such acquisition will be carefully assessed to ensure that it will generate a return on equity consistent with the Board's criteria.



PRODUCTION, RESERVES AND RESOURCES

Gold Production

Gold production for the year ended 30 June 2005 is summarised as follows:

		2005	2004
Mt. Rawdon (100% Equigold)	Production (oz)	94,394	89,102
	Cash Cost (A$/oz)	371	370
Kirkalocka (100% Equigold)	Production (oz)	59,367	67,454
	Cash Cost (A$/oz)	399	341
Equigold	**Production (oz)**	**153,761**	**156,556**
	Cash Cost (A$/oz)	**382**	**357**

Reserves and Resources

The Company's attributable gold reserves as at 30 June 2005 were as follows:

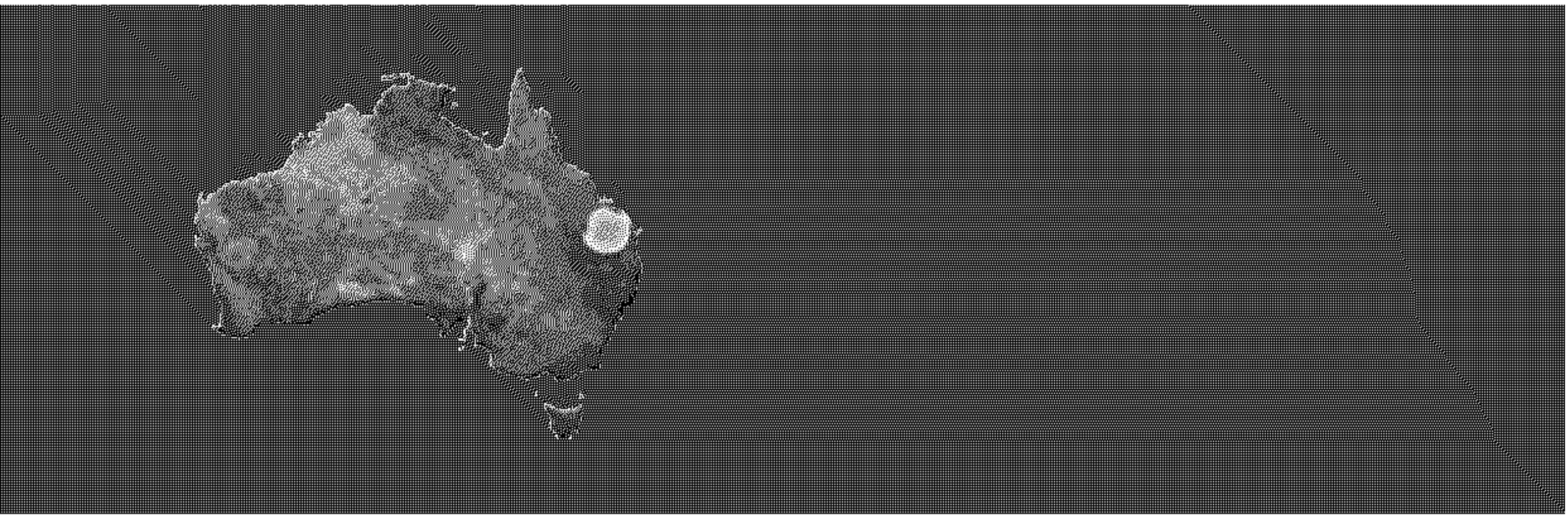
	Tonnes	Gold Grade (g/t)	Contained Gold (Ounces)	Silver Grade (g/t)	Contained Silver (Ounces)
Mt Rawdon	33,259,000	1.01	1,081,000	3.14	3,356,900
Kirkalocka	2,869,000	1.48	136,100	-	-
TOTAL RESERVES	**36,128,000**	**1.05**	**1,217,100**	**-**	**3,356,900**

As at 30 June 2005 gold resources attributable to the Company totalled 3,569,500 ounces as tabled below:

Project	Resource Category	Tonnes	Gold Grade (g/t)	Contained Gold (Ounces)
Kirkalocka	Measured + Indicated	5,327,000	1.7	297,400
Mt. Rawdon	Measured + Indicated + Inferred	58,001,000	0.9	1,732,800
Bonikro	Indicated + Inferred	23,105,000	1.7	1,283,100
Dalgaranga JV	Indicated + Inferred	4,430,000	1.8	256,200
TOTAL RESOURCES		**90,863,000**	**1.2**	**3,569,500**

Further details of Equigold's reserves and resources are shown in the tables at the end of this review of operations.

OPERATIONS



OPERATIONS

MOUNT RAWDON

Mining

Operational performance for 2005 at the Company's 100% owned Mount Rawdon project in south east Queensland is shown below:

	2005	2004
Ore mined (tonnes)	3,361,850	3,335,113
Ore milled (tonnes)	3,338,891	3,242,110
Head grade (g/t)	1.00	0.98
Recovery (%)	88.6	87.6
Total production (oz)	94,394	89,108
Cash cost (A$/oz)	371	370

Gold production at the Mount Rawdon project was 6% higher than the prior year due to improvements in tonnes milled, grade and recovery. Mining showed a positive reconciliation to the geological reserve for the year of 4,417 ounces (4%).

The cash cost of production for the year was also consistent with the prior period with an increase in operating costs (particularly steel, power and cyanide) offset by higher gold production.

Open Pit Re-design

A re-design of the Mount Rawdon open pit was completed late in 2005. This redesign was based on a lower grade cut-off of 0.5 g/t (previously 0.45 g/t) and steeper ultimate pit wall angles as a result of independent geotechnical studies. This redesign had a positive impact on the Mount Rawdon reserve as follows:

	Open Pit Reserve	
	New Design	Previous Design*
Ore volume ('000 bcm)	12,141	11,870
Waste volume ('000 bcm)	13,527	14,812
Ore tonnes ('000)	33,381	32,649
Grade (g/t)	1.01	0.97
Recovered gold ('000 oz)	980	920

*2004 reserve adjusted for 2005 actual production.

This pit optimisation has had the effect of increasing total recovered gold by 60,000 ounces (6.5%), increasing the head grade from 0.97 g/t to 1.01 g/t and reducing the volume of waste to be mined by 1.28 million bcm (8.7%). Total forecast Life of Mine cash costs have remained steady, in the range of $370 - $380 per ounce, as current cost increases have been offset by the improved grade and total recovered gold.

Exploration

Equigold NL 100% and Manager.

Geophysical surveys on the Mt. Rawdon and Outer Rawdon exploration permits were completed during the year. The first survey consisted of dipole-dipole type work to further delineate a historical Induced Polarisation anomaly 600 metres east of the Mt. Rawdon deposit. The second survey was a gradient array survey covering an area of approximately 33 square kilometres, on a 2 kilometre x 2 kilometre array grid, targeting previous anomalies derived from a reinterpretation of historical geophysical data. This historical data included magnetics and radio metrics.

OPERATIONS

Initial appraisal of the results of both the dipole-dipole and gradient array IP surveys indicates encouraging resistivity and/or chargeability anomalies. Nineteen areas requiring further investigation have been generated, with seven targets considered high priority.

Investigations are continuing. Details of the higher priority targets are shown below:

GA 1 Chargeability and resistivity readings very similar to the Mt. Rawdon deposit. Has elevated K counts with high U/Th readings also similar to Mt. Rawdon.

GA 4 Very broad (2km x 1km) medium/high chargeable zone. Possible ring fracture zones evident from chargeability and magnetic data.

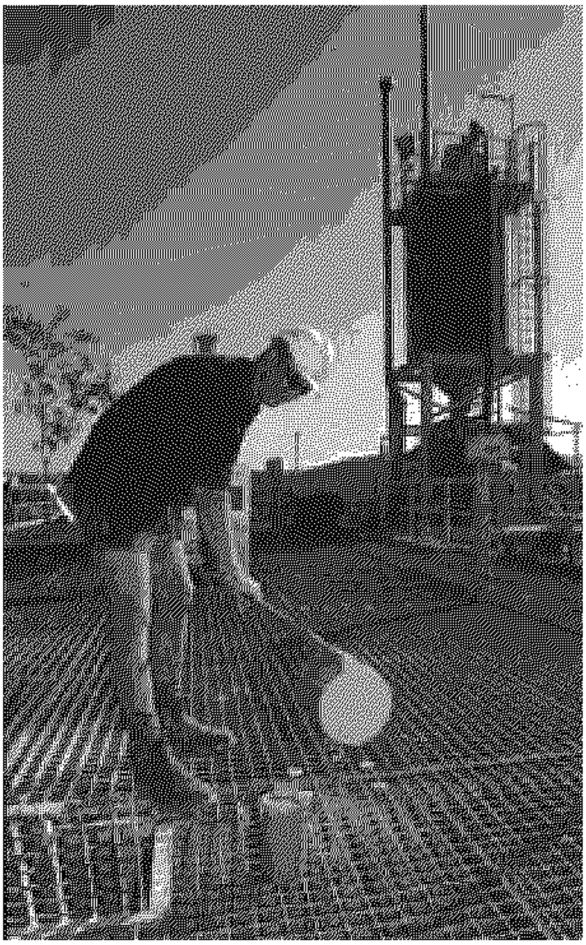
GA 7 Very high chargeable zone with moderate resistivity. Located at the intersection of the Swindon fault and an unnamed fault which parallels the Mt. Perry fault. A K felspar porphyritic rock chip sample was taken from this location returning results of 0.06g/t Au, 0.50g/t Ag and 115ppm Cu.

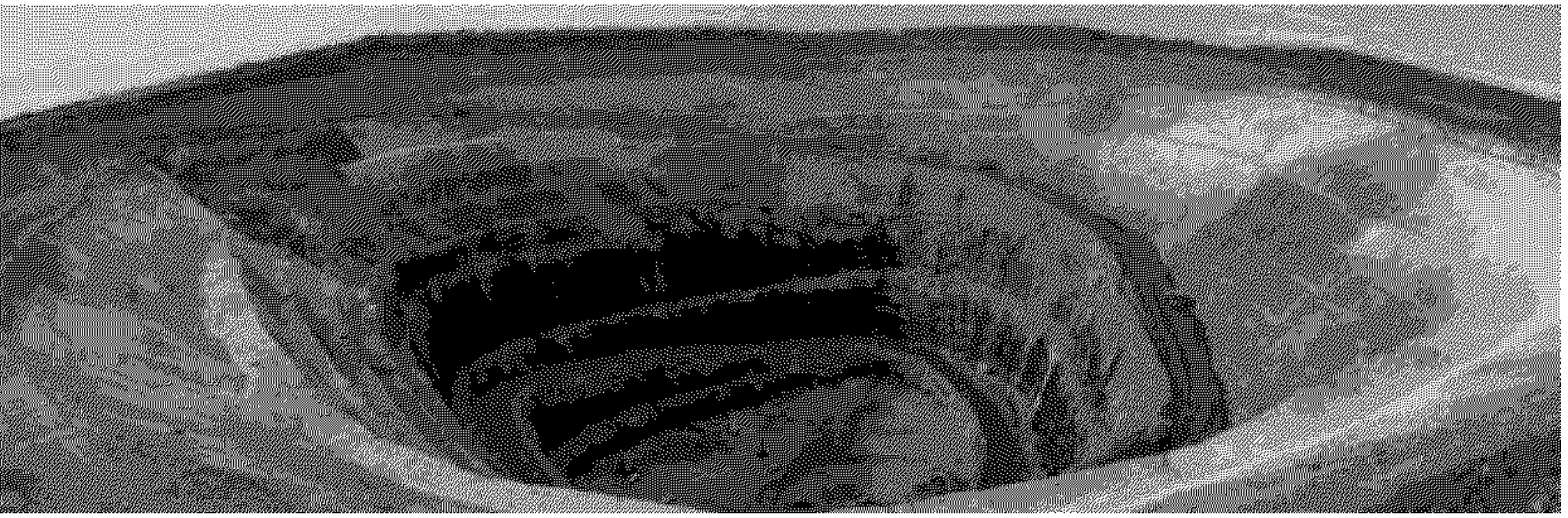
GA 9 Very similar to GA 7, however a fault is interpreted to separate these two targets. A felsic rock chip sample was taken from this location, returning results of 0.04g/t Au, 0.10g/t Ag and 35ppm Cu.

GA 14 A discreet elongated chargeable zone that parallels the Mt. Perry fault. The target is a magnetic low which is nestled between two magnetic highs. A volcanic breccia displaying phyllic alteration at this target was sampled, returning results of 0.07g/t Au, 0.40g/t Ag and 100ppm Cu.

GA 19 High to very high chargeable zone, which is oriented north-south. This target follows the Swindon A radiometric anomaly (elevated K and U/Th counts).

In addition to the above targets, a northwest trending chargeability zone, defined by the dipole-dipole survey remains to be further tested. This zone is only 600 metres east of the Mt Rawdon deposit.





OPERATIONS

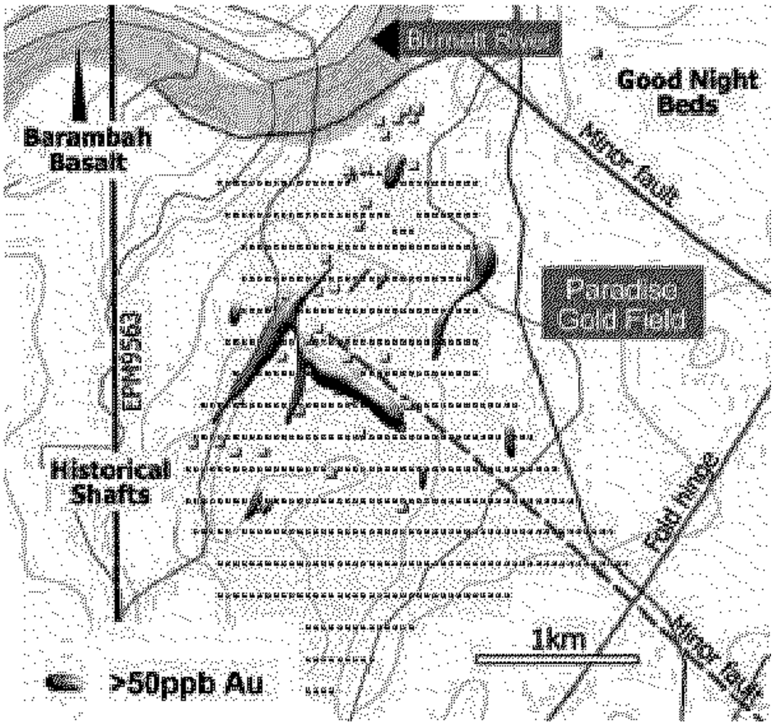
Follow-up site visits and accompanying rock chip and soil sampling surveys to further investigate these geophysical targets are now underway. Samples taken to date are listed below:

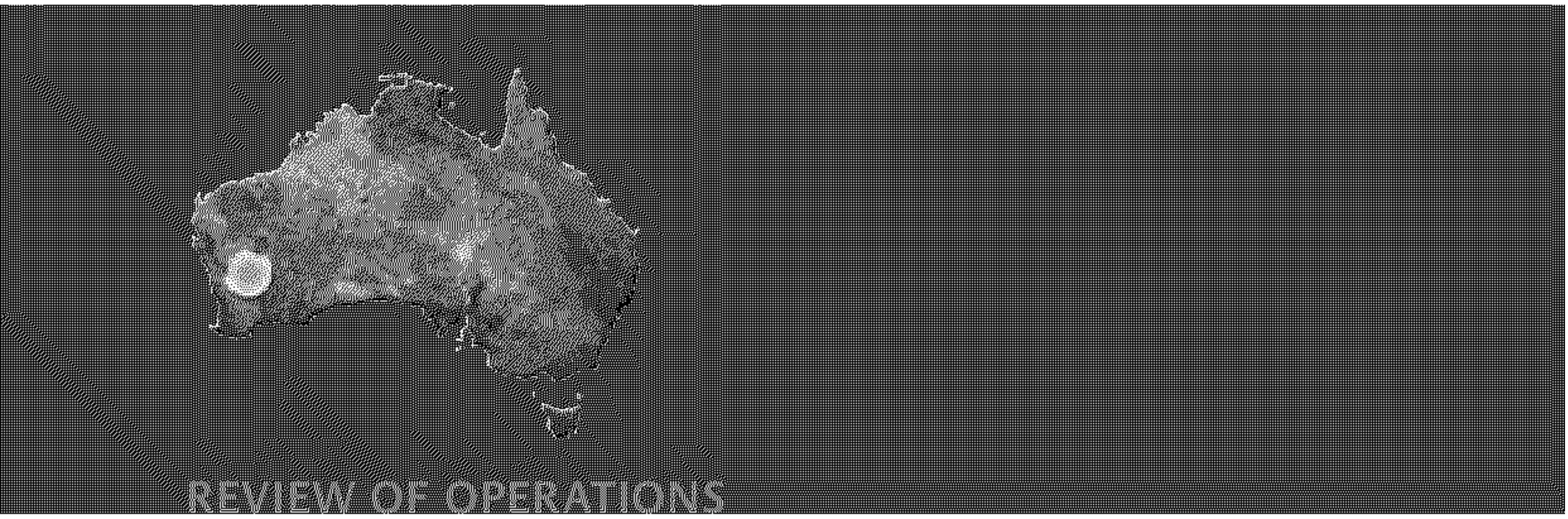
	Soils	Rock Chips
Mt. Rawdon	100	-
Outer Rawdon	1,198	19
Mt. Shamrock	622	35
Yeatman	15	-

The most significant results were obtained at:

1. Outer Rawdon – low order anomalous gold and arsenic results were received over several targets south of Mt. Rawdon.
2. Mt. Shamrock – Rock chip samples taken around historical workings at the Paradise prospect obtained encouraging results with a best sample value of 30.85 g/t gold and 5.8 g/t silver. The soil sampling in this area, on a 200 metre x 50 metre grid, has defined two continuous zones of gold and arsenic anomalism at the 50 ppb gold contour. Each of these anomalous zones has dimensions of 900 metres x 150 metres, with a highest value of 8,430 ppb. These zones follow the regional structural trends of north-east and north-west and appear to intersect. There are a further seven anomalous zones in adjacent areas that require follow up sampling.

