



31 October 2000

Manager Companies
 Australian Stock Exchange Limited
 Level 2, Exchange Plaza
 2 The Esplanade
 PERTH WA 6000

Facsimile Number: 1300 300 021

Dear Sir

SEPTEMBER 2000 QUARTERLY REPORT

HIGHLIGHTS

Eloise

- Eloise mills over 2 million tonnes of ore;
- Tailings dam cell 3 completed;
- Ventilation shaft for Levuka South well advanced;

QUEENSLAND

Eloise (Copper/Gold)

Production

Eloise produced 18,961t of concentrate for the quarter with an average grade of 29.6% Cu. A project milestone was reached with the mill recording the treatment of over two million tonnes of ore. To date Eloise has produced 84,000t of copper, 37,000oz of gold and 881,000 oz of silver contained within 285,000t of concentrate.

Production Statistics			
Production	September 2000 Quarter	Financial Year to Date	September 1999 Quarter
Ore Mined (t)	129,720	129,720	130,720
Ore Milled (t)	133,508	133,508	120,752
Head Grade			
- Copper (%)	4.38	4.38	4.59
- Gold (g/t)	1.27	1.27	1.28
Metal Recovery			
- Copper (%)	95.89	95.89	95.59
- Gold (%)	70.69	70.69	66.70
Concentrate Produced (t)	18,961	18,961	18,262
Concentrate Sold (t)	10,050	10,050	27,781
Concentrate Stocks at End of Period (t)	15,282	15,282	5,861
Concentrate Grade			
- Copper (%)	29.60	29.60	29.02
- Gold (g/t)	6.32	6.32	5.65
- Silver (g/t)	86.5	86.5	73.46

Mine Development

Ventilation Shaft

The new ventilation shaft is well advanced with the pilot hole now complete. The construction of the shaft collar has commenced, the raise-boring contract has been let and ventilation simulations completed.

Main Decline

The original Main Decline that has been used for access to the Stage 2 reserves has now been completed. The Southern Decline is now the main development heading primarily designed to access Levuka South.

Southern (Levuka South) Decline

Cross cutting from the Southern Decline has now commenced on three levels and subsequent to the end of the quarter ore drives have been developed in the upper levels of Levuka South.

Tailings Dam

The tailings dam cell3 has now been completed and it is expected to have sufficient capacity to store the production of tailings for the next four years.

Mine Development Statistics			
Description	June 2000 Quarter	Financial Year to Date	Previous Financial Year
Decline Advance (m)	412	412	871
Level Access Drives (m)	191	191	731
Ore Sill Drives (m)	146	146	1,283
Ventilation Access Drives (m)	19	19	61
Exploration Drive (m)	0	0	0
Total (m)	768	768	2,946
Ventilation Raises (m)	18	18	53
Cut Off Raises (m)	90	90	549
Total (m)	108	108	602
Sill Stripping – Ore (m ³)	2,911	2,911	23,899
Total (m³)	2,911	2,911	23,899

Ore Reserves and Mineral Resources

The upper 120m of Levuka South mineralisation was pattern drilled from the 860 mRL exploration drive. Eleven diamond drill holes for a total of 3,060m were completed. This additional drilling allowed a probable ore reserve of 360,000t @ 4.51% Cu to be calculated using a combination of wire frame and inverse distance squared block modeling. Further drilling of the lower limits of this lode and the previously included 60A Lode has been planned and is scheduled to commence when drill sites are accessed by the Southern Decline. In particular, the intersection in drill hole 60A (13m @ 6.76% Cu) is very encouraging as it is the deepest mineralisation intersected at Eloise and demonstrates the continuation of high grade mineralisation at depth.

The table below summarises the Eloise ore reserves and mineral resources as at 30 September 2000. Note that reserves are in addition to resources and the grades shown are percentage copper.

Area	Reserves				Resources				Total	
	Proved		Probable		Indicated		Inferred		Tonnes	Grade
	Tonnes	Grade	Tonnes	Grade	Tonnes	Grade	Tonnes	Grade		
Eloise 950 Level Levuka Crown: Stage 1			19,000	3.00%					19,000	3.00%
Eloise 950 Level Elrose Crown: Stage 1	31,000	4.60%							31,000	4.60%
Eloise 736 – 716 Level: Stage 2	85,000	4.16%							85,000	4.16%
Eloise 736 – 710 Level: Stage 2			7,000	4.64%					7,000	4.64%
Eloise Main Lodes: Stage 2 Extended			30,000	4.07%					30,000	4.07%
Eloise North West					90,000	4.57%			90,000	4.57%
Levuka South			360,000	4.51%			60,000	5.60%	420,000	4.67%
40 Lode							170,000	4.10%	170,000	4.10%
42 Lode							40,000	7.40%	40,000	7.40%
45 Lode							50,000	6.40%	50,000	6.40%
62 Lode (Eloise West)	102,000	4.57%							102,000	4.57%
60A Lode							159,000	6.76%	159,000	6.76%
Stockpiled Ore	3,000	4.20%							3,000	4.20%
Total Resources and Reserves	221,000	4.41%	416,000	4.41%	90,000	4.57%	479,000	5.69	1,206,000	4.93%

