COMPANY PARTICULARS

Directors:	NIGEL RAYMOND FORRESTER, F.C.A., (Chairman and Managing Director)
	CLIVE BRUCE JONES B.App.Sc.(Geol.), M.Aus.I.M.M
	JEFFREY JOHN MOORE B.App.Sc.(Geol.), M.Aus.I.M.M
	GODFREY EDWARD TAYLOR, LL B
	RONALD WILLIAM O'REGAN
Joint Secretaries:	JAN FORRESTER
	DEAN ANGELO SCARPAROLO, B.Bus., ASA.
Registered Office:	Level 5, 178 St. Georges Terrace, Perth, Western Australia, 6000.
	Telephone: (08) 9322 6311 Facsimile: (08) 9322 4607 Email: burgess@global.net.au Website: www.mountburgess.com
Share Registry:	Advanced Share Registry Services, 7th Floor, 200 Adelaide Terrace, Perth, Western Australia, 6000. Telephone: (08) 9221 7288 Facsimile: (08) 9221 7869
Auditors:	Deloitte Touche Tohmatsu, 16th Floor, Central Park, 152-158 St. George's Terrace, Perth, Western Australia, 6000.
Bankers:	Australia and New Zealand Banking Group Ltd, 77 St. George's Terrace, Perth, Western Australia, 6000.

ADDRESS BY THE CHAIRMAN

It is my pleasure to present to you this annual report for the year to 30 June 2000.

In a year that has seen a significant decline in exploration throughout the resource industry, particularly within the small company sector, the Company, through being well cashed up, has achieved a healthy exploration programme of some $2 million.

At Telfer, where Normandy Gold Pty Ltd is carrying the full cost of exploration to the end of this year, the Company, through the payment of $300,000 to Carpentaria Gold Pty Ltd has secured 100% equity over all the tenements in the joint venture. Once Normandy has earned 51% through the expenditure of $5 million, it will then leave the Company with 49%.

In addition, through the expenditure of a further $110,000, the Company has acquired some very prospective ground within the joint venture which was previously excised and it has also bought back the right to some of the potential royalties over further prospective ground in the joint venture.

Of the $2 million spent on exploration, roughly $1.4 million was spent in Western Australia, principally on the Tay and Mount Weld projects and $700,000 was spent on the Tsumkwe Diamond project in Namibia.

At the time of writing, both the Tay and Mount Weld projects have produced some interesting zones of anomalism for nickel and gold respectively. Both of these projects are going to require further follow up work to determine their direction from here.

At Tsumkwe in Namibia, the Company has had some very encouraging results from its diamond exploration joint venture with Kimberlite Resources Pty Ltd. In terms of our agreement, the Company can earn up to 75% of this project. After eighteen months of being involved with this project the Company is at a stage where at the time of releasing this report it will be drilling, or will be very close to drilling, potential kimberlite targets.

At Telfer, Normandy has developed a sound technical approach towards exploration, particularly designed for this Proterozoic environment. The consistent application of this approach has resulted in successfully delineating a number of high priority targets which are currently in the process of being tested.

In September 1999, the Company decided to take advantage of the low level of market interest in the resource sector by embarking upon a 10/12 buyback of its shares on the open market. In so doing, it has reduced the level of the Company's issued share capital by some 8% at prices which at the time of purchase were little above cash backing.

Since the end of the financial year the Company has seen a change to the Board of Directors. Mr Jenkins who has been with the Company since 1991 has resigned and Mr Ronald O'Regan has been appointed in his stead.

I should like to thank Mr Jenkins for his contribution to the Company over the past nine years and welcome Mr O'Regan to the Board.

Mr O'Regan is a member of the London Stock Exchange and Compliance Director of Astaire & Partners, a firm of London stockbrokers. He has maintained a keen interest in the Company since it listed in 1985 and will bring a wealth of corporate experience to the Board.

Finally, I should like to thank my fellow directors and all staff for their commitment to the Company during the year.