Preliminary drill testing in angled RC holes had commenced in September 2005 but results were not available at the time of this report.





OPERATIONS

KIRKALOCKA

Mining

A summary of production statistics at the Company's 100% owned Kirkalocka project, located near Mount Magnet in Western Australia for 2005 is as follows:

	2005	2004
Ore mined (tonnes)	1,777,856	2,105,861
Ore milled (tonnes)	1,044,971	1,243,831
Head grade (g/t)	1.94	1.74
Recovery (%)	92.4	94.2
Total production (oz)	59,367	67,454
Cash cost (A$/oz)	399	341

Gold production at the Kirkalocka project in 2005 was 8,087 ounces (12%) lower than 2004. The prior year production was significantly influenced by the availability of soft oxide ore which was able to be processed at a substantially higher throughput rate than the harder ore generated by the Curara Well open pit during the current year.

The cash cost of production for the year was $399 per ounce (2004: $341 per ounce). Operating costs were impacted by the effect of lower throughput, input cost increases and negative mining reconciliation.

Exploration

Equigold NL 100% and Manager.

The Company's tenement package at the Kirkalocka project covers approximately 90 kilometres of strike of the prospective Wydgee greenstone belt. Exploration efforts during 2005 consisted mainly of broad spaced soil sampling designed as an initial test of previously reported geophysical targets. No significant results were obtained, possibly due to the large areas of transported cover. Bedrock targets will require drill testing during 2006.

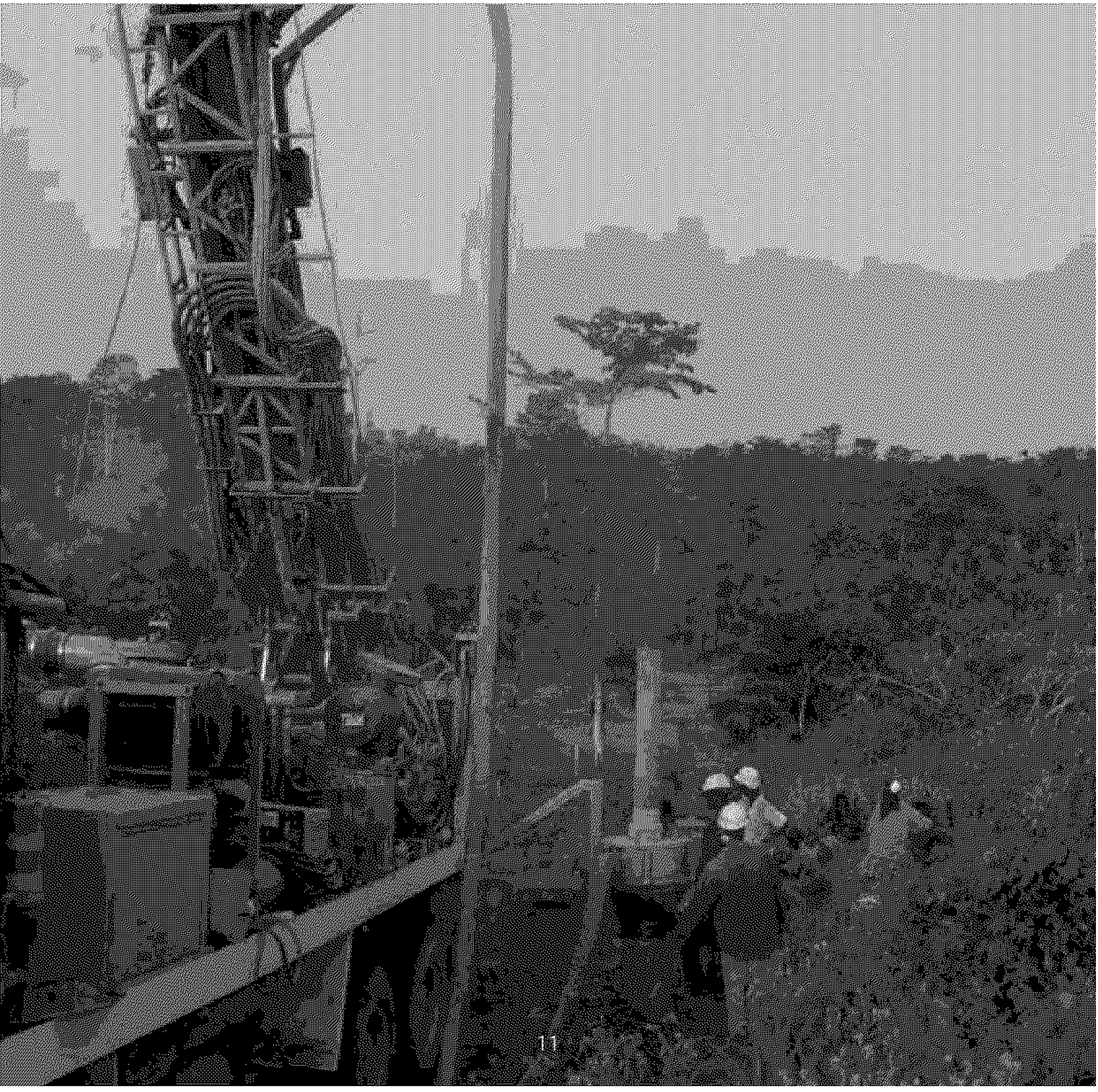
The recent signing of heritage agreements with the Native Title claimant group covering these tenements and implementation of a heritage survey should allow drill testing to commence shortly.

Jindalee Joint Venture

Equigold entered into an exploration heads of agreement with Jindalee Resources Limited to earn up to an 80% interest in exploration licence E59/1024 in Murchison Granite Greenstone province of Western Australia. The tenement is located approximately 14 kilometres south of the Kirkalocka mine.

A further 301 soil samples were collected over the joint venture tenement, mainly designed to cover unexplored portions of the joint venture area and also to close off a previously defined gold in soil anomaly. No significant results were obtained. Drill testing of a small anomaly (peak value 79ppb gold) at the southern end of the joint venture area is planned.

EXPLORATION PROJECTS

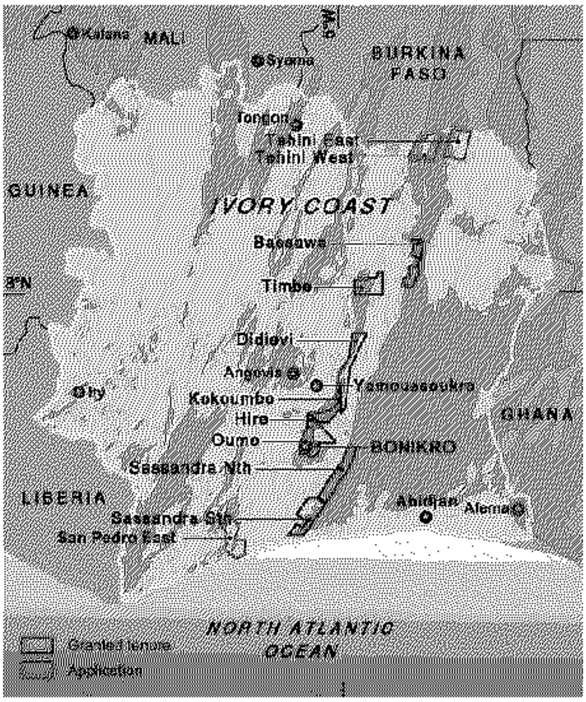


EXPLORATION PROJECTS

COTE D'IVOIRE (WEST AFRICA)

Background

Equigold NL, through its subsidiary Equigold Cote d'Ivoire SA, holds a 94% interest in five granted exploration permits in Cote d'Ivoire (Ivory Coast) in West Africa. Shortly after the end of the financial year, the Hiré, Sassandra North and Sassandra South licences were granted. A further three exploration licences are currently under application and are expected to be granted during 2006.



Equigold tenement holdings - Ivory Coast

The permits held by the Company are as follows:

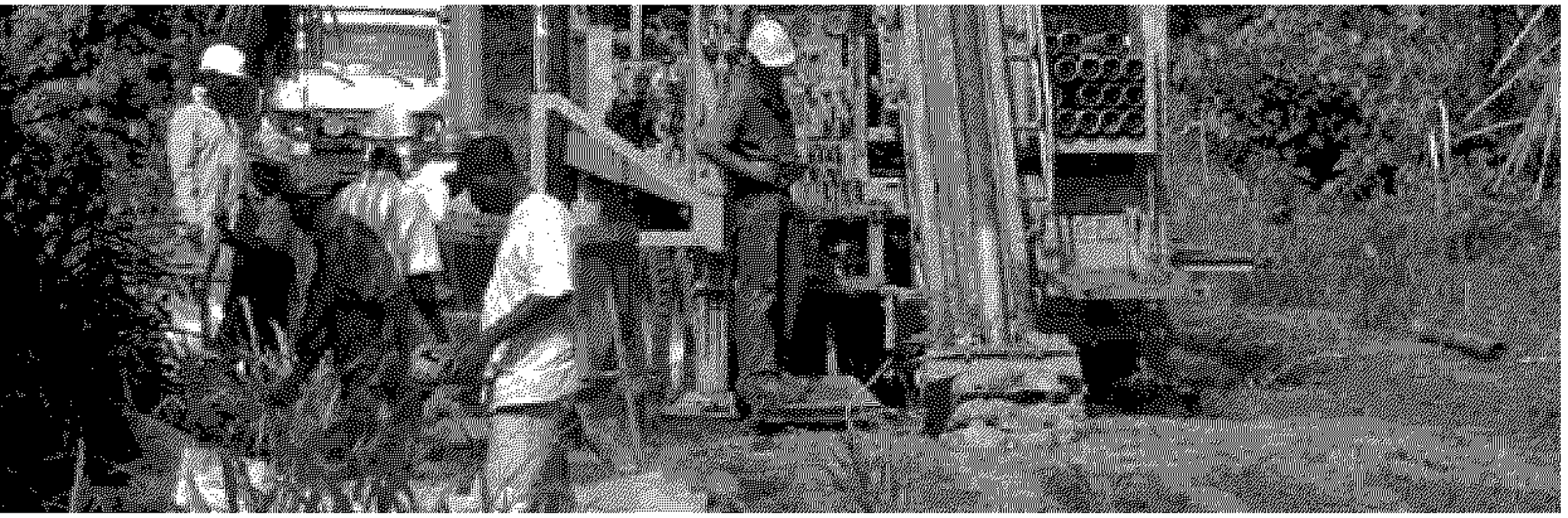
Granted Permit	Area (Square Kilometres)	Next Renewal
Oume	471	28 August 2006
Kokoumbo	455	4 September 2006
Bassawa	636	3 March 2004*
Didievi	1,000	26 November 2006
Timbe	792	10 March 2007
Hiré	828	tba
Sassandra North	858	tba
Sassandra South	790	tba

*Extension granted by Cote d'Ivoire Government due to restrictions on field work due to civil situation.

The licences currently under application are as follows:

Permit application	Area (Square Kilometres)
Tehini West	993
Tehini East	972
San Pedro East	951

The Company's granted permits cover approximately 200 kilometres strike of the highly prospective Oume – Fetekro Proterozoic greenstone belt. The Bassawa permit contains a further 60 kilometres of greenstone belt strike. The Company's granted tenure covers approximately 5,830 square kilometres in area and covers a total of approximately 460 kilometres of Proterozoic greenstone strike. These are the same greenstone rock sequences that are known to host numerous multi-million ounce gold deposits in West Africa.



EXPLORATION PROJECTS

Bonikro Project

Exploration efforts during the year focused mainly on the Bonikro deposit (Equigold 94%) in Ivory Coast, West Africa. Geological and assay data derived from the extensive drilling programme completed in June 2004 were provided to independent geological consultants, RSG Global, for data validation and the completion of updated resource calculations. The drilling programme was designed to reclassify the resource base to mainly Measured and Indicated classifications, suitable for feasibility studies.

The independent recalculation of the resource at Bonikro was completed in September 2004 (see table below).

Pit Optimisation Study

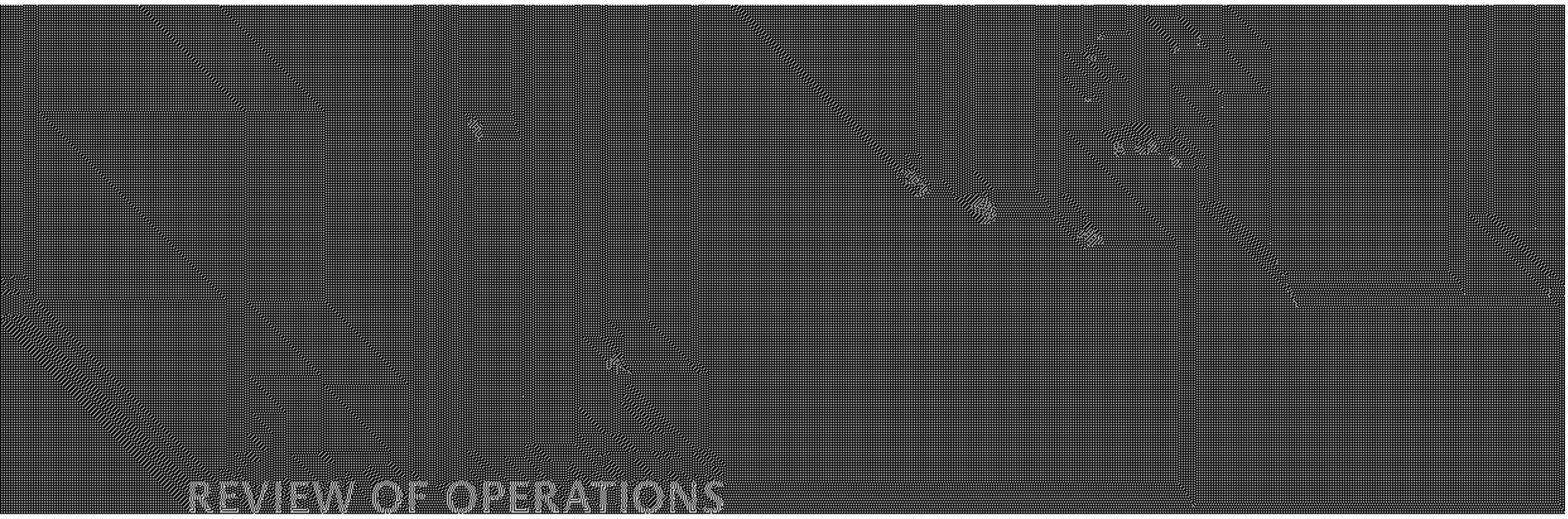
RSG Global was also commissioned to complete a pit optimisation study based on the revised resource. This pit optimisation was completed, based on indicative parameters sourced from RSG Global's in-house cost data base and Equigold's pre-feasibility studies and indicates the prospect of a robust technical project. The study was based on an assumed US$400 per ounce gold price. A summary of the pit optimisation results are tabled below:

Item	Unit	M&I Only
Total Material	Mt	50.4
Waste	Mt	38.5
Strip Ratio	w:o	3.2
Mill Feed	Mt	11.9
Grade	g/t	2.1
Contained Gold	koz	794
Cash cost	US$/oz	251

Work is continuing with a view to having a bankable feasibility study completed by December 2005.

Gold Resources - Bonikro Project

	Tonnes	Gold Grade (g/t)	Gold (ozs)
		0.6g/t Gold - Lower Cut	
Measured	7,039,000	1.8	412,000
Indicated	11,540,000	1.7	635,000
Inferred	6,000,000	1.6	318,000
Total	**24,603,000**	**1.7**	**1,365,000**
		1.0g/t Gold - Lower Cut	
Measured	4,046,000	2.6	339,000
Indicated	6,610,000	2.4	513,000
Inferred	3,100,000	2.4	246,000
Total	**13,795,000**	**2.5**	**1,098,000**



EXPLORATION PROJECTS

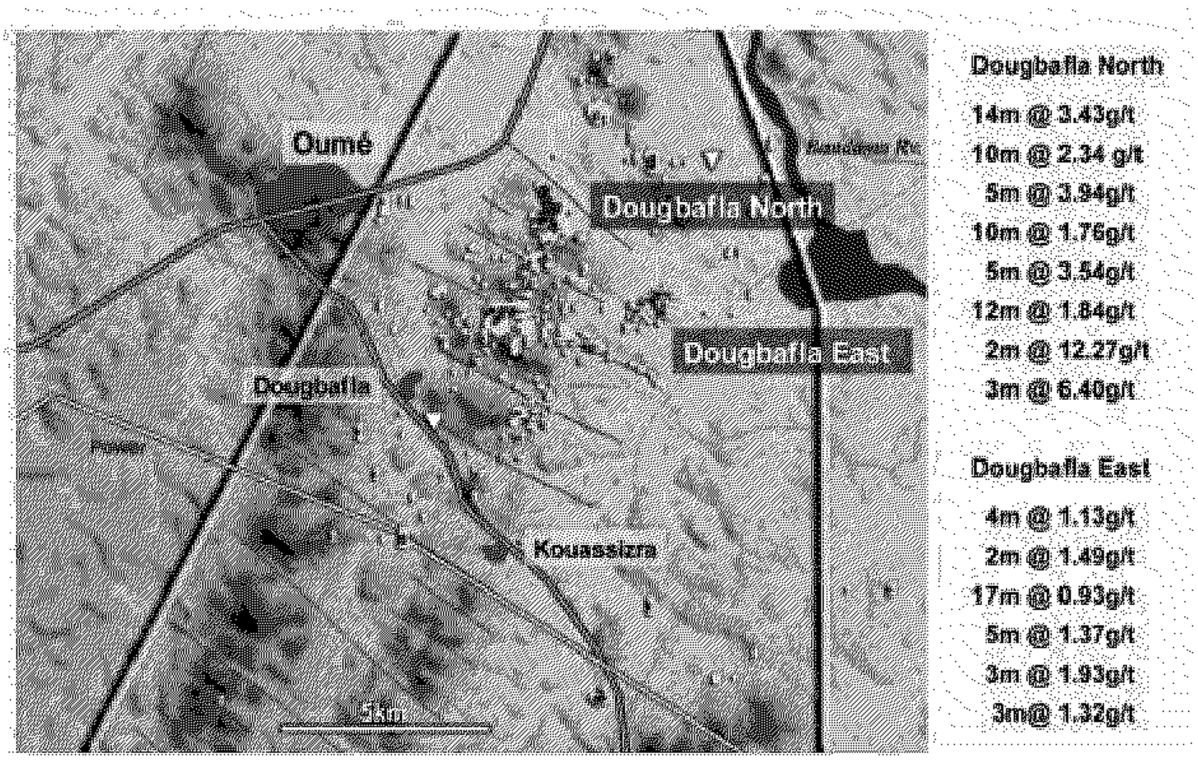
Dougbafla & Hiré Prospects

Two areas of interest which will be part of exploration efforts in 2006 are the Dougbafla and Hiré prospects.

