



QUARTERLY REPORT FOR THE PERIOD ENDED 30 JUNE 2004

Highlights for the quarter include:

- Drilling returned the following significant intercepts: -
 - 4 metres @ 45.21 g/t Au from 41 metres
 - 5 metres @ 16.65 g/t Au from 6 metres
 - 13 metres @ 6.93 g/t Au from 28 metres
 - 4 metres @ 95 g/t Au from 28 metres
- Appointment of Clough Limited for pre-feasibility
- \$2.5 million standby Convertible Note Facility



Exploration Activities

GOLDEN EAGLE PROSPECT

Following the positive result from the scoping study completed by Resource Service Group (RSG), and in line with recommendations from the report, a drilling programme to upgrade the resource categories of the mineralisation of Golden Eagle returned results far better than anticipated and are expected to contribute to an upgrade of the resource estimate.

The results dictate that additional drilling is carried during the next quarter to test strike and depth extensions.

The RC drillrig will remain at Golden Eagle until the feasibility drilling there is complete. Then whilst a resource estimate is carried out, the drillrig will conduct feasibility drilling at the Bartons and All Nations deposits, as well as definition drilling at Little Wonder and Shearers.

WEDGETAIL EXPLORATION NL
ABN 85 003 257 556
QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2004

HOLE ID	NORTHING (AMG)	EASTING (AMG)	FROM (m)	TO (m)	WIDTH (m)	GRADE (g/t Au)
GERC005	80757	80100	9	20	11	1.99
GERC007	80757	80140	46	59	13	2.08
GERC008	80717	80110	17	21	4	1.76
GERC009	80717	80130	37	42	5	1.86
GERC012	80640	80125	32	36	4	2.99
GERC014	80660	80100	4	8	4	4.12
GERC018	80620	80100	8	14	6	2.02
GERC019	80600	80103	14	28	14	2.43
GERC020	80600	80123	33	41	8	2.26
GERC021	80600	80143	64	68	4	2.06
GERC022	80560	80130	43	56	13	2.32
GERC023	80540	80100	17	21	4	4.21
GERC024	80536	80120	36	42	6	2.82
GERC026	80540	80160	73	85	12	2.68
GERC027	80540	80180	83	93	10	3.34
GERC028	80500	80090	12	20	8	2.74
GERC029	80500	80097	19	27	8	2.37
GERC030	80498	80110	33	39	6	3.16
GERC031	80500	80130	48	55	7	2.47
GERC033	80457	80080	11	25	14	1.85
GERC034	80455	80100	30	40	10	2.06
GERC035	80415	80080	17	24	7	3.19
GERC036	80415	80100	29	41	12	3.13
GERC037	80395	80067	5	12	7	2.50
GERC047	80000	80000	4	14	10	1.83
			25	30	5	4.78
GERC048	79960	80020	25	31	6	5.62
GERC048		incl	28	29	1	24.6
GERC049	79920	80070	40	44	4	2.68
GERC050	79880	80070	46	50	4	25.71
		incl	46	47	1	96.9
			77	85	8	6.36
		incl	78	79	4	33.2
GERC051	79845	80080	41	45	4	45.21
		incl	41	42	1	173
			52	57	5	4.04
		incl	53	54	1	12.7
GERC054	80455	80120	47	48	5	2.34
GERC055	80435	80127	54	61	7	2.47
GERC056	80415	80120	38	45	7	1.74
			54	63	9	1.67
GERC057	80375	80100	39	46	7	1.81
GERC058	80375	80120	44	63	19	2.21
GERC059	79845	80000	6	8	2	9.93
		incl	7	8	1	17.6

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HOLE ID	NORTHING (AMG)	EASTING (AMG)	FROM (m)	TO (m)	WIDTH (m)	GRADE (g/t Au)
GERC060	79845	79980	29	31	2	10.12
GERC061	79845	80020	6	11	5	16.65
		incl	7	9	2	37.6
			33	47	14	2.12
GERC062	79845	80040	29	38	9	7.69
		incl	35	37	2	25.2
			49	65	16	2.16
GERC063	79845	80060	16	19	3	6.28
			22	25	3	16.6
		incl	24	25	1	38.3
			28	41	13	6.93
		incl	34	35	1	20.2
		and	38	39	1	23.7
		and	40	41	1	31.6
GERC065	79830	80064	17	25	8	4.45
			84	93	9	2.7
GERC066	79830	80085	36	44	8	3.72
GERC069	79815	80020	22	23	1	48.6
			27	28	1	12.6
GERC070	79815	80040	8	10	2	20
		incl	8	9	1	37.9
GERC072	79815	80080	26	30	4	2.43

Note:

Fire assay analysis – 40gram charge – Ultratrace laboratories.