N R FORRESTER
CHAIRMAN

EXPLORATION AND DEVELOPMENT - THE YEAR IN REVIEW

PROJECTS

TELFER
Pilbara Mineral Field, Western Australia

The Company currently holds equity in 42 mineral tenements covering approximately 50,000 hectares within a 40 kilometre radius of the Telfer gold mine owned by Newcrest Mining. The Telfer mine has produced in excess of five million ounces of gold since mining commenced in 1977.

Mineralisation in the Telfer district comprises large low grade bulk tonnage sheeted vein and stockwork quartz-pyrite-Au-Cu systems (Telfer), stratabound Au-Cu (Telfer), granite related replacement, vein and skarn Au-Cu (Minyari), structurally controlled diapiric carbonate breccias (Hasties, Grace) and low order disseminated Cu-Au greisens (17 Mile Hill).

The Company believes that there is significant potential for the discovery of other major metal deposits in the area.

Isdell Joint Venture
(The Company 100%)

The Company now holds 100% equity in all leases in the Telfer region following a final payment made in June this year of $300,755 to its previous joint venture partner, Carpentaria Gold Pty Ltd.

The Company is in joint venture (the **Isdell Joint Venture)** with **Normandy Gold Pty Ltd. (Normandy)**, with respect to 40 tenements totalling approximately 46,000 hectares.

Normandy as operator can earn a 51% interest in the joint venture tenements through the expenditure of $5 million over a four year period, leaving the Company with 49%.

Exploration

Normandy's approach to exploration in the Telfer region initially focussed on the integration of a regional database supplemented by programmes of regional geochemical drilling, airborne geophysics and a regional study on the structural setting of the Telfer orebodies. The results of this approach has been to highlight specific areas for detailed follow-up work principally involving deep reverse circulation (RC) and diamond core drilling.

To date Normandy has drilled over 120,000 metres of rotary air blast (RAB) and aircore drilling (AC) over the Isdell Joint Venture area. This work, in conjunction with the other studies and programmes, has led Normandy to focus on several specific areas including: East Thompson's Dome, Chicken Ranch, Cane, Tim's Dome and Pardu.

East Thompson's Dome

This dome is defined by an eight kilometre long doubly plunging antiform situated just 10 kilometres north of Telfer with lithologies equivalent to those occurring at the Telfer Main Dome.

Previous work concentrated on shallow zones of mineralisation and surface anomalies. Recent studies by Normandy have concluded that the dome has many similarities to the Telfer Main Dome with good potential to host Telfer style stratabound gold and base-metal mineralisation.

Based upon this interpretation four sites were selected for deep diamond core drilling. The areas targeted interpreted zones of maximum dilation and were aimed at testing for stacked reef systems within the Malu and Telfer Formations. Drilling has recently commenced on these holes.

EXPLORATION AND DEVELOPMENT - THE YEAR IN REVIEW

Chicken Ranch

Shallow aircore drilling at Chicken Ranch has further highlighted the extensive nature of gold mineralisation in the area. Deeper RC drilling has revealed gold mineralisation associated with both sub-vertical lenses of ferruginous material with brecciated quartz and sub-horizontal lower grade zones which extend laterally for several hundreds of metres.

Immediately west of the main Chicken Ranch zone of gold mineralisation lies the recently discovered **Southern Corridor** gold-base metal anomaly. This zone of anomalous gold and base metals extending for over 2 kilometres was discovered in late 1999 from the regional geochemical drilling programme. A first pass round of aircore drilling over the anomaly defined a wide zone of anomalism and included an intersection of 14 metres @ 1.77 g/t gold. Further drill testing of the anomaly is planned.

Cane

The Cane prospect lies to the east of Tim's Dome and north of Newcrest's Thompson's Dome prospect. The prospect has a strong Au-Cu-Pb-Zn signature and shows some signs of gold depletion at the surface. Broad areas of low grade gold have been recorded from RAB drilling and initial RC testing returned an intercept of 4 metres @ 3.8 g/t gold. Possible controls on the mineralisation have been determined and further RC drill testing is due to take place at Cane.