Dougbafla

The regional exploration strategy in the period from 1996 to 1998 that led to the discovery of the Bonikro deposit also generated numerous gold in soil prospects in the Dougbafla area of the Oume licence. This programme of regional soil geochemistry surveys (including infill work) consisted of over 21,000 samples and generated anomalies at Dougbafla Central, Dougbafla North, Dougbafla East and Dougbafla South. Follow up RAB and RC drill testing in 1999 and 2000 resulted in significant intersections at Dougbafla North and Dougbafla South as shown below.

Follow up drilling has commenced in this area early in 2006 and results are pending.



Oume licence - Dougbafla Prospects

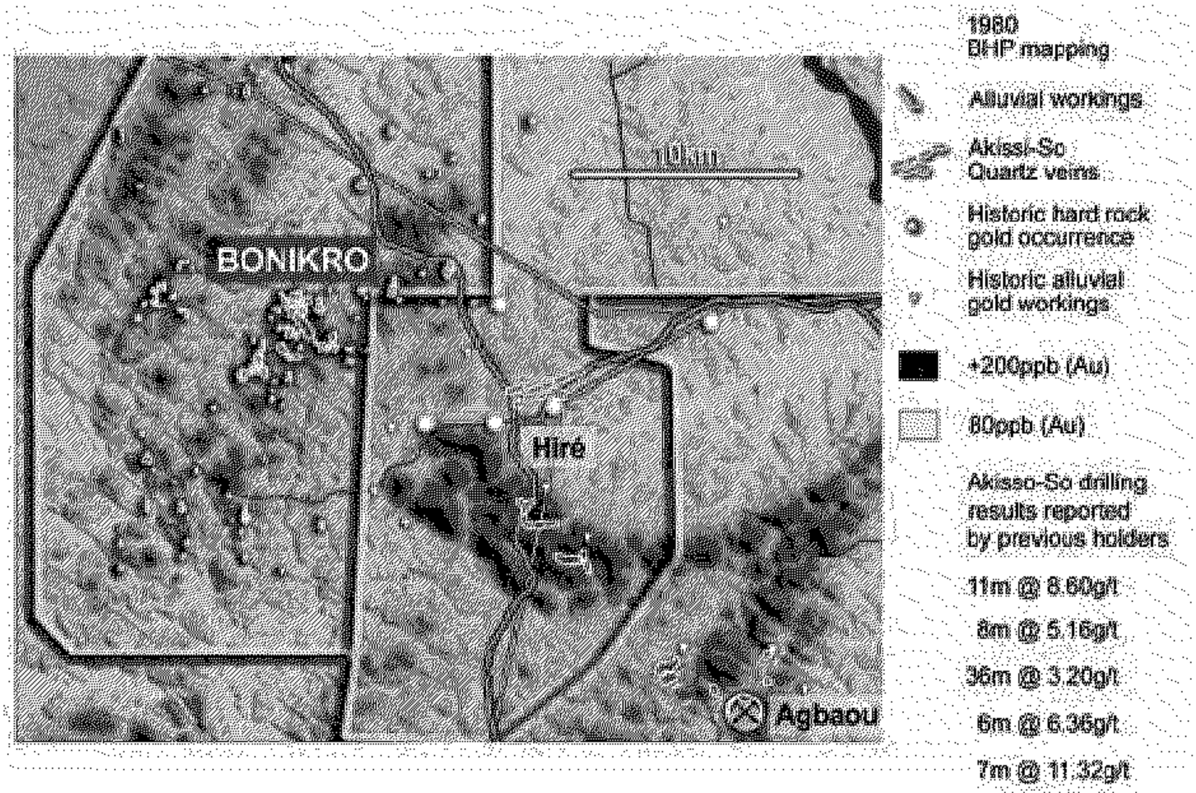
EXPLORATION PROJECTS

Hiré

The Hiré licence covers 828 square kilometres and is contiguous with the Oume licence which hosts the Bonikro deposit and numerous other prospects including Dougbafla North and East. The Hiré' licence was granted to Equigold subsequent to the end of the financial year.

There is known gold occurrences at Akisso-So on the Hiré licence with mineralisation hosted in quartz veins within a granodiorite unit. A non JORC compliant gold resource of approximately 600,000 tonnes at 5g/t for 100,000 ounces has been reported at Akisso-So by previous licence holders. Some of the intersections reported by previous licence holders are shown below.

The Hiré licence lies immediately between Equigold's Bonikro deposit to the north west and the Agbaou deposit, held by another party, some 35 kilometres to the south east. The Agbaou deposit has been quoted by the licence holder as containing a gold resource in excess of 960,000 ounces. The recently granted Hiré licence covers an area with known gold mineralisation between two significant gold deposits and accordingly represents a high priority exploration target.



Hiré licence

EXPLORATION PROJECTS

Ivory Coast Political Situation

There has been some improvement in the political situation in Ivory Coast during the second half of 2005. The continued mediation efforts of the African Union, with the assistance of the South African President, Mr Thabo Mbeki, culminated in the signing of the Pretoria Agreement between the government and rebel factions. This agreement saw the parties commit to the disarmament of the rebel forces, reintegration of national armed forces with the New Forces (rebels) and the conduct of presidential elections. Furthermore, pursuant to the agreement, President Lauren Gbagbo committed to review the controversial Article 35 of the constitution which bars citizens with a foreign parent from contesting presidential elections.

The Company continues to monitor the situation.

Outlook

A preliminary scoping study, based on an assumed gold price of US$400 per ounce, has indicated the possibility of the following operating scenario at Bonikro:

In pit resource:	800,000 – 1 million ounces
Grade:	2.1g/t
Mill throughput rate:	2.0 – 2.5 million tones per annum
Gold production:	130,000 -150,000 ounces per annum
Mine life:	7 – 8 years
Cash cost of production:	approximately US$250 per ounce
Capital expenditure:	US$45 – 50 million

Whilst these parameters are preliminary and will be estimated with more certainty when the feasibility study is completed they give the Company optimism that the Bonikro project has the potential to be an economically viable gold mining operation. The Company expects to complete the feasibility study later in the year and anticipates making application to the Ivorian government for an exploitation licence by the end of calendar year 2005. If the feasibility study supports development of the project the Company will, subject to the political situation in the country permitting, pursue development of the project in 2006.

EXPLORATION PROJECTS

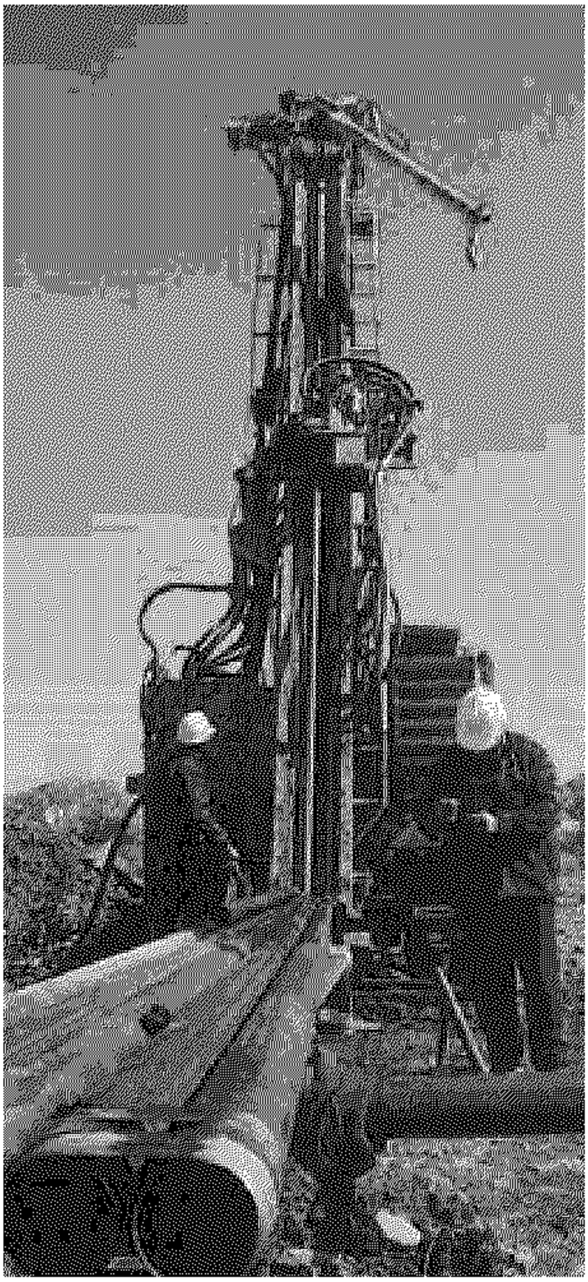
WESTERN QUEEN JOINT VENTURE (WESTERN AUSTRALIA)

Equigold NL 50.1%

AXG Mining Limited (AXG) had an agreement with Equigold NL to earn 70% of the Western Queen project by spending $1 million on exploration by 17 July 2005. This expenditure was not made by AXG and accordingly the joint venture interests remain unchanged (ie. Equigold 50.1%).

Recent work by AXG has included reinterpretation of historical data and limited drilling at the Western Queen South deposit. A total of 550 metres of RC percussion drilling and 300 metres of diamond core tails were completed by AXG and on the basis of this drilling AXG re-estimated the resources at Western Queen South. The revised gold resource of 117,000 ounces represents an increase of 9,000 ounces on the previous estimation. Equigold has not adopted this revised resource at the current time.

An additional 53 RAB drill holes totalling 1,497 metres were drilled, testing targets generated by the AXG reinterpretation of historical data. No significant results were obtained.



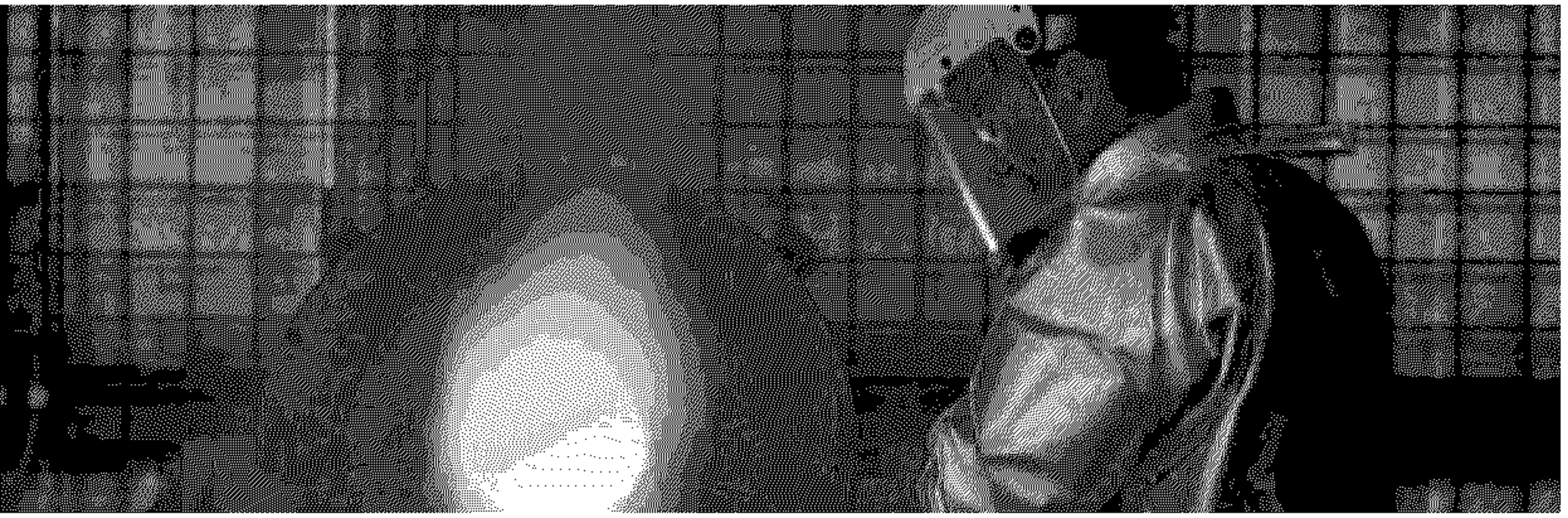
MINERAL RESOURCE INVENTORY

GOLD RESOURCES AS AT 30 JUNE 2005 (INCLUDES RESERVES)

PROJECT/DEPOSIT	Measured			Indicated			Inferred			Total		
	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces
DALGARANGA												
Western Queen South				350,000	2.8	31,600	270,000	2.6	23,000	620,000	2.7	54,600
Western Queen Deeps							26,000	10.8	9,000	26,000	10.8	9,000
Western Queen												
Collapsed Workings				5,000	14.9	2,400				5,000	14.9	2,400
Gilbeys Pit II Unmined	300,000	1.4	13,400							300,000	1.4	13,400
Gilbeys Sub-Pit II				3,451,000	1.6	176,000				3,451,000	1.6	176,000
Golden Wing East												
Laterite	20,000	0.8	500							20,000	0.8	500
Vickers Laterite	8,000	1.2	300							8,000	1.2	300
Total Dalgaranga	**328,000**	**1.3**	**14,200**	**3,806,000**	**1.7**	**210,000**	**296,000**	**3.4**	**32,000**	**4,430,000**	**1.8**	**256,200**
MT. RAWDON												
Mt. Rawdon	3,914,000	1.1	134,200	46,668,000	0.9	1,414,000	7,419,000	0.8	184,600	58,001,000	0.9	1,732,800
Total Mt. Rawdon	**3,914,000**	**1.1**	**134,200**	**46,668,000**	**0.9**	**1,414,000**	**7,419,000**	**0.8**	**184,600**	**58,001,000**	**0.9**	**1,732,800**
KIRKALOCKA												
Curara Well	2,509,000	1.5	119,300	2,365,000	2.1	156,600				4,874,000	1.8	275,900
Curara Well South												
Laterites	453,000	1.5	21,500							453,000	1.5	21,500
Total Kirkalocka	**2,962,000**	**1.5**	**140,800**	**2,365,000**	**2.1**	**156,600**				**5,327,000**	**1.7**	**297,400**
BONIKRO												
Bonikro	6,617,000	1.8	387,300	10,848,000	1.7	596,900	5,640,000	1.6	298,900	23,105,000	1.7	1,283,100
Total Bonikro	**6,617,000**	**1.8**	**387,300**	**10,848,000**	**1.7**	**596,900**	**5,640,000**	**1.6**	**298,900**	**23,105,000**	**1.7**	**1,283,100**
TOTAL RESOURCES	**13,821,000**	**1.5**	**676,500**	**63,687,000**	**1.2**	**2,377,500**	**13,355,000**	**1.2**	**515,500**	**90,863,000**	**1.2**	**3,569,500**

SILVER RESOURCES AS AT 30 JUNE 2005 (INCLUDES RESERVES)

PROJECT/DEPOSIT	Measured			Indicated			Inferred			Total		
	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces
MT. RAWDON												
Mt. Rawdon	3,914,000	3.4	433,400	46,668,000	2.8	4,251,300	7,419,000	2.1	500,000	58,001,000	2.8	5,184,700
TOTAL RESOURCES	**3,914,000**	**3.4**	**433,400**	**46,668,000**	**2.8**	**4,251,300**	**7,419,000**	**2.1**	**500,000**	**58,001,000**	**2.8**	**5,184,700**



MINERAL RESOURCE INVENTORY

GOLD RESERVES AS AT 30 JUNE 2005

PROJECT/DEPOSIT	Proved			Probable			Total		
	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces
MT. RAWDON									
Mt. Rawdon	2,847,000	1.14	104,100	30,050,000	1.00	966,000	32,897,000	1.01	1,070,100
Stockpiles	362,000	0.94	10,900				362,000	0.94	10,900
Total Mt. Rawdon	**3,209,000**	**1.11**	**115,000**	**30,050,000**	**1.00**	**966,000**	**33,259,000**	**1.01**	**1,081,000**
KIRKALOCKA									
Curara Well	265,000	2.38	20,300				265,000	2.38	20,300
Curara Well - stockpiles	2,244,000	1.37	99,000				2,244,000	1.37	99,000
Curara Well South Laterites	265,000	1.51	12,900				265,000	1.51	12,900
Laterite stockpiles	95,000	1.27	3,900				95,000	1.27	3,900
Total Kirkalocka	**2,869,000**	**1.48**	**136,100**				**2,869,000**	**1.48**	**136,100**
TOTAL RESERVES	**6,078,000**	**1.28**	**251,100**	**30,050,000**	**1.00**	**966,000**	**36,128,000**	**1.05**	**1,217,100**

SILVER RESERVES AS AT 30 JUNE 2005

PROJECT/DEPOSIT	Proved			Probable			Total		
	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces	Tonnes	g/t	Ounces
MT. RAWDON									
Mt. Rawdon	2,847,000	3.76	344,000	30,050,000	3.08	2,978,000	32,897,000	3.14	3,322,000
Stockpiles	362,000	3.00	34,900				362,000	3.00	34,900
Total Mt. Rawdon	**3,209,000**	**3.67**	**378,900**	**30,050,000**	**3.08**	**2,978,000**	**33,259,000**	**3.14**	**3,356,900**
TOTAL RESERVES	**3,209,000**	**3.67**	**378,900**	**30,050,000**	**3.08**	**2,978,000**	**33,259,000**	**3.14**	**3,356,900**

Notes: Tonnes and Ounces are rounded, rounding errors may occur.