Eloise Exploration

Drilling Summary

A total of 20 underground diamond drill holes (EAM 230-239 and EAM 246-255) were drilled for 2,335.5m. Six surface reverse circulation/diamond drill holes (EAM 240-245) for 1,279.1m were also completed during the period, for a total of 3,614.6m. Fourteen of the underground drill holes targeted the lower levels of Stage 2 Extended, and the upper levels of the Levuka South to improve ore definition. Six holes were drilled into the faulted offset of the Eloise North West resource. Drilling from the surface targeted the 40 Lode to better delineate this resource.

Ore Definition Drilling

Ore definition drilling of Levuka South (EAM249-254) was directed towards the upper and southern peripheries of the lode to close off mineralisation in these directions. Similarly, drilling of the Eloise Main Lodes (Stage 2 Extended) (EAM232-234, 238, 239, 246-248) was designed to close off mineralisation at depth and to provide detailed information on the complex faulting and ore offsets in this area for mine planning.

Eloise North West Extended Exploration

The main underground exploration focus was the potential faulted offset of the Eloise North West mineralisation. This lode contains an indicated mineral resource of **90,000t @ 4.57% Cu**, and the offset position was estimated using structural analysis and geophysics. All six holes (EAM230-231,235-237,255) intersected wide (~40m) zones of mafic alteration with sub-economic copper grades. Holes EAM237 and EAM255 also intersected significant zones of higher grade mineralisation. EAM237 intersected **8.6m (True Width=4.1m) @ 3.35% Cu** while EAM255 intersected **10.75m (True Width=8.0m) @ 2.66% Cu**. The economic potential of this zone is promising.

40 Lode Resource Drilling from Surface

Six holes (EAM240-245) were drilled from surface, targeting the relatively shallow 40 Lode. Early drilling by BHP returned intercepts of 29m @ 3.87% Cu in hole END40 and 4m @ 3.01% Cu in EMD03. Three holes had previously been drilled by Amalg from underground into this zone (EAM209-211) with a best result of 25.6m @ 2.94% Cu. It was hoped that this surface programme would expand the inferred resource. Unfortunately, apart from EAM 245 (**12.0m @ 3.08% Cu**), little economic mineralisation was encountered.

Assay results at a 1.0% Cu cut off grade and drill hole details are summarised below:-

Eloise Stage2 Extended (Main Lodes) Intercepts

Hole Number	Collar Coordinates		RL (m)	Azimuth °	Dip °	Total Depth	Intersections		Metres	Grade		
	North	East					From	To		% Cu	g/t Au	g/t Ag
EAM 232	82428.4	97666.0	717.0	149.9	-0.5	65	2.5	23.2	20.7	3.61	1.08	12
							28.65	53.1	24.45	4.05	2.44	15
EAM 233	82428.6	97666.1	717.0	126.1	0.0	50.8	5.0	19.6	14.6	2.38	0.39	5
							24.7	42.0	17.3	5.92	0.74	17
EAM 234	82450.7	97671.9	717.0	100.7	0.3	32.7	6.0	13.0	7.0	1.66	0.22	10
EAM 238	82439.0	97627.7	696.7	136.5	0.4	101.7	45.6	67.0	21.4	4.83	0.59	14
							73.0	97.0	24.0	4.57	0.51	15
EAM 239	82438.9	97627.9	696.3	135.5	-21.2	71.7	31.1	38.0	6.9	2.18	0.46	6
EAM 246	82439.8	97629.3	696.7	109.1	0.58	65.4	22.3	34.0	11.7	1.90	0.14	4
EAM 247	82439.8	97629.1	696.0	109.6	-20.2	65.6	49.7	51.7	2.0	1.31	0.10	5
							53.5	56.2	2.7	2.03	0.52	6
EAM 248	82439.2	97628.7	696.3	122.8	-10.1	65.6	26.9	32.0	5.1	1.53	0.17	4