Tim's Dome

Tim's Dome is situated just 15 kilometres northwest of the Telfer Main Dome and hosts lithologies similar to those observed at the Telfer mine. Much alteration and extensive low grade gold mineralisation occurs for over 4 kilometres at Tim's Dome.

Recent re-evaluation by Normandy on Tim's Dome has resulted in the selection of specific areas to be targeted for drill testing for Telfer style stratabound gold-copper mineralisation.

Pardu

Pardu covers the northwestern portion of the Kaliranu syncline in the north of the joint venture area. Regional aeromagnetics has highlighted several discrete, strongly magnetic anomalies coincident with the interpreted axial plane of the syncline. To date the targets have not been adequately tested by drilling.

BROADHURST
(The Company 100%)

The Company has been granted one Exploration Licence and has applications for two further Exploration Licences and four Mining Leases in the Broadhurst Range area, 50 kilometres south of Telfer.

The tenements cover dolomitic shales and siltstones of the Broadhurst Formation and surround the Maroochydore copper deposit, a large, low grade secondary copper-cobalt deposit held by Straits Resources N.L. and Omega Mines N.L. Maroochydore has published resources of 138 million tonnes at 0.57% copper and occurs within Broadhurst Formation lithologies of the Throssell Group which also hosts the Nifty copper deposit west of Telfer. Further south the Rudall Metamorphic Complex, which acts as basement for the region, hosts a wide range of mineral commodities including the Kintyre uranium deposit.

The Broadhurst area is prospective for both base metals and gold and includes the **Cottesloe** Pb-Zn-Ag prospect. Drilling at Cottesloe has previously returned assays up to 7% Pb, 1% Zn and 240 g/t Ag. Mineralisation in the area is reminiscent of Mount Isa style base metal mineralisation and potential exists for the delineation of further base metal targets.

Mineralisation styles targeted include: Stratiform base and precious metal deposits akin to Mt Isa, replacement vein and fracture types of the Telfer type and secondary oxide base and precious metals similar to Maroochydore and Nifty.

EXPLORATION AND DEVELOPMENT - THE YEAR IN REVIEW

Analysis of satellite imagery and aeromagnetic data from the area has defined a large (25 km^2) gabbroic intrusive, the Eva Well intrusive, in the north west of the granted licence area. An initial programme of aircore drilling along the margins of the intrusive returned some low order anomalism for gold, copper and zinc associated with zones of alteration. This zone lies close to an intersection of 14 metres at 0.18% Zn recorded from drilling by a previous explorer.

TABLETOP
(The Company 100%).

The Tabletop project comprises six Exploration Licence applications in an area underlain by the basement rocks of the Rudall Metamorphic Complex (RMC). The RMC comprises the Talbot, Connaughton and Tabletop Terranes and hosts a wide range of mineral commodities including gold, base metals, platinum, rare earths, nickel, silver and uranium.

Within this geological environment the Kintyre uranium deposit occurs near the unconformity between the RMC and the overlying Broadhurst Formation, which, with published reserves of 18 million tonnes at 0.02% uranium ore (U_3O_8), is currently undergoing mine feasibility studies. The Tabletop Terrane, which underlies most of the Company's tenements, has been identified by the Geological Survey of Western Australia as a potential mineral province prospective for gold, base metals and platinum group elements. The area is also considered by the Company to be prospective for diamonds. The prospectivity of the area is highlighted by the presence of Australian Platinum Minerals' Copper Hills prospect within the Tabletop Terrane. Mineralisation at Copper Hills is associated with a deformed layered complex and contains significant gold, copper, silver, platinum and palladium. The outcropping discovery gossan assayed up to 18 ounces/t Au, 13% Cu, 164 ounces/t Ag, 21 ounces/t Pt and 18 ounces/t Pd.

The Company's tenement applications mostly occur in areas of surficial sand cover and have had minimal to no exploration conducted over them to date. The regional geological setting, and the wide ranging nature and diversity of mineralisation occurring in the region, all point to the highly prospective nature of this area.