The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Joint Venture resources are Equigold share of resources.

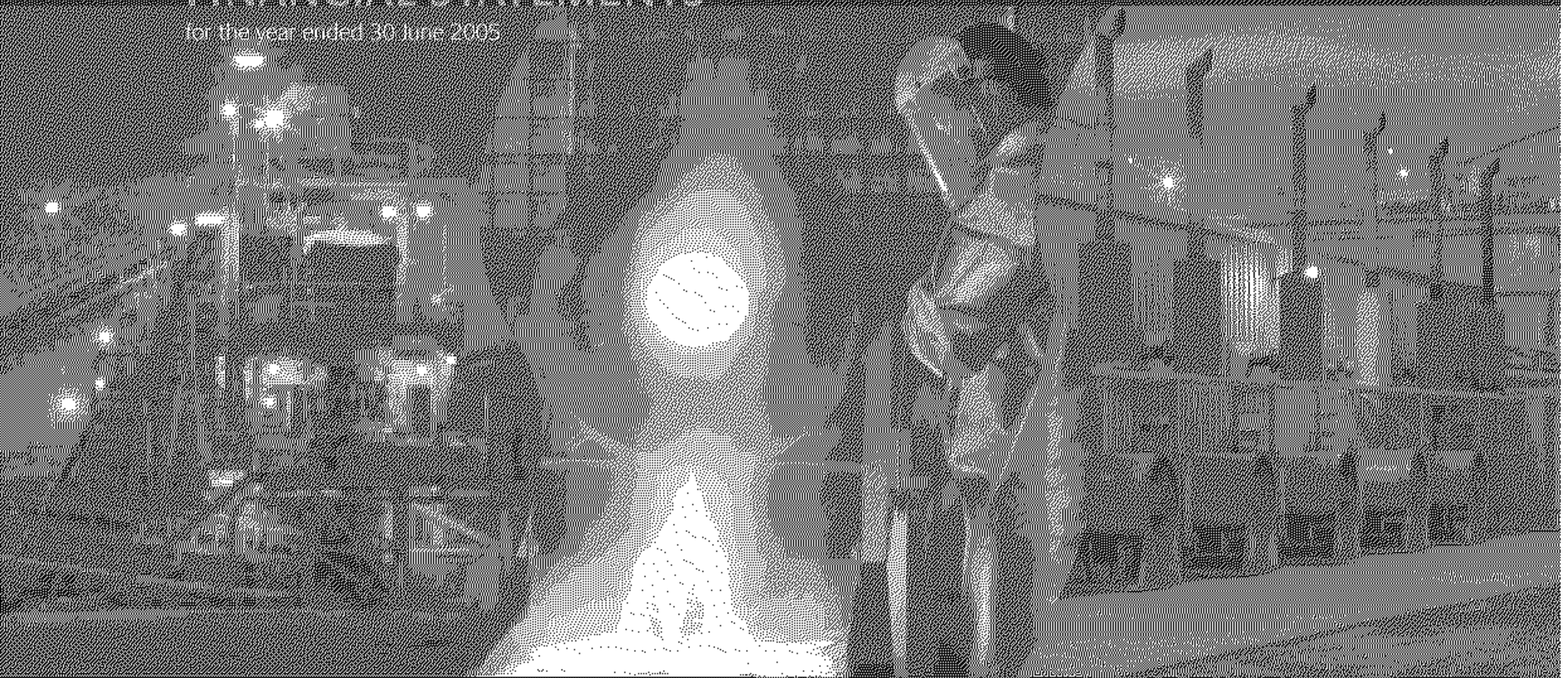
The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Glyn Evans. Mr Evans is a full-time employee of Equigold NL. Mr Evans has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Evans consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

EQUIGOLD NL

ABN 42 060 235 145

FINANCIAL STATEMENTS

for the year ended 30 June 2005



CONTENTS

DIRECTORS' REPORT

for the year ended 30 June 2005

The directors present their report together with the financial report of the Company and the consolidated entity, being the Company and its controlled entities, for the year ended 30 June 2005 and the auditor's report thereon.

DIRECTORS

Names and qualifications

The names and particulars of the directors of the Company holding office during the financial year and at the date of this report are:

Mr Simon Lee
Chairman
Mr Lee is a qualified accountant with extensive management experience in a range of industries including nineteen years experience in the gold mining industry. He is currently (and has been for the past three years) Chairman of Vietnam Industrial Investments Limited and Medical Corporation Australasia Ltd which are public companies listed on the Australian Stock Exchange. Mr Lee also held a number of honorary directorships during the year and has been a board member of the Australian Trade Commission (AUSTRADE). In 1993 Mr Lee received the Advance Australia Award for his contribution to commerce and industry and in 1994 he was awarded the Order of Australia.

Mr Nick Giorgetta
Managing Director
Mr Giorgetta is a metallurgist with over 34 years experience in the mining industry. He began his professional career in various technical roles for a major mining company in Kalgoorlie. He later established his own metallurgical consultancy practice which designed and commissioned a number of gold treatment plants. He has been an executive director of public gold mining companies since 1987 and has held Managing Director positions since 1988. He has not been a director of any other listed companies in the last three years.

Mr Giorgetta is a fellow of the Australian Institute of Mining and Metallurgy.

Mr Glyn Evans
Executive Director
Mr Evans is a geologist with over 26 years experience in base metal and gold operations during which time he has held a number of senior geological positions in several gold mining operations. He has been an executive director of gold mining companies since 1991. He has co-ordinated extensive exploration programmes since that time which have led to significant gold discoveries including the well known Higginsville and Chalice Mines in Western Australia. He has not been a director of any other listed companies in the last three years.

Mr Evans is a fellow of the Australian Institute of Mining and Metallurgy.

Mr Frank Fergusson
Executive Director
Mr Fergusson has over 21 years experience in the Australian mining industry principally in the role of Senior Mine and Operations Manager. He has been an executive director of public gold mining companies since 1992 and has been responsible for co-ordinating the overall mining operations of these companies. He has not been a director of any other listed companies in the last three years.

Mr Mark Clark
Executive Director and Company Secretary
Mr Clark has 16 years experience in corporate advisory and public company administration. Since joining Equigold in 1995, Mr Clark has held the roles of Chief Financial Officer and Company Secretary and has been responsible for the financial, administration and legal functions of the Company. He has not been a director of any other listed companies in the last three years.

Mr Clark is a member of the Institute of Chartered Accountants in Australia and the Securities Institute of Australia.

Mr Ross Stanley
Non Executive Director
Mr Stanley has had extensive experience spanning 26 years in the mining services industry in Australia and overseas. He held executive director positions in the mining services industry between 1980 and 1997, most notably with Stanley Mining Services Limited. This was a company Mr Stanley formed and was instrumental in developing into a competitive international mining services operation. He has not been a director of any other listed companies in the last three years.

DIRECTORS' REPORT

for the year ended 30 June 2005

Mr Ross Kestel
Non Executive Director
Mr Kestel was appointed a director on 15 April 2005. Mr Kestel is both a Chartered Accountant and Certified Practising Accountant and has been a director of the accounting practice Nissen Kestel Harford since July 1980. Mr Kestel has acted as a director and company secretary of a number of public companies involved in mineral exploration, mining, mine services, property development, manufacturing and technology industries.

Currently Mr Kestel is Chairman of Conquest Mining Limited (since February 1999) and Digital and Voice Media Limited (since April 2005) and a director of Jabiru Metals Ltd (since August 2003). In the last 3 years he has also been a director of Lowan Australia Limited (from June 2002 and April 2005), Bone Medical Limited (from December 2003 until November 2004) and Orchid Capital Limited (from April 2002 until July 2005). All of these companies are listed on the ASX.

Mr Kestel is a Registered Company Auditor and a member of the Institute of Company Directors.

Mr Puano Lee
Non Executive Director
Mr Lee was appointed a director on 15 April 2005. Mr Lee has considerable commercial and public company experience in a number of countries, including Malaysia, New Zealand and Australia. He has worked in both the banking and real estate industries. He has served on the boards of a number of other mining companies and several private companies. Mr Lee has also previously acted as an alternate director to the Company's Chairman, Mr Simon Lee. He has not been a director of any other listed companies in the last three years.

Interests in the shares of the Company

As at the date of this report the interests of the directors in the securities of the Company are:

	Ordinary Shares	Options
Mr M Clark	508,591	327,148
Mr G Evans	4,197,477	1,036,869
Mr F Fergusson	6,535,034	1,633,759
Mr N Giorgetta	24,200,000	1,052,500
Mr R Kestel	40,000	10,000
Mr P Lee	35,500	8,875
Mr S Lee	13,861,884	3,465,471
Mr R F Stanley	10,940,550	2,735,138

DIRECTORS MEETINGS

The number of meetings attended by each of the directors of the Company during the year is as follows:

Director	No. of Meetings Attended	No. of Meetings Held
Mr M Clark	4	4
Mr G Evans	4	4
Mr R Kestel	1#	1
Mr N E Giorgetta	4	4
Mr F G Fergusson	4	4
Mr P Lee	4#@	4
Mr S Lee	3*	4
Mr R F Stanley	4	4

\# Mr P. Lee and Mr R. Kestel were appointed directors on 15 April 2005.

@ Mr P. Lee attended 1 board meeting as a director and 3 meetings as an alternate director to Mr S. Lee.

* The meeting not attended by Mr S. Lee was attended by his alternate director at the time, Mr P. Lee.

In addition to these meetings various other matters were resolved by circular resolution during the year.

As at the date of this report the Company had an Audit Committee and a Remuneration Committee of the board of directors. The members of both of these Committees were Mr Simon Lee and Mr Ross Stanley until 15 April 2005 when independent non-executive directors Mr P. Lee and Mr R. Kestel were appointed. From this date composition of the Audit Committee has been Mr R. Kestel (Chairman), Mr S. Lee and Mr P. Lee. The Audit Committee met twice during the year and these meetings were attended by both members.

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the financial year were the exploration, development and mining of gold. No significant change in the nature of those activities has occurred during the period.

DIRECTORS' REPORT

for the year ended 30 June 2005

CORPORATE INFORMATION

Corporate Structure

Equigold NL is a no liability company that is incorporated and domiciled in Australia. Equigold NL is the ultimate parent entity. Equigold NL has prepared a consolidated financial report including the entities it controlled during the financial year, being Kim Resources NL, Swindon Holdings Pty Ltd, Equigold Cote d'Ivoire SA and Stanmines NL.

Employees

The consolidated entity employed 101 employees as at 30 June 2005 (2004 : 106 employees).

OPERATING RESULTS

The consolidated profit after income tax for the year attributable to members of Equigold NL was $6,415,023 (2004 : $16,673,642).

DIVIDENDS

The following dividends were paid during or declared in relation to the 2005 financial year.

Year	Type	Cents per share	Total Amount $	Date of payment	Tax rate of Franking credit
2004	Final	4.0	$5,941,158	24 September 2004	30%
2005	Interim	3.0	$4,455,689	25 March 2005	30%
2005	Final	3.0	$5,116,104	4 October 2005	30%

REVIEW OF OPERATIONS

A review of operations and exploration activities of the consolidated entity for the year are set out in the Review of Operations which is included with these financial statements.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in subsequent financial years.

LIKELY DEVELOPMENTS

The consolidated entity will continue to proceed towards the objective of developing a gold mine at the Bonikro project in Cote d'Ivoire, West Africa. This will require a continuation of the significant expenditure on the project area that has been incurred in previous years. It is expected that a feasibility study will be conducted in 2006 to investigate the possible development of the Bonikro project.

STATE OF AFFAIRS

In the opinion of the directors there are no significant changes in the state of affairs of the consolidated entity that occurred during the financial year not otherwise disclosed in this report or the consolidated financial statements.

REMUNERATION REPORT

The Company's broad remuneration policy is to ensure that remuneration levels are competitively set to be commensurate with director and executive responsibilities and to attract and retain appropriately qualified and experienced directors and senior executives.

The Remuneration Committee of the board reviews and makes recommendations to the board on remuneration packages and policies applicable to the Managing Director, senior executives and directors themselves. It is also responsible for devising policies in relation to the use and implementation of share option schemes, incentive performance packages, superannuation entitlements, retirement and termination entitlements and fringe benefits policies.

The members of the Remuneration Committee during the year were non executive directors, Mr S. Lee and Mr R. Stanley. The Managing Director, Mr N Giorgetta, may be invited to Remuneration Committee meetings, as required, to discuss senior executives' performance and remuneration packages. The Remuneration Committee meets as required. The Remuneration Committee may obtain independent advice on the appropriateness of remuneration packages, given trends in companies both locally and internationally.

The Company does not have a director or executive share option scheme, nor does it currently have a policy of paying performance based bonuses. Accordingly, at the current time the remuneration packages of directors and executives are not directly linked to the performance of the Company.

DIRECTORS' REPORT

for the year ended 30 June 2005

Details of the nature and amount of each major element of the emoluments of each director and executive officer of the Company and the consolidated entity receiving the highest emolument are:

	Base Emolument $	Non Cash Benefits $	Super-annuation $	Total $
Director				
Mr N Giorgetta	365,000	-	32,850	397,850
Mr G Evans	230,000	-	20,700	250,700
Mr M Clark	225,000	-	20,250	245,250
Mr F Fergusson	195,000	7,294	17,550	219,844
Mr S Lee	60,000	-	5,400	65,400
Mr R Stanley	40,000	-	3,600	43,600
Mr P Lee	10,556	-	950	11,506
Mr R Kestel	10,556	-	950	11,506
Executives*				
Mr D Morgan	183,750	21,039	16,538	221,326
Mr P Thomas	183,750	3,627	16,538	203,915
Mr M Hart	139,583	13,384	12,562	165,529
Mr L Hopkins	132,500	-	11,925	144,425

* Only four employees of the consolidated entity met the definition of executive officer.

No shares, options (other than bonus options issued to all shareholders) or other benefits were granted during the year to any of the directors or named executives.

OPTIONS

At the date of this report unissued ordinary shares of the Company under option are:

Expiry Date	Exercise Price	No. Shares
31 May 2007	$1.40	42,624,524

During or since the end of the financial year the Company issued 7,836 ordinary shares at a price of $1.40 per share as a result of the exercise of options.

ENVIRONMENTAL REGULATION

The Company has gold mining operations located in both Western Australia and Queensland. These operations are subject to significant environmental regulation under the relevant state mining and environmental legislation. These regulations affect, amongst other issues, waste disposal, water and air pollution.

The Company regularly monitors its performance against these regulations and reports this performance to the relevant State regulators as required. There has been no instances of material non compliance with these regulations during the financial year.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Equigold NL support and have adhered to the principles of corporate governance. A corporate governance statement is included in the ASX Additional Information Section of the Annual Report.

INDEMNIFICATION AND INSURANCE OF DIRECTORS

The Company has not, during or since the financial year, in respect of any person who is or has been an officer of the Company or related body corporate indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

During the financial year the Company paid insurance premiums in respect of Directors' and Officers' Liability and Company Reimbursement Insurance contracts for the current directors and officers. The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of this insurance, as such disclosure is prohibited under the terms of the contract.

AUDITORS' INDEPENDENCE

Refer to page 27 for a copy of Ernst & Young's Independence Declaration to the directors of Equigold NL.

DIRECTORS' REPORT

for the year ended 30 June 2005

NON-AUDIT SERVICES

Non-audit services were provided by the entities auditor, Ernst & Young. The directors are satisfied that the provision of non-audit services is comparible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Ernst & Young received or are due to receive $39,758 for the provision of tax compliance services.

Dated at Perth this 28th day of September 2005.

Signed in accordance with a resolution of the directors.