Intersections calculated as weighted averages.

Intersections calculated using first reported gold value.

Intersections calculated using a 1.0g/t Au lower cut, no upper cut and a maximum of two metres of internal dilution.

LINQ PROSPECT

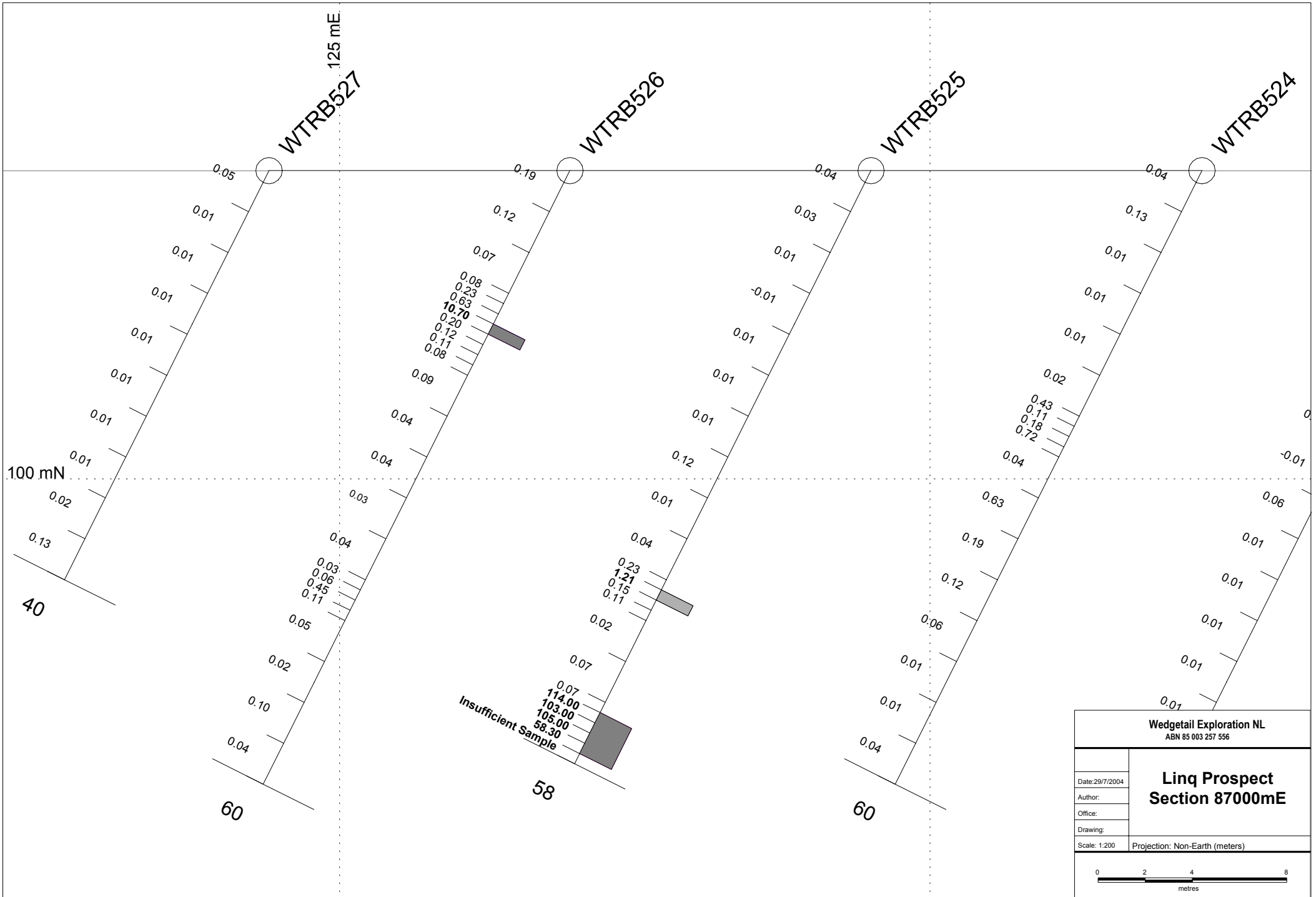
Further RAB drill testing of the Linq Prospect resulted in significant mineralisation in two angle overlapping holes. The dip, tenor and geological logging is consistent with shear hosted mineralisation common to most of the gold occurrences of the Nullagine.