MOUNT WELD PROJECT
(The Company 100%)

The Mount Weld project is situated east of the Red October gold deposit and south east of the Sunrise Dam gold deposit in the northeastern goldfields of Western Australia.

Geologically the tenement flanks the Laverton Tectonic Zone and is covered by surficial sands and in part by Lake Carey. A corridor of northeasterly trending structures transgresses part of the tenement area. Gold mineralisation in the region is typically associated with this structural orientation as seen at the Red October, Sunrise Dam, Wallaby and Mikado gold deposits.

Following the completion of successful Native Title negotiations for access to the ground and the subsequent granting of the licence, the Company commenced exploration drilling in the area.

Two programmes of drilling have been completed with 2,793 metres of RAB and aircore having been drilled on the land and a programme of 5,710 metres of aircore drilling having drilled on the surface of Lake Carey.

Results from the drilling highlighted a zone of anomalous gold (up to 1.80 g/t Au) extending for over 1.5 kilometres at the **Majella** prospect. Mineralisation is located at the base of the sediment cover overlying a granitic basement. Gold is observed largely within pyritic sediment at the unconformity and is also seen to extend into the underlying basement. RC drill testing of the anomalous basement is planned, the mineralisation within which may represent either gold enrichment from the overlying mineralised sediment or primary gold mineralisation existing in the basement.

EXPLORATION AND DEVELOPMENT - THE YEAR IN REVIEW

TAY PROJECT
(The Company 100%)

The Company has applications over five Exploration Licences and has been granted title over one Exploration Licence, in the southern portion of the Yilgarn block of Western Australia.

The Company previously recognised the potential of the area to host the southerly extensions of the Lake Johnston greenstone belt, host to the Maggie Hays and Emily Ann nickel deposits and the Medcalf vanadium deposit. The Company has title to, or applications over, some 60 kilometres of potential greenstone belt. The exploration model for the area is Maggie Hays/Emily Ann style sulphidic nickel mineralisation and Archean lode style gold deposits.

Initial work over the area involved flying a detailed, low level aeromagnetic survey the results of which clearly delineated the extensions to the greenstone belt southwards, opening up a large area for further exploration.

Subsequent shallow (1m to 4m) geochemical auger sampling over a 13 kilometre strike length of interpreted greenstone delineated a large polymetallic anomaly called **Vauni**. The Vauni anomaly is defined by anomalous **gold**, **nickel** and **vanadium** and contains elevated copper and lead values.

The Vauni anomaly forms a trend for over 11 kilometres and is associated with a distinctive strongly magnetic linear unit thought to represent the Central Ultramafic Unit (CUU) of the Honman Formation, host to the primary nickel sulphide mineralisation at Maggie Hays.

Work over Vauni during the year comprised infill auger drilling, RAB drilling, an Electromagnetic (EM) survey and RC drilling.

RAB drilling over the anomaly confirmed the presence of a belt of ultramafic rocks through the area and highlighted two areas of elevated nickel (e.g. 27m @ 0.22% Ni) and gold values (up to 8m @ 0.15 g/t Au).

The EM survey delineated five strong conductors and several lesser conductors lying within or adjacent to the ultramafics. Initial drill testing of the stronger conductors successfully intersected massive to disseminated grades (to 0.4% Ni) whilst gold values were sporadic (to 1m @ 2.3 g/t Au).

Currently all data from the project is being collated with a view towards testing the other conductors which may represent deeper seated sulphide targets.

All the foregoing information in this section of the report pertaining to ore reserves, mineral resources and the exploration results from the Australian projects have been approved for release by Mr C.B. Jones, B.(App.) Sc., M.Aus.I.M.M., a qualified geologist and full time employee of the Company, with more than five years experience in the field being reported on.

TSUMKWE, Namibia

Exclusive Prospecting Licences 2012 and 2014 (The Company is earning 75%) Exclusive Prospecting Licences 2817, 2818 and 2819 (The Company 75% Kimberlite Resources Pty Ltd 25%)

The Company has entered into a farmin arrangement with Kimberlite Resources Pty Ltd ("KR") in respect of two Exclusive Prospecting Licences ("EPLs") 2012 and 2014 which cover an area of approximately 2000 km^2, on the north eastern Namibian border with Botswana. In terms of the agreement the Company can earn 75% of these two EPLs through the expenditure of A$2 million and automatically obtains the right to 75% of any new EPLs acquired contiguous to EPLs 2012 and 2014.