M Clark
Director

N Giorgetta
Director

AUDITOR'S INDEPENDENCE DECLARATION
to the Directors of Equigold NL

In relation to our audit of the financial report of Equigold NL for the year ended 30 June 2005, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young

J P Dowling
Partner
Perth
28 September 2005

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2005

	Note	CONSOLIDATED 2005 $	CONSOLIDATED 2004 $	THE COMPANY 2005 $	THE COMPANY 2004 $
Revenues from ordinary activities	2	97,073,210	95,548,704	97,073,210	95,548,704
Expenses from ordinary activities	3	(87,857,568)	(71,766,875)	(87,856,086)	(71,946,302)
Borrowing costs	4	(264,618)	(128,572)	(264,618)	(128,572)
Profit from ordinary activities before income tax		8,951,024	23,653,257	8,952,506	23,473,830
Income tax attributable to ordinary activities	5	(2,536,001)	(6,979,615)	(2,536,446)	(6,980,195)
Net profit attributable to members of Equigold NL		6,415,023	16,673,642	6,416,060	16,493,635
Non-owner transaction changes in equity					
Share issue costs	24	(1,480,719)	-	(1,480,719)	-
Total expenses attributable to members of the parent entity recognised directly in equity		(1,480,719)	-	(1,480,719)	-
Total changes in equity from non-owner related transactions attributable to members of the parent entity		4,934,304	16,673,642	4,935,341	16,493,635
Basic earnings per share (cents per share)	35	4.2	11.2		
Diluted earnings per share (cents per share)	35	4.2	11.2		
Franked dividends (cents per share)		6.0	7.0		

STATEMENT OF FINANCIAL POSITION

at 30 June 2005

		CONSOLIDATED		THE COMPANY	
		2005	2004	2005	2004
	Note	$	$	$	$
CURRENT ASSETS					
Cash assets	30	33,282,478	13,860,353	32,997,727	13,441,427
Receivables	7	1,841,250	1,510,613	1,812,745	1,494,198
Inventories	8	21,969,334	14,317,745	21,969,334	14,317,745
Other financial assets	9	21,450	127,600	21,450	127,600
Other current assets	10	197,722	534,530	197,722	534,530
TOTAL CURRENT ASSETS		57,312,234	30,350,841	56,998,978	29,915,500
NON CURRENT ASSETS					
Receivables	11	25,490	39,869	15,428,575	13,299,779
Other financial assets	12	-	-	701,573	681,750
Property, plant and equipment	13	48,913,612	57,447,802	47,790,934	56,253,777
Exploration, evaluation and development expenditure	14	21,289,033	29,441,286	6,366,236	16,696,977
Deferred tax assets	15	1,094,102	-	1,310,751	-
Other non-current assets	16	-	34,127	-	34,127
TOTAL NON-CURRENT ASSETS		71,322,237	86,963,084	71,598,069	86,966,410
TOTAL ASSETS		128,634,471	117,313,925	128,597,047	116,881,910
CURRENT LIABILITIES					
Payables	17	11,125,731	8,649,110	11,125,731	8,480,352
Current tax liabilities	18	3,551,057	9,036,310	3,554,139	9,038,947
Provisions	19	1,365,859	942,988	1,299,577	870,721
Other – deferred revenue	20	6,861,922	5,445,710	6,861,922	5,445,710
TOTAL CURRENT LIABILITIES		22,904,569	24,074,118	22,841,369	23,835,730
NON CURRENT LIABILITIES					
Deferred tax liabilities	21	-	2,485,012	-	2,268,362
Provisions	22	2,747,512	2,166,665	2,747,512	2,166,665
Other – deferred revenue	23	6,694,409	13,246,680	6,694,409	13,246,680
TOTAL NON CURRENT LIABILITIES		9,441,921	17,898,357	9,441,921	17,681,707
TOTAL LIABILITIES		32,346,490	41,972,475	32,283,290	41,517,437
NET ASSETS		96,287,981	75,341,450	96,313,757	75,364,473
EQUITY					
Contributed equity	24	73,264,393	48,334,142	73,264,393	48,334,142
Retained profits	25	23,004,576	26,986,580	23,049,364	27,030,331
TOTAL PARENT ENTITY INTEREST		96,268,969	75,320,722	96,313,757	75,364,473
Outside equity interests	26	19,012	20,728	-	-
TOTAL EQUITY		96,287,981	75,341,450	96,313,757	75,364,473

STATEMENT OF CASH FLOWS

for the year ended 30 June 2005

	Note	CONSOLIDATED 2005 $	CONSOLIDATED 2004 $	THE COMPANY 2005 $	THE COMPANY 2004 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts in the course of operations		91,688,258	88,917,976	91,688,258	88,917,976
Proceeds of gold hedging restructure		-	20,000,000	-	20,000,000
Cash payments in the course of operations		(62,343,168)	(63,786,546)	(62,341,686)	(63,784,607)
Interest received		274,318	660,794	274,318	660,794
Borrowing costs paid		(261,462)	(379,590)	(261,462)	(379,590)
Income tax paid		(11,600,368)	(3,247,412)	(11,600,368)	(3,247,412)
Net cash provided by operations	30(ii)	17,757,578	42,165,222	17,759,060	42,167,161
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for plant and equipment		(8,612,101)	(7,300,539)	(8,616,697)	(7,167,493)
Payments relating to investments – subsidiary		-	-	(19,823)	(21,268)
Proceeds from sale of investments		107,460	-	107,460	-
Proceeds from sale of plant and equipment		118	36,000	118	36,000
Payments for exploration and development expenditure		(4,365,044)	(3,678,231)	(2,064,758)	(614,023)
Loans to subsidiaries		-	-	(2,143,174)	(3,543,028)
Net cash used in investing activities		(12,869,567)	(10,942,770)	(12,736,874)	(11,309,812)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		26,409,920	-	26,409,920	-
Payment of share issue costs		(1,480,719)	-	(1,480,719)	-
Proceeds from borrowings		4,000,000	-	4,000,000	-
Repayment of borrowings		(4,000,000)	(24,600,000)	(4,000,000)	(24,600,000)
Dividends paid		(10,395,087)	(8,906,690)	(10,395,087)	(8,906,690)
Net cash provided by / (used in) financing activities		14,534,114	(33,506,690)	14,534,114	(33,506,690)
Net increase / (decrease) in cash held		19,422,125	(2,284,238)	19,556,300	(2,649,341)
Cash at the beginning of the financial period	30(i)	13,860,353	16,144,591	13,441,427	16,090,768
Cash at the end of the financial period	30(i)	33,282,478	13,860,353	32,997,727	13,441,427

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of these financial statements are:

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs, except where stated, and does not take into account changing money values or current valuations of non-current assets.

(b) Principles of Consolidation

The consolidated financial statements are those of the consolidated entity, comprising Equigold NL (the parent entity) and all entities that Equigold NL controlled from time to time during the year and at balance date. Information from the financial statements of subsidiaries is included from the date the parent company obtains control until such time as control ceases.

All inter-company balances and transactions, including unrealised profits from intra-group transactions have been eliminated in full.

(c) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and it can be reliably measured. Revenue from the production of gold and silver is recognised when the product is in the form in which it can be sold based on the delivered price. Interest is recognised as it accrues. Revenue for services rendered is recognised as the right to receive compensation for the services is attained.

(d) Receivables

Gold and silver on metal account

Gold and silver on metal account are valued at net realisable value based on subsequent prices realised and are considered a cash equivalent as they can be converted to cash within two working days.

Other receivables

Trade, other and loans receivable are carried at nominal amounts less any provision for doubtful debts.

(e) Cash and Cash Equivalents

Cash on hand and in banks are stated at nominal value. For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and gold and silver on metal account.

(f) Investments

Other companies

Listed shares are carried at the lower of cost and recoverable amount. Dividend income is recognised when received.

(g) Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is based on the first in, first out principle for all inventories other than ore stockpiles which are allocated an average mining cost for the life of each mine.

(h) Non Current Assets

The carrying amounts of non current assets, other than exploration and evaluation expenditure carried forward, are reviewed bi-annually to determine whether they are in excess of the recoverable amount. If the carrying amount of a non current asset exceeds its recoverable amount, the asset is written down to the lower value. In assessing the recoverable amount, the relevant cash flows have not been discounted to their present value.

(i) Property, Plant & Equipment

Acquisition

Items of property, plant and equipment are initially recorded at cost and depreciated as outlined below.

Depreciation

Depreciation is calculated on a straight line basis so as to write off the net cost of each item of property, plant and equipment (other than freehold land) over its expected useful life. Mining related assets are depreciated on a units of production basis. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. Depreciation rates for plant and equipment vary by individual asset but average 14% (2004: 12%).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Exploration, Evaluation and Development Expenditure

Costs carried forward

Exploration, evaluation and development costs are accumulated in respect of each separate area of interest. These costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where activities are continuing in the area of interest and have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period in which that decision is made.

Amortisation

Amortisation is not charged on costs carried forward in respect of areas in the development phase until production commences. When production commences, carried forward exploration, evaluation and development costs are amortised on a units of production basis over the life of the economically recoverable reserves.

Deferred Mining Costs

Costs relating to removal of waste from open pit mines are carried forward to be charged against future production based on the waste to ore ratio over the remaining life of the mine. Where the total tonnes of waste mined during the year exceeds the life of mine waste to ore ratio, the excess waste removal cost is carried forward. Costs carried forward will be expensed when the actual tonnes of waste mined is less than the life of mine waste to ore ratio. The calculated waste to ore ratio and the remaining life of the mine are reassessed by the directors annually.

(k) Accounts Payable

Liabilities are recognised for amounts to be paid in the future for goods or services received whether or not billed. Trade accounts payable are normally settled on 30 day terms.

(l) Interest Bearing Liabilities

Bank loans are recognised at their principal amount and interest is charged as an expense as it accrues.

(m) Provisions

A provision is recognised when a legal or constructive obligation exists as a result of a past event and it is probable that an outflow of economic benefits will be required.

Employee Entitlements

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of these liabilities, a discount rate approximating the Company's cost of funds is used.

Restoration costs

Provisions are made for mine site rehabilitation and restoration on an incremental basis during the course of the mine life (which includes the mine closure phase). Provisions are determined on an undiscounted basis and include costs associated with reclamation, plant and waste site closure and monitoring activities. These costs have been determined based on current costs, current legal requirements and current technology.

(n) Share Capital and Dividends

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Dividends payable are recognised when a legal obligation to pay the dividend arises.

(o) Gold Hedging Contracts

Derivative financial instruments are used by the Company to hedge exposures to gold prices.

Hedging gains and losses, including costs and gains of entering into hedging transactions, are accounted for on the same basis as the underlying physical exposure being hedged. Accordingly, hedging settlements are included in the statement of financial performance at the same time as the underlying physical transaction is recognised in the statement of financial performance.

Gold Forward Sale Contracts

The Company enters into various types of gold forward sales contracts ("Hedging") which enables it to sell specified quantities of gold in the future at pre-determined prices. The contracts are matched against anticipated future gold production to protect the Company against the possibility of a fall in the spot price of gold.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Gold Hedging Contracts (continued)

Long Dated Options

Premiums paid in respect of instruments entered into as part of the Company's specific hedging activities are deferred and brought to account in the statement of financial performance in the period in which the physical delivery of the gold originally hedged is delivered

Premiums received in respect of European call options entered into as part of the Company's hedging activities are embedded into the Company's hedge book and are brought to account in the period in which gold is delivered into the embedded contract.

In the event that the counter-party exercises the long dated call options, the Company has the right to convert the contract into a forward contract at the call option strike price.

Short Dated Options

Where short term option transactions are entered into for speculative purposes, the gains or losses on such transactions are brought to the statement of financial performance at the time such gains or losses are realised. Any contracts open at balance date are marked to the market price of the relevant option and the unrealised gain or loss recorded in the statement of financial performance.

Termination of Gold Hedges

If a hedge instrument is terminated early, the gain or loss on termination is deferred and amortised in the period where the physical transaction originally hedged occurs. Where the physical delivery is no longer expected to occur, the gain or loss on termination is taken to the statement of financial performance in the period the instrument was closed out.

(p) Foreign Currency

Transactions

Foreign currency transactions are translated to Australian currency at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are translated at the rates of exchange ruling at that date. Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account in the statement of financial performance in the financial year in which the exchange rates change.

Translation of Financial Reports of Foreign Operations

The financial report of integrated foreign operations are translated as at the reporting date using the temporal method with any exchange differences recognised as revenues or expenses in the statement of financial performance of the consolidated entity in the reporting period.

(q) Joint Venture

The consolidated entity's interest in an unincorporated joint venture is brought to account by including in the respective classifications, the share of individual assets employed, and liabilities and expenses incurred.

(r) Taxation

The consolidated entity adopts the income statement liability method of tax effect accounting.

Income tax expense is calculated on operating profit adjusted for permanent differences between taxable and accounting income. The tax effect of timing differences, which arise from items being brought to account in different periods for income tax and accounting purposes, is carried forward in the statement of financial position as a future income tax benefit or a provision for deferred income tax.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits relating to entities with tax losses are only brought to account when their realisation is virtually certain. The tax effect of capital losses is not recorded unless realisation is virtually certain.

(s) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Operating Leases

The rental payments in relation to operating leases where the lessor effectively retains all of the risks and benefits of ownership of the leased property, are recognised as an expense on a straight line basis.

(u) Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to members by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with dilutive potential ordinary shares, by the weighted average number of ordinary shares and dilutive potential ordinary shares adjusted for any bonus issue.

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	$	$	$	$
2. REVENUE FROM ORDINARY ACTIVITIES				
Revenues from mining operations				
Gold sales	92,368,209	91,241,611	92,368,209	91,241,611
Silver sales	1,822,285	1,756,770	1,822,285	1,756,770
	94,190,494	92,998,381	94,190,494	92,998,381
Other revenues from ordinary activities				
Gold call option premiums received	1,288,066	730,200	1,288,066	730,200
Interest received	661,139	565,780	661,139	565,780
Profit/proceeds on sale of plant & equipment	-	36,000	-	36,000
Gain/proceeds on sale of investments	8,460	-	8,460	-
Gain on revaluation of listed investments	-	75,000	-	75,000
Amortisation of gold lease rate settlement gains	923,655	1,140,220	923,655	1,140,220
Other income	1,396	3,123	1,396	3,123
	2,882,716	2,550,323	2,882,716	2,550,323
	97,073,210	95,548,704	97,073,210	95,548,704

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

3. EXPENSES FROM ORDINARY ACTIVITIES

	CONSOLIDATED 2005 $	CONSOLIDATED 2004 $	THE COMPANY 2005 $	THE COMPANY 2004 $
Cost of sales – direct expenses of mining operations				
Mining	30,957,738	29,333,622	30,957,738	29,333,622
Milling	31,556,854	27,446,187	31,556,854	27,446,187
Administration	3,216,318	3,324,206	3,216,318	3,324,206
Stockpile/gold in circuit movements	(7,642,616)	(5,087,923)	(7,642,616)	(5,087,923)
Royalties	2,431,235	2,214,723	2,431,235	2,214,723
Depreciation	11,405,146	9,566,075	11,405,146	9,566,075
Amortisation	1,844,821	1,847,535	1,844,821	1,847,535
	73,769,496	68,644,425	73,769,496	68,644,425
Other expenses from ordinary activities				
Administration	3,934,878	2,943,665	3,933,396	2,941,730
Lease rental expense	109,113	129,859	109,113	129,859
Depreciation	42,000	42,660	42,000	42,660
Diminution in value of investments	7,150	-	7,150	181,362
Property, plant & equipment written off	5,125,657	-	5,125,657	-
Development expenditure written off	4,821,887	-	4,821,887	-
Exploration expenditure written off	47,387	6,266	47,387	6,266
	14,088,072	3,122,450	14,086,590	3,301,877
	87,857,568	71,766,875	87,856,086	71,946,302

4. BORROWING COSTS

	CONSOLIDATED 2005 $	CONSOLIDATED 2004 $	THE COMPANY 2005 $	THE COMPANY 2004 $
Interest paid/payable	264,618	128,572	264,618	128,572

5. TAXATION

	CONSOLIDATED 2005 $	CONSOLIDATED 2004 $	THE COMPANY 2005 $	THE COMPANY 2004 $
Prima facie tax expense on operating profit at 30% (2004 : 30%)	2,685,307	7,095,977	2,685,752	7,042,149
Tax effect of permanent differences:				
Equity raising costs deductible	(145,044)	(56,201)	(145,044)	(56,201)
Provision for diminution in value:				
- listed investments	-	(22,500)	-	(22,500)
- subsidiaries	-	-	-	54,408
Under provision in prior year	(4,262)	-	(4,262)	-
Other	-	(37,661)	-	(37,661)
Income tax expense attributable to operating profit	2,536,001	6,979,615	2,536,446	6,980,195

Tax Consolidation

Effective 1 July 2003, for the purposes of income taxation, Equigold NL and its 100% owned subsidiaries formed a tax consolidated group. The head entity of the tax consolidated group is Equigold NL. The Company formally notified the Australian Tax Office of its adoption of the tax consolidation regime when lodging its 30 June 2004 consolidated tax return. The formation of a tax consolidated group did not affect deferred tax balances.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	$	$	$	$
6. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES				
The Company proposed and paid the following dividends in relation to the 2005 financial year:				
Dividends paid during the year				
Current year interim				
Fully franked 3.0 cents per share (cps) (2004 : 3.0 cps)	4,455,869	4,455,869	4,455,869	4,455,869
Prior year final				
Fully franked 4.0 cps (2004 : 3.0 cps)	5,941,158	4,455,869	5,941,158	4,455,869
	10,397,027	8,911,738	10,397,027	8,911,738
Dividends proposed and not recognised as a liability				
Current year final				
Fully franked 3.0 cps (2004 : 4.0 cps)	5,116,104	5,941,158	5,116,104	5,941,158
Dividend Franking Account				
Class C (30%) (2004 : Class C 30%)				
Franking credits	14,939,860	13,280,091	14,939,860	13,280,091

The balance of the franking account has been adjusted for franking credits which will arise from the payment of income tax provided for in the financial statements, and after deducting franking credits to be used in payment of dividends provided for in the consolidated financial report.

7. RECEIVABLES - CURRENT

Other receivables	1,320,588	908,802	1,292,083	892,387
GST receivable	520,662	601,811	520,662	601,811
	1,841,250	1,510,613	1,812,745	1,494,198

Due to their nature other receivables are not subject to formal terms and do not bear interest.

8. INVENTORIES

Inventories at cost:				
- Stores and consumables	919,822	944,707	919,822	944,707
- Gold and silver in circuit	1,790,939	1,182,823	1,790,939	1,182,823
- Ore in stockpiles	19,258,573	12,190,215	19,258,573	12,190,215
	21,969,334	14,317,745	21,969,334	14,317,745

9. OTHER FINANCIAL ASSETS - CURRENT

Listed shares at cost	28,600	228,379	28,600	228,379
Provision for diminution	(7,150)	(100,779)	(7,150)	(100,779)
	21,450	127,600	21,450	127,600

Listed shares are readily saleable with no fixed terms. There would be no material capital gains tax payable if these assets were sold at the reporting date.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	$	$	$	$

10. OTHER CURRENT ASSETS

Deferred gold hedging costs	-	330,979	-	330,979
Prepayments	197,722	203,551	197,722	203,551
	197,722	534,530	197,722	534,530

11. RECEIVABLES - NON CURRENT

Loan receivable				
- Controlled entities	-	-	15,403,085	13,259,910
- Other secured loans	25,490	39,869	25,490	39,869
	25,490	39,869	15,428,575	13,299,779

Further details of loans to controlled entities are included in note 28. The other secured loan is interest free and repayable over 2 years and is secured by a second ranking mortgage over freehold land.