HOLE ID	NORTHING (AMG)	EASTING (AMG)	FROM (m)	TO (m)	WIDTH (m)	GRADE (g/t Au)
WTRB525	7573380	207760	41	42	1	1.21
			53	54	1	114
			54	55	1	103
			55	56	1	105
			56	57	1	58.3
			57	58 (EOH)	1	Insufficient sample
WTRB526	7573357	207771	15	16	1	10.7

Note:

Fire assay analysis – Ultratrace laboratories.

Intersections calculated using first reported gold value.



Wedgetail Exploration NL
 ABN 85 003 257 556

**Linq Prospect
 Section 87000mE**

Date: 29/7/2004

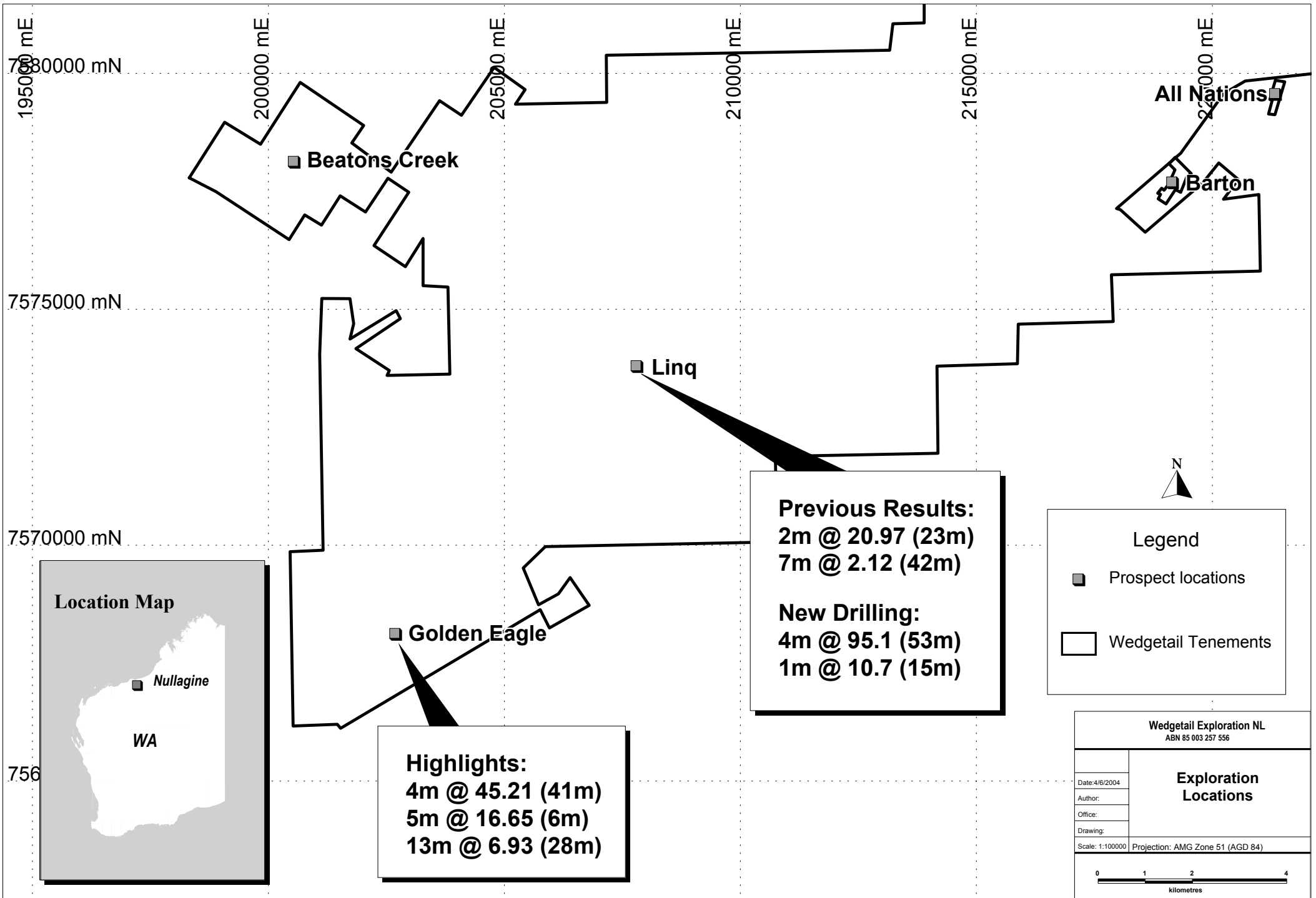
Author:

Office:

Drawing:

Scale: 1:200

Projection: Non-Earth (meters)



7580000 mN
195000 mE

7575000 mN

7570000 mN

756

200000 mE

205000 mE

210000 mE

215000 mE

220000 mE

■ Beatons Creek

■ Linq

■ Golden Eagle

■ Barton

■ All Nations

Previous Results:
2m @ 20.97 (23m)
7m @ 2.12 (42m)

New Drilling:
4m @ 95.1 (53m)
1m @ 10.7 (15m)

Highlights:
4m @ 45.21 (41m)
5m @ 16.65 (6m)
13m @ 6.93 (28m)



Legend

- Prospect locations
- Wedgetail Tenements

Location Map

Nullagine

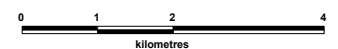
WA

Wedgetail Exploration NL
ABN 85 003 257 556

Exploration Locations

Date: 4/6/2004
Author:
Office:
Drawing:

Scale: 1:100000 Projection: AMG Zone 51 (AGD 84)



Development Activities

Following the positive results from RSG Global the Board has agreed to proceed with a pre-feasibility study, Wedgetail appointed C Engineering & Integrated Services (CEIS), a wholly owned subsidiary of Clough Limited, to commence the Pre-Feasibility Study for the Nullagine Project in Western Australia.

The broad study objectives are as follows:

- Confirm the mine rate of production;
- Establishment of base design parameters for the process plant and site infrastructure;
- Determine the suitability of equipment from Bullfinch Plant for incorporation into Nullagine Plant;
- Develop capital and operating cost estimates for the Process Plant to an accuracy consistent with a feasibility study of $\pm 25\%$;
- Compile the Process Plant study report.

Meanwhile Wedgetail Exploration is continuing with refurbishment of the major equipment items from its Copperhead Gold Plant which is presently dismantled and is on care and maintenance at Bullfinch.

Corporate Activities

Wedgetail accepted on the 28th May 2004 a two year, \$2.5 Million standby convertible note facility from LinQ Resources Fund (formally named Golden Arrow Fund II).

The convertible note carries a coupon of 10% per annum and has convertibility into Wedgetail shares at 3.5 cents per share.

The convertible note facility will be used primarily for working capital for the company.

The information in this report, insofar as it relates to ore or mineralisation and exploration activities, is based on information compiled by Greg Cunnold, who is a Member of the Australasian Institute of Mining and Metallurgy and who has more than five years experience in the field of the activity being reported on. This report accurately reflects the information compiled by that member.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

Wedgetail Exploration NL

ABN

85 003 257 556

Quarter ended ("current quarter")

30 June 2004

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(945)	(1345)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(280)	(427)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	83	170
1.5	Rent	10	10
1.6	Interest and other costs of finance paid	-	-
1.7	GST	(62)	(9)
	Net Operating Cash Flows	(1194)	(1601)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a)prospects	-	(1)
	(b)equity investments	-	-
	(c) other fixed assets	(208)	(352)
	(d)security deposits	(2)	(2)
1.9	Proceeds from sale of:		
	(a)prospects	-	-
	(b)equity investments	-	465
	(c)other fixed assets	-	-
	(d)security deposits	78	78
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(132)	188
1.13	Total operating and investing cash flows (carried forward)	(1326)	(1413)

1.13	Total operating and investing cash flows (brought forward)	(1326)	(1413)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(1326)	(1413)
1.20	Cash at beginning of quarter/year to date	6630	6717
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	5304	5304

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	41
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Consulting fees paid at commercial rates.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,200
4.2 Development	120
Total	1,320

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	671	1052
5.2 Deposits at call	4633	5578
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	5304	6630

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interests in mining tenements acquired or increased	-	-	-	-

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemption's				
7.3 +Ordinary securities	870,390,822	870,390,822		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	205,765,862	205,765,862	Exercise Price 5 cents	Expiry Date 31 December 2005
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 20 July 2004
Company Secretary

Print name: John Sendziuk

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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