During the year EPLs 2817, 2818 and 2819 were acquired immediately to the north and east of 2012 and 2014, which cover an additional area of approximately 3000 km^2. Exploration expenditure incurred on these three EPLs will be funded pro-rata by the Company 75% and KR 25%.

EXPLORATION AND DEVELOPMENT - THE YEAR IN REVIEW

EPLs 2012 and 2014 host a large G10 pyrope garnet anomaly. The G10 garnets found to date are similar to garnet inclusions often found within diamonds and therefore could be sourced from diamondiferous kimberlites. Previous to the Company commencing exploration, three macro diamonds had also been found over these two EPLs.

In addition, the setting of these two EPLs is coincident with many geotectonic attributes, favourable for the discovery of kimberlites as follows:

- They are located "on craton" at the southern platform margin of the Congo/Angolan Craton.
- They lie south of the Limpopo/Botswana dyke swarm, much the same distance as do the Orapa/ Letlhakane kimberlites in neighbouring Botswana.
- They are situated over a long-lived stable Damaran basement high, dated at more than 2,000 million years in age, which at their location is crossed by the northwest/southeast trending Gam/Okavango lineament (a probable splay from the fundamental Kalahari lineament) within which have been identified large deep seated circular structures. This setting is analgous to the kimberlite provinces in Siberia and North Russia/Scandanavia.

Since getting involved with this project, the Company has completed 1,860 metres of RAB drilling to determine the depth of the Kalahari sands in the EPLs. Over the majority of the area drilled, basement was intersected at less than 40 metres.

Loam samples have been collected from 512 locations based upon a 1 km x 1 km grid. These have all been jigged in the field and sized into three separate fractions (+0.4 mm to –0.8 mm then +0.8 mm to –1.2 mm then finally +1.2 mm to –2.00 mm) for laboratory processing by way of dense media separation, optical indicator mineral picking and electron microprobe analysis of recovered kimberlite grains.

This processing has identified a large number of peridotitic pyrope garnets (comprising G9 and G10 type garnets) confirming the existence of the previously discovered pyrope garnet anomaly. It has also identified a macrodiamond recovered in the +1.2 mm to –2.0 mm sample size which displays sharp edges. According to Manfred Marx, the Company's consulting diamond geologist, "These sharp edges show no sign of abrasion, suggesting a nearby primary kimberlite source for this diamond".

Close spaced ground magnetometer surveys consisting of 246 line kilometres have been conducted within the EPLs and in July 2000, 10,600 line kilometres of ultra detailed aeromagnetics were also flown over a prioritised portion of the EPLs.

The combined interpretation and assessment of all of the above data has now generated a number of potential kimberlite targets which are ready for drilling.

All information in the Tsumkwe section of this report pertaining to ore reserves, mineral resources and exploration results, together with any related assessments and interpretations, has been approved for release by Mr J J Moore, B.(App.) Sc., M.Aus.I.M.M., a qualified geologist and full time employee of the Company, with more than five years experience in the field being reported on.

M rManfred Marx has provided written consent to the Company for the inclusion of all geological data and exploration results included in this report in the form and context in which it appears.

DIRECTORS' REPORT - 30 JUNE 2000

Your directors present their report with respect to the results of the Company for the financial year ended 30 June 2000 and the state of the Company's affairs as at the end of the financial year.

The Directors of the Company in office during or since the end of the financial year are:

- Nigel Raymond Forrester (Chairman and Managing Director)
- Clive Bruce Jones
- Jeffrey John Moore

Godfrey Edward Taylor was a director from his appointment on 2 July 1999 up to the date of this report.

John Rex Jenkins was a director from the beginning of the financial year until his resignation on 24 July 2000.

Ronald William O'Regan was a director from his appointment on 31 July 2000 to the date of this report.