12. OTHER FINANCIAL ASSETS – NON CURRENT

Investment in controlled entities at cost (Note 31)	-	-	701,573	681,750

13. PROPERTY, PLANT AND EQUIPMENT

Freehold land – at cost	1,020,420	1,020,420	-	-
Plant and equipment – at cost	83,250,729	80,084,647	82,869,848	79,700,553
Less: Accumulated depreciation	(37,037,396)	(25,557,687)	(36,758,773)	(25,347,198)
	46,213,333	54,526,960	46,111,075	54,353,355
Capital works in progress	1,679,859	1,900,422	1,679,859	1,900,422
	48,913,612	57,447,802	47,790,934	56,253,777
Reconciliations				
Plant and equipment				
Carrying amount at beginning of financial year	54,526,960	57,679,741	54,353,355	57,565,368
Additions	3,098,501	3,981,637	3,169,848	3,917,746
Transfer from capital works in progress	5,160,675	2,535,090	5,160,675	2,535,090
Disposals	-	(60,773)	-	(56,114)
Recoverable amount write down	(5,125,657)	-	(5,125,657)	-
Depreciation	(11,447,146)	(9,608,735)	(11,447,146)	(9,608,735)
Carrying amount at end of financial year	46,213,333	54,526,960	46,111,075	54,353,355
Capital works in progress				
Carrying value at beginning of financial year	1,900,422	1,060,075	1,900,422	1,060,075
Additions	4,940,112	3,375,437	4,940,112	3,375,437
Transfers to property, plant and equipment	(5,160,675)	(2,535,090)	(5,160,675)	(2,535,090)
Carrying value at end of financial year	1,679,859	1,900,422	1,679,859	1,900,422

Property, plant and equipment is encumbered to the extent set out in Note 32.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	$	$	$	$

14. EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

	2005 $	2004 $	2005 $	2004 $
Pre Production				
Exploration and/or evaluation phase	16,215,872	13,575,030	1,293,075	830,721
Production				
Mineral reserves	15,233,806	19,780,957	15,233,806	19,780,957
Less: Recoverable amount write down	(4,821,887)	-	(4,821,887)	-
Less: Accumulated amortisation	(5,338,758)	(3,914,701)	(5,338,758)	(3,914,701)
	5,073,161	15,866,256	5,073,161	15,866,256
	21,289,033	29,441,286	6,366,236	16,696,977

The ultimate recoupment of exploration, evaluation and development expenditure is dependent upon successful development and commercial exploitation or alternatively sale of the respective areas of interest.

15. DEFERRED TAX ASSETS

	2005 $	2004 $	2005 $	2004 $
Future income tax benefit	1,094,102	-	1,310,751	-

16. OTHER NON-CURRENT ASSETS

	2005 $	2004 $	2005 $	2004 $
Deferred loan establishment costs	-	34,127	-	34,127

17. PAYABLES

	2005 $	2004 $	2005 $	2004 $
Trade creditors	10,333,439	7,997,015	10,333,439	7,828,257
Sundry creditors	792,292	652,095	792,292	652,095
	11,125,731	8,649,110	11,125,731	8,480,352

18. CURRENT TAX LIABILITIES

	2005 $	2004 $	2005 $	2004 $
Provision for current income tax	3,551,057	9,036,310	3,554,139	9,038,947

19. PROVISIONS – CURRENT

	2005 $	2004 $	2005 $	2004 $
Restoration	-	18,179	-	18,179
Employee entitlements	926,468	739,519	926,468	739,519
Other	439,391	185,290	373,109	113,023
	1,365,859	942,988	1,299,577	870,721
Movement in provisions				
Other				
Opening balance	185,290	197,091	113,023	122,109
Amounts provided	11,009,454	9,172,815	11,009,454	9,172,815
Amounts utilised	(10,755,353)	(9,184,616)	(10,749,368)	(9,181,901)
Closing balance	439,391	185,290	373,109	113,023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	$	$	$	$
20. OTHER LIABILITIES - CURRENT				
Deferred revenue – gold borrowing settlements	613,402	-	613,402	-
Deferred revenue – gold hedging	6,248,520	5,445,710	6,248,520	5,445,710
	6,861,922	5,445,710	6,861,922	5,445,710

Deferred revenue – gold borrowing settlements relate to favourable gold borrowing cost settlements on the outstanding volume of fixed forward gold hedge contracts. The revenue is deferred and brought to the statement of financial performance based on the maturities of the underlying contracts. Details of these contracts are in Note 37.

Deferred revenue – gold hedging relates to the allocation of gains on closure or restructure of gold hedging contracts. This revenue is deferred and brought to the statement of financial performance in the financial periods in which gold production was originally designated for delivery into the hedge contracts.

21. DEFERRED TAX LIABILITIES

Deferred income tax liability	-	2,485,012	-	2,268,362

22. PROVISIONS - NON CURRENT

Restoration	2,546,588	1,883,107	2,546,588	1,883,107
Employee entitlements	200,924	283,558	200,924	283,558
	2,747,512	2,166,665	2,747,512	2,166,665

23. OTHER LIABILITIES - NON CURRENT

Deferred revenue – gold borrowing settlements	2,732,488	4,269,545	2,732,488	4,269,545
Deferred revenue – gold hedging	3,961,921	8,977,135	3,961,921	8,977,135
	6,694,409	13,246,680	6,694,409	13,246,680

Deferred revenue – gold borrowing settlements relate to favourable gold borrowing cost settlements on the outstanding volume of fixed forward gold hedge contracts. The revenue is deferred and brought to the statement of financial performance based on the maturities of the underlying contracts. Details of these contracts are in Note 37.

Deferred revenue – gold hedging relates to the allocation of gains on closure or restructure of gold hedging contracts. This revenue is deferred and brought to the statement of financial performance in the financial periods in which gold production was originally designated for delivery into the hedge contracts.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	$	$	$	$

24. CONTRIBUTED EQUITY

Issued and Paid Up Capital				
170,536,796 (2004: 148,528,960) ordinary shares fully paid	73,264,393	48,334,142	73,264,393	48,334,142
Movement in Paid Up Capital				
Balance at beginning of financial year	48,334,142	48,334,142	48,334,142	48,334,142
Issued during the prior year:				
- by private placement (22,000,000 shares)	26,400,000	-	26,400,000	-
- less transaction costs	(1,480,719)	-	(1,480,719)	-
- by exercise of options (7,836 shares)	10,970	-	10,970	-
Balance at the end of the financial year	73,264,393	48,334,142	73,264,393	48,334,142

Terms and Conditions of Ordinary Shares

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company ordinary shareholders rank after all other shareholders (if any) and are fully entitled to any proceeds of liquidation.

25. RETAINED PROFITS

Movements in retained profits				
Balance at the beginning of the financial year	26,986,580	19,224,675	27,030,331	19,448,433
Net profit attributable to members of Equigold NL	6,415,023	16,673,642	6,416,060	16,493,635
Dividends paid or provided	(10,397,027)	(8,911,737)	(10,397,027)	(8,911,737)
Balance at the end of the financial year	23,004,576	26,986,580	23,049,364	27,030,331

26. OUTSIDE EQUITY INTERESTS

Reconciliation of outside equity interest in controlled entities:				
Balance at beginning of the financial year	20,728	21,507	-	-
Exchange rate movement	(1,716)	(779)	-	-
Balance at end of the financial year	19,012	20,728	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	$	$	$	$
27. COMMITMENTS FOR EXPENDITURE AND CONTINGENT LIABILITIES				
Operating Lease Commitments				
Future operating lease rentals not provided for in the financial statements and payable:				
Not later than one year	109,576	108,508	109,576	108,508
Later than one year but not later than five years	-	106,212	-	106,212
	109,576	214,720	109,576	214,720

The operating lease relates to the commercial office lease of the premises in which the Company's head office is located. The remaining term of the lease as at balance date was 1 year (2004: 2 years).

Exploration Expenditure Commitments

Due to the nature of the economic entity's operations in exploring and evaluating areas of interest, it is very difficult to accurately forecast the nature or amount of future expenditure, although it will be necessary to incur expenditure in order to retain present interests. Expenditure commitments on mineral tenure for the chief entity and economic entity can be reduced by selective relinquishment of exploration tenure or by the renegotiation of expenditure commitments. The minimum level of exploration commitments expected in the year ending 30 June 2006 is $4,767,000 (2004: $3,537,000) for the Company and the economic entity and include the minimum amounts required to retain tenure. It is anticipated that the exploration expenditure commitments in the ensuing periods will be at a similar level.

Native Title Claims

Mining and exploration leases are subject to the provisions and procedures of the Native Title Act 1993. This native title process has a major impact on the granting by Mining Authorities of new mining and exploration leases.

The Company is aware of Native Title claims in respect of areas in which the Company has interests and has made application for new exploration leases. It is possible that further claims could be made in the future. However, the Company cannot determine whether any current or future claims, if made, will succeed and, if so, what the implications will be to the Company in respect of the granting of new leases.

28. RELATED PARTY DISCLOSURES DIRECTORS

The names of each person holding the position of director of the Company during the financial year are Messrs M Clark, G Evans, N Giorgetta, F Fergusson, R Kestel, P Lee, S Lee and R Stanley.

Directors' Remuneration

Information on directors' remuneration is disclosed in Note 29.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

28. RELATED PARTY DISCLOSURES (continued)

Directors' & Executives' Shareholding

The relevant interests of directors and specified executives of the Company and their director-related entities in fully paid shares of the Company are set out below:

Director	Held at 1 July 2004	Purchases	Sales	Held at 30 June 2005
Mr M Clark	478,591	30,000	-	508,591
Mr G Evans	4,040,366	157,111	-	4,197,477
Mr F Fergusson	6,535,034	-	-	6,535,034
Mr N Giorgetta	24,000,000	200,000	-	24,200,000
Mr R Kestel	40,000	-	-	40,000
Mr P Lee	35,500	-	-	35,500
Mr S Lee	13,661,884	200,000	-	13,861,884
Mr R Stanley	10,940,550	-	-	10,940,550
	59,731,925	587,111	-	60,319,036
Executive				
Mr M Hart	905,000	-	-	905,000
Mr L Hopkins	500,000	-	-	500,000
Mr D Morgan	83,789	105,000	-	188,789
Mr P Thomas	135,000	15,000	-	150,000
	1,623,789	120,000	-	1,743,789

All movements in directors' and executives' shareholdings are the result of on market transactions.

Directors' & Executives' Option Holdings

All options over unissued shares referred to below relate to the bonus option issue made to all shareholders of the Company on 2 May 2005 for nil consideration. The options are exercisable at $1.40 per share on or before 31 May 2007.

Director	Held at 2 May 2005	Purchases	Sales	Held at 30 June 2005
Mr M Clark	127,148	200,000	-	327,148
Mr G Evans	1,036,869	-	-	1,036,869
Mr F Fergusson	1,633,759	-	-	1,633,759
Mr N Giorgetta	6,000,000	-	4,947,500	1,052,500
Mr R Kestel	10,000	-	-	10,000
Mr P Lee	8,875	-	-	8,875
Mr S Lee	3,465,471	-	-	3,465,471
Mr R Stanley	2,735,138	-	-	2,735,138
	15,017,260	200,000	4,947,500	10,269,760
Executive				
Mr M Hart	226,250	200,000	-	426,250
Mr L Hopkins	125,000	100,000	-	225,000
Mr D Morgan	22,199	456,000	-	478,199
Mr P Thomas	37,500	200,000	-	237,500
	410,949	956,000	-	1,366,949

Other Transactions with the Company

A director of the Company, Mr N E Giorgetta is a director and shareholder in Rollason Pty Ltd. The Company leases office accommodation from Rollason Pty Ltd. The lease was made in the ordinary course of business and is on normal commercial terms and conditions. Rent paid to Rollason Pty Ltd during the year totalled $109,113 (2004: $129,859). Included in trade creditors in Note 17 is an amount payable to Rollason Pty Ltd of $12,589 (2004 : $15,476).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

28. RELATED PARTY DISCLOSURES (continued)

WHOLLY OWNED CONTROLLED ENTITIES

Details of interests held in wholly owned controlled entities are set out in note 31. Included in loans receivable are the following amounts due from controlled entities:

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	$	$	$	$
Swindon Holdings Pty Ltd	-	-	427,918	427,707
Equigold Cote d'Ivoire SA	-	-	10,208,316	8,819,437
Kim Resources NL	-	-	3,909	2,638
Stanmines NL	-	-	4,762,942	4,010,128
	-	-	15,403,085	13,259,910

These loans are interest free and have no fixed repayment terms.

ULTIMATE PARENT ENTITY

Equigold is the ultimate parent entity.

29. REMUNERATION OF DIRECTORS AND SPECIFIED EXECUTIVES BY THE CONSOLIDATED ENTITY

The Remuneration Committee reviews and makes recommendations to the board on remuneration packages and policies applicable to the Managing Director, senior executives and directors themselves. It is also responsible for share option schemes, incentive performance packages, superannuation entitlements, retirement and termination entitlements and fringe benefits policies. The Company does not currently have a share option scheme or incentive performance packages.

The members of the Remuneration Committee during the year were the Company's non executive directors, Mr S. Lee and Mr R. Stanley. The Managing Director, Mr N Giorgetta, may be invited to Remuneration Committee meetings, as required, to discuss senior executives' performance and remuneration packages. The Remuneration Committee meets as required.

Remuneration levels are competitively set to be commensurate with director and executive responsibilities and to attract and retain appropriately qualified and experienced directors and senior executives. Remuneration packages are not directly linked to the performance of the Company. The Remuneration Committee may obtain independent advice on the appropriateness of remuneration packages, given trends in companies both locally and internationally.

2005	Base Emolument	Non Cash Benefits	Superannuation	Total
	$	$	$	$
Director				
Mr N Giorgetta	365,000	-	32,850	397,850
Mr G Evans	230,000		20,700	250,700
Mr M Clark	225,000		20,250	245,250
Mr F Fergusson	195,000	7,294	17,550	219,844
Mr S Lee	60,000	-	5,400	65,400
Mr R Stanley	40,000	-	3,600	43,600
Mr P Lee	10,556	-	950	11,506
Mr R. Kestel	10,556	-	950	11,506
	1,136,112	7,294	102,250	1,245,656
Executives*				
Mr D Morgan	183,750	21,039	16,538	221,327
Mr P Thomas	183,750	3,627	16,538	203,915
Mr M Hart	139,583	13,384	12,562	165,529
Mr L Hopkins	132,500	-	11,925	144,425
	639,583	38,050	57,563	735,196

*Only four employees of the consolidated entity met the definition of executive staff.

Other than bonus options issued to all shareholders (not issued to directors or executives in their capacity as directors or executives), no shares, options or other benefits were granted during the year to any of the directors or named officers.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

29. REMUNERATION OF DIRECTORS AND SPECIFIED EXECUTIVES BY THE CONSOLIDATED ENTITY (continued)

2004	Base Emolument $	Non Cash Benefits $	Superannuation $	Total $
Director				
Mr N Giorgetta	330,000	-	29,700	359,700
Mr G Evans	210,000	-	18,900	228,900
Mr F Fergusson	205,000	4,642	18,450	228,092
Mr M Clark	200,000	-	18,000	218,000
Mr S Lee	40,000	-	3,600	43,600
Mr R Stanley	30,000	-	2,700	32,700
	1,015,000	4,642	91,350	1,110,992
Executives*				
Mr D Morgan	175,000	28,145	15,750	218,895
Mr P Thomas	170,834	5,699	15,375	191,908
Mr L Hopkins	133,334	-	12,000	145,334
	479,168	33,844	43,125	556,137

*Only three employees of the consolidated entity met the definition of executive staff.

No shares, options or other benefits were granted during the year to any of the directors or named officers.