Levuka South Lode Definition Intercepts

Hole Number	Collar Coordinates		RL (m)	Azimuth °	Dip °	Total Depth	Intersections		Metres	Grade		
	North	East					From	To		% Cu	g/t Au	g/t Ag
EAM 249	82247.1	97688.9	703.5	108.6	10.1	65.7	Below	Cut Off				
EAM 250	82246.7	97688.8	703.5	115.5	10.3	71.7	33.2	35.2	2.0	0.12	6.7	0
							42.2	43.2	1.0	1.70	0.26	7
EAM 251	82245.9	97688.5	703.6	129.4	9.6	35.5	18.65	19.15	0.5	1.39	0.09	4
EAM 252	82249.0	97688.7	704.3	65.8	20.2	95.4	20.0	21.5	1.5	3.32	0.16	17
							68.35	85.55	17.2	5.10	1.23	14
EAM 253	82249.0	97688.7	704.3	74.8	24.6	83.4	17.25	18.25	1.0	1.61	0.09	7
							51.9	66.0	14.1	2.67	1.05	8
EAM 254	82248.5	97688.9	704.6	82.2	27.4	110.5	55.5	59.0	3.5	1.35	0.18	3

Eloise North West Extended Exploration Intercepts

Hole Number	Collar Coordinates		RL (m)	Azimuth °	Dip °	Total Depth	Intersections		Metres	Grade		
	North	East					From	To		% Cu	g/t Au	g/t Ag
EAM 229	82307.6	97474.2	801.5	318.3	-49.5	242.4	76.65	95.8	19.15	1.44	0.50	7
EAM 230	82307.6	97474.4	801.7	324.1	-46.1	192.0	85.85	99.9	14.05	1.10	0.29	5
EAM 231	82307.4	97474.8	801.8	324.8	-59.4	254.7	111.0	117.0	6.0	2.46	0.09	12
EAM 235	82300.5	97471.7	801.4	269.7	-50.5	98.8	30.0	31.0	1.0	2.47	0.29	18
EAM 236	82300.5	97471.3	802.5	270.0	-0.3	62.6	26.9	31.4	4.5	1.01	0.27	7
EAM 237	82277.1	97491.1	802.1	295.9	-62.3	345.0	154.9	163.5	8.6	3.35	0.61	16
EAM 255	82321.5	97612.3	709.1	301.6	-31.3	401.7	330.0	340.75	10.75	2.66	0.43	16

40 Lode Resource Intercepts

Hole Number	Collar Coordinates		RL (m)	Azimuth °	Dip °	Total Depth	Intersections		Metres	Grade		
	North	East					From	To		% Cu	g/t Au	g/t Ag
EAM 240	82200.0	97634.2	1188.7	270.0	-60.0	192.0	76.0	78.0	2.0	1.47	0.66	9
EAM 241	82224.5	97614.5	1189.2	270.0	-65.0	177.0	135.9	137.0	1.1	2.94	0.60	8
EAM 242	82200.1	97636.1	1188.7	270.0	-68.0	261.0	110.0	112.0	2.0	1.91	3.36	19
EAM 243	82175.2	97629.9	1188.4	270.0	-65.0	213.0	176.0	178.9	2.9	2.58	0.28	4
EAM 244	82275.0	97625.0	1188.9	270.0	-65.0	222.0	126.0	128.0	2.0	3.03	0.33	2
EAM 245	82198.9	97635.9	1188.7	270.0	-65.0	214.1	82.0	94.0	12.0	3.08	0.50	15
							194.3	196.3	2.0	4.76	0.43	7

WESTERN AUSTRALIA

Production

Bungalbin (Gold)

Aurora

Mining

Shaft sinking to allow access to the 5th Level was completed. A 26m cross cut to the lode was commenced and is planned to be completed in late October 2000.

Burbanks

Burbanks mining lease 15/161 has been sold to Barra Resources NL (a subsidiary of Barmenco Pty Ltd) for 2,000,000 ordinary vendor shares in the company each with a par value of \$0.25.

Industrial Minerals

Loongana Lime

Operations at Rawlinna and Parkeston continued routinely.

Product sales were within budget estimates.

Minor modifications are continually being made to each vertical shaft kiln to enable consistent production of quality quicklime at design capacity.

Magnesite

An operating agreement with Amalg's joint venture partner Mr R Butler (35%) was concluded. External test work on the Bandalup magnesite stone for the production of calcined magnesia is scheduled to commence shortly.

FINANCIAL

Commodity and Currency Instruments

- One fixed forward contract covering 2,600 tonnes of copper at a copper price of USD 1880.00 in October 2000.
- One fixed forward contract covering 2,600 tonnes of copper at a copper price of USD 1950.00 in November 2000.

All forward currency commitments have been satisfied and the company is presently exchanging USD at spot rates.

Copper Price

The average copper price realised for the September 2000 quarter was USD1,825.00.

The average LME price for the quarter was USD1,868.90.

By order of the Board.

Mr A White
Company Secretary

The information in this report that relates to Mineral Resources or Ore Reserves is based on information compiled by Brian Kelty who is a Member of The Australasian Institute of Mining and Metallurgy. Brian Kelty is a fulltime employee of the company.

Brian Kelty has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 1999 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves'. Brian Kelty consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.