30. NOTES TO STATEMENT OF CASH FLOWS

(i) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and deposits maturing within the year. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:

	CONSOLIDATED 2005 $	CONSOLIDATED 2004 $	THE COMPANY 2005 $	THE COMPANY 2004 $
Cash	9,759	1,837,267	(274,992)	1,418,341
Deposits at call	29,543,780	7,968,646	29,543,780	7,968,646
Gold and silver on metal account	3,728,939	4,054,440	3,728,939	4,054,440
	33,282,478	13,860,353	32,997,727	13,441,427

	CONSOLIDATED 2005 $	CONSOLIDATED 2004 $	THE COMPANY 2005 $	THE COMPANY 2004 $
(ii) Reconciliation of operating profit After income tax to net cash used in operating activities				
Operating profit after income tax	6,415,023	16,673,642	6,416,060	16,493,635
Add/(Less) items classified as investing activities:				
Profit on sale of plant and equipment	(53)	(36,000)	(53)	(36,000)
Profit on sale of investments	(8,460)	-	(8,460)	-
Write off of non current assets:				
- Exploration expenditure	47,752	6,266	47,752	6,266
- Property, plant & equipment	5,125,657	-	5,125,657	-
- Development expenditure	4,821,887	-	4,821,887	-
Add/(Less) non-cash items:				
Amounts set aside to provisions	(150,474)	849,434	(150,474)	849,434
Depreciation	11,840,757	9,608,735	11,840,757	9,608,735
Amortisation	1,451,209	1,847,535	1,451,209	1,847,535
Unrealised loss – mark to market of short term call options	234,584	-	234,584	-
Provision for diminution – quoted investments	7,150	(75,000)	7,150	(75,000)
Provision for diminution – subsidiaries	-	-	-	181,362
Deferred mining cost	5,660,176	25,391	5,660,176	25,391
Amortisation of capitalised project loan fees	34,127	35,166	34,127	35,166
Increase/(Decrease) in provision for deferred income tax	(3,581,194)	(4,313,134)	(3,581,194)	(4,313,516)
Net cash provided by operating activities Before change in assets and liabilities	31,898,141	24,622,035	31,899,178	24,623,008

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

30. NOTES TO STATEMENT OF CASH FLOWS (continued)

	CONSOLIDATED 2005 $	CONSOLIDATED 2004 $	THE COMPANY 2005 $	THE COMPANY 2004 $
Change in assets and liabilities during the financial year				
(Increase)/Decrease in other receivables	(403,373)	428,088	(403,373)	428,088
(Increase) in inventories	(7,651,590)	(5,623,696)	(7,651,590)	(5,623,696)
(Increase)/Decrease in prepayments	5,829	(59,377)	5,829	(59,377)
Increase/(Decrease) in deferred revenue gold hedging	(3,881,425)	14,827,356	(3,881,425)	14,827,356
Increase in trade creditors	3,177,641	166,819	3,177,641	166,819
Increase in sundry creditors	14,379	84,812	14,379	84,812
Increase/(Decrease) in GST payable	81,149	(326,152)	81,149	(326,148)
Increase/(Decrease) in income tax payable	(5,483,173)	8,045,337	(5,482,728)	8,046,299
Net cash provided by operating activities	17,757,578	42,165,222	17,759,060	42,167,161

31. PARTICULARS IN RELATION TO CONTROLLED ENTITIES

	Class Of share	Consolidated ownership Interest 2005 %	Consolidated ownership Interest 2004 %	Book value of parent entity's investment 2005 $	Book value of parent entity's investment 2004 $
Kim Resources NL	Ord	100	100	-	-
Swindon Holdings Pty Ltd	Ord	100	100	419,814	419,814
Stanmines NL	Ord	100	100	30,650	30,650
Equigold Cote d'Ivoire SA	Ord	94	94	251,109	231,286
				701,573	681,750

Equigold Cote d'Ivoire SA is incorporated in Ivory Coast. The other controlled entities are incorporated in Australia.

32. FINANCING ARRANGEMENTS

	CONSOLIDATED 2005 $	CONSOLIDATED 2004 $	THE COMPANY 2005 $	THE COMPANY 2004 $
The consolidated entity has access to a project loan facility:				
Facility available	5,000,000	15,000,000	5,000,000	15,000,000
Facility utilised at balance date	-	-	-	-
Facility not utilised at balance date	5,000,000	15,000,000	5,000,000	15,000,000

This facility is secured by registered Mining Act mortgages over various of the Company's mining and exploration leases and a fixed and floating charge over the assets of the Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

33. SEGMENT INFORMATION

The consolidated entity operates predominantly in two geographical segments, being Australia and West Africa and one industry segment, that of gold mining and exploration. The results and revenue from geographical segments outside of Australia are not material.

All revenues of the consolidated entity are earned in Australia. The total assets of the consolidated entity relate to the geographical segments of the operation as follows:

	2005 $	2004 $
Australia	113,296,160	103,960,670
West Africa	15,338,311	13,353,255
	128,634,471	117,313,925

34. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS

For reporting periods beginning on or after 1 January 2005, the consolidated entity must comply with International Financial Reporting Standards (IFRS) as issued by the Australian Accounting Standards Board.

Equigold NL is in the process of transitioning its accounting policies and financial reporting from current Australian Accounting Standards (AGAAP) to Australian equivalents of International Financial Reporting Standards (AIFRS) which will be applicable for the financial year ended 30 June 2006. In 2004, the company allocated internal resources to conduct impact assessments to identify key areas that would be impacted by the transition to AIFRS. As a result the Company established a project team to address each of the areas in order of priority. Priority has been given to the preparation of an opening balance sheet in accordance with AIFRS as at 1 July 2004, Equigold's transition date to AIFRS. This will form the basis of accounting for AIFRS in the future, and is required when Equigold prepares its first fully AIFRS compliant financial report for the year ended 30 June 2006.

This financial report has been prepared in accordance with Australian accounting standards and other financial reporting requirements (Australian GAAP). The differences between Australian GAAP and IFRS identified to date as potentially having a significant effect on the consolidated entity's financial performance and financial position are summarised below. The summary should not be taken as an exhaustive list of all the differences between Australian GAAP and IFRS. No attempt has been made to identify all disclosure, presentation or classification differences that would affect the manner in which transactions or events are presented.

Management has decided to apply the exemption provided in AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards which permits entities not to apply the requirements of AASB 132 Financial Instruments: Presentation and Disclosures and AASB 139 Financial Instruments: Recognition and Measurement for the financial year ended 30 June 2005. The standards will be applied from 1 July 2005. The project team is in the process of determining the impact that adopting the standards would have on the financial statements of the Group.

Although the adjustments disclosed in this note are based on management's best knowledge of expected standards and interpretations, and current facts and circumstances, these may change. For example, amended or additional standards or interpretations may be issued by the AASB and the IASB and emerging accepted practice in the interpretation and application of AIFRS and UIG Interpretations. Therefore, until the company prepares its first full AIFRS financial statements, the possibility cannot be excluded that the accompanying disclosures may have to be adjusted.

The key potential implications of the conversion to IFRS on the consolidated entity are as follows:

(i) Income tax

Under the Australian equivalent to AASB 112 Income Taxes, deferred tax balances are determined using the balance sheet method which calculates temporary differences based on the carrying amounts of an entity's assets and liabilities in the statement of financial position and a tax based balance sheet. This will result in a change to the current accounting policy, under which deferred tax balances are determined using the income statement method. The company is in the process of assessing the impact of this change in standard.

(ii) Exploration and evaluation expenditure

AASB 6 "Exploration for and Evaluation of Mineral Resources" will require the Company to apply "area of interest" accounting to their exploration and evaluation expenditures, effectively grandfathering the treatment currently used by the Company under AASB 1022 "Accounting for the Extractive Industries". Under AASB 6, if facts and circumstances suggest that the carrying amount of any recognised exploration and evaluation assets may be impaired, the Company must perform impairment tests on those assets in accordance with AASB 136 "Impairment of Assets". Impairment of exploration and evaluation assets is to be assessed at a cash generating unit or group of cash generating units level provided this is no larger than an area of interest. Any impairment loss is to be recognised as an expense in accordance with AASB 136. The company is currently determining the impact of IFRS on the development costs and the amortisation of these costs. The future financial effects of this change in accounting policy is not yet known.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

34. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS (continued)

(iii) Restoration and rehabilitation

Under AASB 137 Provisions, Contingent Liabilities and Contingent Assets, the Company will be required to recognise the full provision for rehabilitation, based on discounted future cash flows, at the date of transition to IFRS.
A corresponding asset net of depreciation to the date of transition may qualify for recognition as part of development costs and be amortised together with development assets. The adjustment to retained earnings (net of tax) at the date of transition for the rehabilitation & restoration asset is $217,751.

(iv) Financial instruments

AASB 139 applies from 1 January 2005, meaning that the comparative period of 2005 is not required to be restated unlike the majority of other IFRS standards which require retrospective application. Under AASB 139 Financial Instruments: Recognition and Measurement, financial instruments will be required to be classified into one of five categories which will, in turn, determine the accounting treatment of the item. The classifications are loans and receivables – measured at amortised cost; financial assets held to maturity – measured at amortised cost; financial assets and liabilities held for trading – measured at fair value with fair value changes charged to net profit or loss; financial assets available for sale – measured at fair value with fair value changes taken to equity and non-trading liabilities – measured at amortised cost. This will result in a change in the current accounting policy that does not classify financial instruments in this manner. The future financial effect of this change in accounting policy is not yet known as the classification and measurement process has not yet been completed.

(v) Derivatives

Under AASB 139, recognition and measurement of all derivative financial instruments at fair value is required. Unless detailed hedge accounting requirements are met, movements in the fair value of derivative financial instruments must be taken to the Statement of Financial Performance.

AASB 139 also introduces the concept of embedded derivatives and requires the identification, recognition and measurement of derivatives embedded within contracts that a company may enter. Embedded derivatives are required to be measured at fair value and movements reported in the Statement of Financial Performance. The Company is currently reviewing contracts to determine the extent of any embedded derivatives.

(vi) Hedge Accounting

Under AASB 139 Financial Instruments: Recognition and Measurement; in order to achieve a qualifying hedge, the entity is required to meet the following criteria:

- Identified the type of hedge – fair value or cash flow;
- Identify the hedged item or transaction;
- Identify the nature of the risk being hedged;
- Identify the hedging instrument;
- Demonstrate that the hedge has and will continue to be highly effective; and
- Document the hedging relationship, including the risk management objectives and strategy for undertaking the hedge and how effectiveness will be tested.

Under the current accounting policy, unrealised gains and losses on specific hedges are deferred and recognised in the Statement of Financial Performance at the same time as the underlying physical transaction is recognised in the Statement of Financial Performance. In order to continue this accounting policy under the AASB 139 regime, the hedging contracts will need to meet the above criteria to be classified as qualifying hedges. The assessment of whether current hedging contracts will meet these criteria to be classified as qualifying hedges is yet to be completed and accordingly the financial effect of any possible change in accounting policy is not yet capable of reliable estimation.

The gold call options granted by the Company are unlikely to meet the criteria to be treated as a qualifying hedge. Accordingly, a significant impact of adopting AASB 139 will be that the movement in the fair value of granted call options will be taken to the Statement of Financial Performance.

(vii) Impairment of assets

Under AASB 136 Impairment of Assets, the recoverable amount of an asset is determined as the higher of net selling price and value in use. This will result in a change in the current accounting policy which determines the recoverable amount of an asset on the basis of undiscounted cash flows. Under the new policy it is likely that impairment of assets will be recognised sooner and that the amount of any write-downs may be greater. The Company is currently determining the effects of this change in accounting standard.

(viii) Leases

The company is currently considering the impact of AASB 117 Leases and as such is reviewing significant contractual arrangements to determine whether they contain leases as defined in AASB 117.

(ix) Deferred Expenditure

The company is currently considering the impact of AIFRS upon post production overburden removal and decline development expenditure. The company's current policy is to separately capitalise the costs for each area of interest and then amortise this expenditure on a units of production basis.

The financial effect of the above matters have not been recognised in these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

35. EARNINGS PER SHARE

	2005 Cents per Share	2004 Cents per Share
Basic earnings per share	4.2	11.2
Diluted earnings per share	4.2	11.2
	$	$
Profit used in calculation of both basic and diluted earnings per share	6,515,023	16,673,642
	No.	No.
Weighted average number of shares used in the calculation of basic earnings per share	154,617,249	148,528,960
Weighted average number of shares used in the calculation of diluted earnings per share	154,617,249	148,528,960

36. EMPLOYEE ENTITLEMENTS AND SUPERANNUATION COMMITMENTS

Superannuation Commitments

All employees are entitled immediately upon joining the Company's workforce to join the Equigold Superannuation Plan. The benefits of the Plan include death and permanent and total disablement benefits. The Company contributes to the Plan on behalf of its employees at the level required by law. The Equigold Superannuation Plan is an accumulation fund and benefits are based on defined contributions.

37. FINANCIAL INSTRUMENTS

Interest Rate Risk

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities is set out below:

	Weighted Average Interest Rate	Floating Interest Rate	Fixed interest matured in 1 year or less	More to 5 years	More than 5 years	Non Interest Bearing	Total
	%	$	$	$	$	$	$
2005							
Financial Assets							
Cash	5.2	4,579,437	24,948,000	-	-	3,755,041	33,282,478
Receivables		-	-	-	-	1,346,078	1,346,078
Investments		-	-	-	-	21,450	21,450
		4,579,437	24,948,000	-	-	5,122,569	34,650,006
Financial Liabilities							
Accounts payable		-	-	-	-	11,125,731	11,125,731
2004							
Financial Assets							
Cash	3.70	5,891,707	7,968,646	-	-	-	13,860,353
Receivables		-	-	-	-	948,671	948,671
Investments		-	-	-	-	127,600	127,600
		5,891,707	7,968,646	-	-	1,076,271	14,936,624
Financial Liabilities							
Accounts payable		-	-	-	-	8,649,110	8,649,110

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

37. FINANCIAL INSTRUMENTS (continued)

Commodity Price Risk

The consolidated entity enters into forward sales contracts that oblige it to sell specified quantities of gold in the future at a pre-determined price. The contracts are matched against anticipated future gold production (or a portion of future production) to protect the economic entity against the possibility of a fall in the spot price of gold. At balance date hedging contracts outstanding were as follows:

(i) Gold Forwards

Contract Type	Year of Maturity	Ounces	$/oz
Spot Deferred		21,598	566
Fixed Forwards	Not later than one year	26,330	600
Fixed Forwards	Later than one year but not later than five years	239,216	600
Fixed Forwards	Later than five years	13,184	600
		300,328	598

(ii) European Gold Call Options

In addition to these forward sales contracts the consolidated entity had, at balance date, sold European gold call options as follows:

Maturity	Volume (Ounces)	Strike Price ($/ounce)
2006	20,000	580
2011	45,000	700
2012	68,490	700
2013	38,490	700
	171,980	

(iii) Mark to Market Position at 30 June 2005

These contracts are hedging anticipated sales of gold and accordingly any unrealised gains or losses on the contracts, together with the costs of the contracts, will be recognised in the financial statements at the time the underlying transactions occur. The unrecognised mark to market loss on hedges of anticipated gold sales at 30 June 2005 was made up as follows:

	2004 $	2005 $
Gold forward sale contracts	16,137,432	19,716,909
Sold gold call options	18,134,000	17,741,034
	34,271,432	37,457,943

Credit Risk

The credit risk on financial assets of the consolidated entity which have been recognised on the statement of financial position, is the carrying amount, net of any provision for doubtful debts.

In relation to unrecognised financial assets, credit risk arises from the potential failure of counter parties to meet their obligations under the relevant gold forward contracts. The economic entity's maximum credit risk exposure in relation to these is the full amount of the gold the economic entity is entitled to receive when setting the gold contracts, should the counter party not buy the gold it has committed to under the contracts. At balance date this amount was $298,639,384 (2004: $301,536,442).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

37. FINANCIAL INSTRUMENTS (continued)

Net Fair Values of Financial Assets and Liabilities

The carrying amounts and net fair values of financial assets and liabilities of the economic entity as at balance date are as follows:

	2004		2005	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	$	$	$	$
Recognised Financial Instruments (On Balance Sheet)				
Financial Assets				
Cash	33,282,478	33,282,478	13,860,353	13,860,353
Receivables	1,346,078	1,346,078	948,671	948,671
Shares in other corporations – listed	21,450	21,450	127,600	127,600
Financial Liabilities				
Accounts payable	11,125,731	11,125,731	8,649,110	8,649,110
Unrecognised Financial Instruments – (Off-Balance Sheet)				
Gold contracts	-	(34,271,432)	-	(37,457,943)

Listed shares are traded in an organised financial market. The net fair value of listed shares are determined by valuing them at the current quoted market price. The net fair value of investments in unlisted shares in other corporations is determined by reference to the underlying net assets of the respective corporations.

The net fair values of monetary financial assets and liabilities not readily traded in an organised financial market are determined by valuing them at the present value of contractual future cash flows on amounts receivable or payable.

The valuation of off balance sheet financial instruments reflects the estimated amounts which the economic entity expects to pay or receive to terminate or replace the contracts at their current market value as at balance date.

38. REMUNERATION OF AUDITORS

Amounts received, or due and receivable, for audit services by auditors of the company:

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	$	$	$	$
Auditing the accounts	80,340	78,000	80,340	78,000
Other	39,758	21,450	39,758	21,450
	120,098	99,450	120,098	99,450

Other services relate to taxation advice.

39. SUBSEQUENT EVENTS

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in subsequent financial years.

DIRECTORS' DECLARATION

In the opinion of the directors of Equigold NL ("the Company")

(a) the financial statements and notes, set out on pages 28 to 50, are in accordance with the Corporations Act 2001, including

  (i) giving a true and fair view of the financial position of the Company and the consolidated entity as at 30 June 2005 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and

  (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) this declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the period ending 30 June 2005.

Dated at Perth this 28th day of September 2005

Signed in accordance with a resolution of directors:

M Clark	N Giorgetta
Director	Director

INDEPENDENT AUDIT REPORT
to members of Equigold NL

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Equigold NL (the company) and the consolidated entity, for the year ended 30 June 2005. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company and the consolidated entity, and that complies with Accounting Standards in Australia, in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report and the additional disclosures.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on them to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the company.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration a copy of which is included in the Directors' Report.

Audit opinion

In our opinion, the financial report is in accordance with:

(a) the *Corporations Act 2001*, including:

(i) giving a true and fair view of the financial position of Equigold NL and the consolidated entity at 30 June 2005 and of their performance for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the *Corporations Regulations 2001*; and

(b) other mandatory financial reporting requirements in Australia.

Ernst & Young

J P Dowling
Partner
Perth
28 September 2005

CORPORATE GOVERNANCE STATEMENT

This statement outlines the main corporate governance practices in place throughout the financial year, unless otherwise stated.

BOARD OF DIRECTORS

Role of the Board

The board's primary role is the protection and enhancement of long-term shareholder value.

To fulfil this role, the board is responsible for the overall corporate governance of the consolidated entity including formulating its strategic direction, approving and monitoring capital expenditure, setting remuneration, appointing, removing and creating succession policies for directors and senior executives, establishing and monitoring the achievement of management's goals and ensuring the integrity of internal control and management information systems.

It is also responsible for approving and monitoring financial and other reporting. Details of the board's charter is located on the company's website (www.equigold.com.au).

The board has delegated responsibility for operation and administration of the company to the Managing Director and executive management.

Board Processes

To assist in the execution of its responsibilities, the board has established a Remuneration Committee, a Nomination Committee and an Audit Committee. These committees have written mandates which are reviewed on a regular basis. The board has also established a framework for the management of the consolidated entity including a system of internal control, a business risk management process and the establishment of appropriate ethical standards.

Independent Professional Advice and Access to Company Information

Each director has the right of access to all relevant company information and to the company's executives and, subject to prior consultation with the Chairperson, may seek independent professional advice from a suitably qualified adviser at the consolidated entity's expense. A copy of the advice received by the director must be made available to all other members of the board.

Composition of the Board

The names of the directors of the company in office at the date of this report are set out in the Directors' report.

The composition of the board is determined using the following principles:

- there should be at least two non-executive directors;
- there should be a non-executive director as Chairperson;
- directors shall have a range of expertise encompassing the current and proposed activities of the company; and
- directors are subject to re-election every three years (except for the Managing Director).

NOMINATION COMMITTEE

The Nomination Committee oversees the appointment and induction process for directors and committee members, and the selection, appointment and succession planning process of the company's Managing Director.

The committee shall make recommendations to the board on the appropriate skill mix, personal qualities, expertise and diversity of each position. When a vacancy exists or there is a need for particular skills, the committee in consultation with the board will determine the selection criteria based on the skills deemed necessary. The committee may identify potential candidates with advice from an external consultant. The board then appoints the most suitable candidate. Board candidates must stand for election at the next general meeting of shareholders.

The members of the Nomination Committee during the year were Mr S. Lee and Mr R. Stanley, both of whom are non-executive directors. The Nomination Committee meets as required. The committee was not required to meet during 2005.

Further details of the Nomination Committee's charter are available on the company's website.

REMUNERATION COMMITTEE

The Remuneration Committee reviews and makes recommendations to the board on remuneration packages and policies applicable to the Managing Director, senior executives and directors themselves. It is also responsible for share option schemes, incentive performance packages, superannuation entitlements, retirement and termination entitlements and fringe benefits policies. The Company does not currently have a share option scheme or incentive performance packages.

CORPORATE GOVERNANCE STATEMENT

The members of the Remuneration Committee during the year were the Company's non executive directors, Mr S. Lee and Mr R. Stanley. The Managing Director, Mr N Giorgetta, may be invited to Remuneration Committee meetings, as required, to discuss senior executives' performance and remuneration packages. The Remuneration Committee meets as required. The committee was not required to meeting during the year ended 30 June 2005.

Remuneration Policies

Remuneration levels are competitively set to be commensurate with director and executive responsibilities and to attract and retain appropriately qualified and experienced directors and senior executives. The Remuneration Committee may obtain independent advice on the appropriateness of remuneration packages, given trends in companies both locally and internationally.

AUDIT COMMITTEE

The Audit Committee has a documented charter, approved by the board. All members of the Audit Committee must be non-executive directors. The committee advises on the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the consolidated entity.

The members of the Audit Committee were Mr Simon Lee and Mr Ross Stanley until 15 April 2005 when independent non-executive directors Mr P. Lee and Mr R. Kestel were appointed. From this date, composition of the Audit Committee has been Mr R. Kestel (Chairman), Mr S. Lee and Mr P. Lee.

The external auditors, the Managing Director and Chief Financial Officer are invited to Audit Committee meetings at the discretion of the committee. The committee met twice during the year and all members attended the meetings during the period of their membership of the committee. The Managing Director and the Chief Financial Officer declared in writing to the board that the company's financial reports for the year ended 30 June 2005 present a true and fair view, in all material respects, of the company's financial condition and operational results and are in accordance with relevant accounting standards. This statement is required annually.

The Audit Committee's charter is available on the company's website.

Responsibilities of the Audit Committee

The responsibilities of the Audit Committee include reporting to the board on:

- reviewing the annual and half-year financial reports and other financial information distributed externally. This includes approving new accounting policies to ensure compliance with Australian Accounting Standards and generally accepted accounting principles, and assessing whether the financial information is adequate for shareholder needs
- assessing corporate risk assessment processes;
- reviewing the company's policies and procedures for convergence with International Financial Reporting Standards for reporting periods beginning on 1 July 2005;
- assessing whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence;
- reviewing the nomination and performance of the external auditor;
- assessing the adequacy of the internal control framework and the company's code of conduct; and
- monitoring the procedures to ensure compliance with the Corporations Act 2001 and the ASX Listing Rules and all other regulatory requirements

The Audit Committee reviews the performance of the external auditors on an annual basis and normally meets with them during the year to:

- discuss the audit plans, identifying any significant changes in structure, operations, internal controls or accounting policies likely to impact the financial statements;
- review the half-year and preliminary final report prior to lodgement with the ASX, and any significant adjustments required as a result of the auditor's findings, and to recommend board approval of these documents, prior to announcement of results; and
- finalise half-year and annual reporting to:
  - review the results and findings of the auditor, the adequacy of accounting and financial controls, and to monitor the implementation of any recommendations made; and
  - review the draft financial report and recommend board approval of the financial report.

CORPORATE GOVERNANCE STATEMENT

RISK MANAGEMENT

Oversight of the Risk Management System

The board oversees the establishment, implementation, and annual review of the company's risk management system. Management has an established approach for assessing, monitoring and managing operational, financial reporting, and compliance risks for the consolidated entity. The Managing Director and the Chief Financial Officer have declared, in writing to the board, that the financial reporting risk management and associated compliance and controls have been assessed and found to be operating efficiently and effectively. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

Risk Profile

Major risks for the consolidated entity arise from such matters as fluctuating commodity prices and exchange rates, political and economic climate in areas of operation, exploration and development, native title claims, operational risks, prices of process raw materials, environmental, occupational health and safety and financial reporting.

Risk Management and Compliance and Control

The board is responsible for the overall internal control framework, but recognises that no cost-effective internal control system will preclude all errors and irregularities. The economic entity has established a system of internal controls which takes account of key business exposures. The system is designed to provide reasonable assurance that assets are safeguarded, proper accounting records are maintained and financial information is reliable. The system is based upon detailed financial and operating reporting, written procedures, policies and guidelines, organisational structures that provide an appropriate division of responsibility and the careful selection and training of qualified personnel.

Operating practices have been established to ensure:

- major capital expenditure and revenue commitments obtain prior board approval;
- financial exposures are controlled, including the use of derivatives. Further details of the company's policies relating to gold hedging management are included in Note 37 to the financial statements;
- occupational health and safety standards and management systems are monitored and reviewed to achieve high standards of performance and compliance with regulations;
- business transactions are properly authorised and executed;
- the quality and integrity of personnel;
- financial reporting accuracy and compliance with the financial reporting regulatory framework; and
- environmental regulation compliance.

Financial Reporting

The Chief Executive Officer and the Chief Financial Officer have declared, in writing to the board that the company's financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board.

Monthly actual results are reported against budgets approved by the directors and revised forecasts for the year prepared regularly. Convergence with IFRS is a significant current financial reporting project, and the board has delegated responsibility for the project to the Chief Financial Officer, to ensure a smooth transition to IFRS reporting, beginning with the half-year ended 31 December 2005. This project will be monitored and reviewed by the board on a regular basis.

Environmental Regulation

The consolidated entity's operations are subject to significant environmental regulation under both Commonwealth and State legislation in relation to its mining and exploration activities.

The consolidated entity is committed to achieving a high standard of environmental performance. Equigold NL has an environmental policy requiring it to comply with all legal and statutory requirements of the regulatory authorities, in the States or Countries in which it's activities are undertaken. Further, the company will endeavour to apply the principles of best practice environmental management and continuous improvement, wherever it operates around the world.

CORPORATE GOVERNANCE STATEMENT

It is the responsibility of the Board to ensure that the environmental policies are adhered to and to ensure that the economic entity is aware of and complies with all relevant environmental legislation. In discharging this responsibility the board, through its Operations Director, liaises with mine site management to:

- set and communicate environmental objectives and quantified targets;
- monitor and report progress against these objectives and targets;
- implement environment management plans in operating areas which may have a significant environmental impact;
- identify where remedial actions are required and implement action plans; and
- regularly monitor licence requirements, with performance against licence conditions reported to the various State regulators on a regular basis.

ETHICAL STANDARDS

All directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the consolidated entity. Every employee has a supervisor to whom they may refer any issues arising from their employment. The board reviews the ethical standards related policies regularly and processes are in place to promote and communicate these policies.

Conflict of Interest

Directors must keep the board advised, on an ongoing basis, of any interest that could potentially conflict with those of the company. Where the board believes that a significant conflict exists for a director on a board matter, the director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered. Details of director related entity transactions with the company and consolidated entity are set out in Note 28 to the financial statements.

Code of Conduct

The consolidated entity has advised each director, manager and employee that they must comply with the Company's Code of Conduct. The code may be viewed on the company's website, and it covers the following:

- the pursuit of the highest standards of ethical conduct in the interests of shareholders and other stakeholders;
- usefulness of financial information by maintaining appropriate accounting policies and practices and disclosure;
- employment practices such as occupational health and safety, employment opportunity, the level and structure of remuneration, and conflict resolution;
- responsibilities to the community, such as environmental protection policies
- responsibilities to the individual, such as privacy, use of privileged or confidential information, and conflict resolution
- compliance with all legislation affecting the operations and activities of the Company, both in Australia and overseas
- conflicts of interest;
- corporate opportunities such as preventing directors and key executives from taking advantage of property, information or position for personal gain;
- confidentiality of corporate information;
- protection and proper use of the company's assets;
- compliance with laws; and
- reporting of unethical behaviour.

Trading in General Company Securities by Directors and Employees

The Dealing in Equigold NL Shares Policy sets out the obligations on directors and employees of the Company in relation to trading in Equigold securities. The policy requires all directors and employees to comply with the insider trading provisions of the Corporations Act 2001 in relation to dealing in the shares of Equigold NL or any other company about which a director or employee may obtain information in the course of performing their duties for Equigold. The policy also provides guidance as to what may be considered "price sensitive" information and when such information is considered to be "generally available".

CORPORATE GOVERNANCE STATEMENT

COMMUNICATION WITH SHAREHOLDERS

The board provides shareholders with information using a Continuous Disclosure Policy which includes identifying matters that may have a material effect on the price of the company's securities, notifying them to the ASX, posting them on the company's website, and issuing media releases. More details of the policy are available on the company's website.

In summary, the Continuous Disclosure policy operates as follows:

- the Chief Executive Officer, the Chief Financial Officer and the other Executive Directors are responsible for interpreting the company's policy and where necessary informing the board. The Company Secretary is responsible for all communications with the ASX. Such matters are advised to the ASX on the day they are discovered, and all senior executives are responsible for monitoring the group's internal and external environment for information or events potentially requiring disclosure;
- the annual report is distributed to all shareholders (unless a shareholder has specifically requested not to receive the document), including relevant information about the operations of the consolidated entity during the year, changes in the state of affairs and details of future developments;
- the half-yearly report and preliminary final report contain summarised financial information and a review of the operations of the consolidated entity during the period. The half-year reviewed financial report and full year audited financial report are lodged with the Australian Securities and Investments Commission and the ASX, and sent to any shareholder who requests a copy;
- proposed major changes in the consolidated entity which may impact on share ownership rights are submitted to a vote of shareholders;
- all announcements made to the market, and related information (including information provided to analysts or the media during briefings), are placed on the company's website after they are released to the ASX;
- transcripts of analyst and media presentations are placed on the company's website; and
- the external auditor is requested to attend the annual general meetings to answer any questions concerning the audit and the content of the auditor's report.

ASX CORPORATE GOVERNANCE COUNCIL (CGC)

Principles of Good Corporate Governance and Best Practice Recommendations

During the year ended 30 June 2005 the Company followed the principles of good corporate governance as outlined by the ASX CGC, other than the following recommendations:

Independence

CGC recommendation 2.1 requires a majority of the board to be independent directors. Recommendation 2.2 requires that the chairperson of the Company also be independent.

During 2005, the board of directors of Equigold NL consisted of the following persons:

Name	Position
Mr Simon Lee	Non Executive Chairman
Mr Nick Giorgetta	Managing Director
Mr Mark Clark	Executive Director
Mr Glyn Evans	Executive Director
Mr Frank Fergusson	Executive Director
Mr Puan Lee (from 15 April 2005)	Independent Non Executive Director
Mr Kestel (from 15 April 2005)	Independent Non Executive Director
Mr Stanley	Non Executive Director

The board consists of four executive directors and four non executive directors. Two of the non-executive directors, Mr S Lee and Mr R Stanley, do not meet the definition of independence as outlined in the CGC guidelines due to them both being substantial shareholders of the Company. Whilst the board recognises the value of independence, it also believes that industry experience and specific expertise to the Company's business are vital to directors making a meaningful contribution to the board and its committees.

ASX ADDITIONAL INFORMATION

SHAREHOLDING

Substantial Shareholders

The number of shares held by substantial shareholders as at 27 September 2005 were:

Shareholder	Note	No. Ordinary Shares	%
Mr N Giorgetta	(1)	24,200,000	14.19
Mr S Lee	(1)	13,861,884	8.13
Commonwealth Bank of Australia		13,032,864	7.64
Mr R Stanley	(1)	10,940,550	6.42

Notes

(1) The substantial shareholdings of these individuals arise as a resultof the substantial shareholder and his associates (as defined by Corporations Act 2001) having relevant interests in the reported securities.

Classes of Securities and Voting Rights

Ordinary Shares

At 27 September 2005 there were 2,332 holders of the ordinary shares of the Company. The voting rights attaching to the ordinary shares, set out in Article 17.2 of the Company's Articles of Association are:

"Subject to these Articles and any terms of issue of any Share:

(1) on a show of hands, each natural person present at a general meeting who is a Voting Member or a proxy (other than a person who is present only as one of two proxies appointed by the same Member), representative or attorney appointed by a Voting Member has one vote; and

(2) on a poll, each natural person present at a general meeting may exercise that number of votes calculated as the aggregate of the following:

1) the number of fully paid Shares held by the person;

2) the number of fully paid Shares in respect of which Voting Members holding those Shares have appointed the person as proxy, representative or attorney;

3) in respect of each partly paid Share held by the person the aggregate of the amount which is equal to the fraction of the amount paid on each partly paid Share as a proportion of the total issue price of that Share; and

4) the aggregate of the amounts calculated on the same basis as paragraph (c) above in respect of each partly paid Share in respect of which the Voting Member holding that Share has appointed the person as proxy, representative or attorney."

Options over Unissued Shares

At 27 September 2005 there were 1,915 holders of Options over unissued shares in the Company. The Options do not give the holder any rights to vote at a general meeting of the Company until Shares are allotted pursuant to the exercise of the relevant Options. Shares allotted pursuant to an exercise of Options will rank, from the date of allotment, equally with existing ordinary fully paid Shares of the Company in all respects.

ASX ADDITIONAL INFORMATION

Distribution of Shareholders as at 27 September 2005

	Number of Holders
1 – 1,000	239
1,001 – 5,000	944
5,001 – 10,000	523
10,001 – 100,000	539
100,001 and over	87

Distribution of Option holders as at 27 September 2005

	Number of Holders
1 – 1,000	761
1,001 – 5,000	808
5,001 – 10,000	122
10,001 – 100,000	155
100,001 and over	69

Twenty Largest Shareholders as at 27 September 2005

	No. Ord. Shares	%
Rollason Pty Ltd	21,970,000	12.88
Citicorp Nominees Pty Ltd	14,015,152	8.22
ANZ Nominees Limited	13,628,169	7.99
J P Morgan Nominees Australia Limited	12,385,818	7.26
National Nominees Limited	12,035,059	7.06
Sierra Bay Pty Ltd	10,400,000	6.10
SHL Pty Ltd	9,133,334	5.36
Westpac Custodian Nominees Limited	5,683,822	3.33
Piama Pty Ltd	4,363,034	2.56
Seah Kee Khoo	2,570,000	1.51
C R Investments Pty Ltd	2,500,000	1.47
Bayrunner Pty Ltd	2,388,333	1.40
Dawncrest Holdings Pty Ltd	2,308,871	1.35
Cintron Pty Ltd	2,293,833	1.35
Phoenix Properties International Pty Ltd	2,028,550	1.19
Bivongi Pty Ltd	2,000,000	1.17
Giorgetta Kay Doris	2,000,000	1.17
Fergusson Nicola Gail	2,000,000	1.17
HSBC Custody Nominees (Australia) Limited	1,903,924	1.12
Cooley Pty Ltd	1,650,023	0.97
	127,257,922	74.63

ASX ADDITIONAL INFORMATION

Twenty Largest Option holders as at 27 September 2005

	No. Options	%
Citicorp Nominees Pty Ltd	4,092,301	9.60
ANZ Nominees Limited	3,466,257	8.13
National Nominees Limited	3,253,071	7.63
Sierra Bay Pty Ltd	2,600,000	6.10
SHL Pty Ltd	2,283,334	5.36
J P Morgan Nominees Australia Limited	1,720,990	4.04
Westpac Custodian Nominees Limited	1,102,309	2.59
Piama Pty Ltd	1,002,084	2.35
C R Investments Pty Ltd	625,000	1.47
Mitchell Karen Joy	592,292	1.39
Mitchell Robertson Mclennan	573,459	1.35
Bayrunner Pty Ltd	572,084	1.34
Dawncrest Holdings Pty Ltd	514,718	1.21
Bivongi Pty Ltd	500,000	1.17
Giorgetta Kay Doris	500,000	1.17
Fergusson Nicola Gail	500,000	1.17
Reghenzani Claude	500,000	1.17
Morgan Fiona Margaret	464,323	1.09
Rollason Pty Ltd	417,500	0.98
Phoenix Properties International Pty Ltd	400,888	0.94
	25,680,610	60.25