RESULTS AND REVIEW OF OPERATIONS

The Company continued exploration throughout the year. A full review of operations is outlined on pages 3 to 11.

The loss for the year amounted to $556,178.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year were gold, nickel, diamond and base metals exploration. The Company has not changed its activities.

CHANGES IN STATE OF AFFAIRS

On 27 August 1999 the Company announced to the Australian Stock Exchange that it was to embark on a 10/12 on market share buyback to commence on 13 September 1999. On 1 September 2000 the Company announced to the Australian Stock Exchange that it was to extend the buyback period for an unlimited duration to achieve the original buyback target of 11,000,000 shares.

Since the end of the financial year the Company has bought back 866,655 shares under its on market share buyback scheme.

During the year there were no other significant changes in the state of affairs of the Company.

DIVIDENDS

The Directors do not recommend the payment of a dividend and no dividend has been paid or declared since the end of the previous financial year.

FUTURE DEVELOPMENTS

The Company will be continuing exploration on the various projects that it has committed to as outlined in the exploration and development section of this report.

CORPORATE GOVERNANCE POLICY

The Board of Directors of Mount Burgess Gold Mining Company N.L. is responsible for the corporate governance of the Company. The Board monitors the business and affairs of Mount Burgess Gold Mining Company N.L. on behalf of the shareholders by whom they are elected and to whom they are accountable.

Because the Company is an exploration company and because of the size of the Company, no separate committees of the Board of Directors, including any audit committee, exists at the date of the report. Any matters to be dealt with by a committee are dealt with by the five directors who currently comprise the Board.

The following formalises the main corporate governance practices established to ensure the Board is well equipped to discharge its responsibilities.

Composition of the Board

The composition of the Board shall be determined in accordance with the following principles and guidelines:

- The Board must comprise a minimum of three directors, which can be expanded in accordance with the growth of the Company and the variability of expertise as required.
- Whilst the Board will endeavour to maintain equal representation between executive and non-executive Directors, a majority of executive Directors may occur where the direction of the Company requires additional executive expertise.

The Board will review its composition on a continual basis to ensure that it comprises sufficient members to achieve the purpose and direction of the Company and that its members have the expertise and experience relevant to that purpose and direction of the Company.

The performance of all directors will be reviewed by the Chairman continuously. Directors whose performance is unsatisfactory will be asked to retire.

Independent Professional Advice

Each director will have the right to seek independent professional advice at the Company's expense. However, prior approval by the Chairman will be required, which will not be unreasonably withheld.

Remuneration

The Board will review the remuneration packages and policies applicable to the Executive Directors, Senior Executives and Non-executive Directors on an annual basis. Remuneration levels will be competitively set to attract the most qualified and experienced Directors and senior executives. Where necessary the Board will obtain independent advice on the appropriateness of remuneration packages.

DIRECTORS' REPORT - 30 JUNE 2000

Business Risk

The Board will monitor and receive advice on areas of operational and financial risk, and consider strategies for appropriate risk management arrangements.

Specific areas of risk which were initially identified and which will be regularly considered at Board Meetings include foreign currency and commodities price fluctuations, performance of activities, human resources, the environment and continuous disclosure obligations.

Ethical Standards

The Board's policy requires that the conduct of Directors and management be of the highest ethical standard. All Directors and employees will be expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

INFORMATION ON DIRECTORS

NIGEL RAYMOND FORRESTER, F.C.A. (Chairman and Managing Director)

Mr Forrester is a Fellow of the Institute of Chartered Accountants in England and Wales and also a Fellow of the Institute of Chartered Accountants in Australia. He has been involved in the exploration and mining industry over the past twenty two years. Mr Forrester is one of the original shareholders of the Company which he floated in 1985.

CLIVE BRUCE JONES, B.App.Sc.(Geol.), M.Aus.I.M.M. (Executive Director)

Mr Jones graduated from Curtin University of Western Australia in 1982. Since graduating he has been involved in exploration for a variety of commodities and precious metals including gold, base metals, mineral sands, industrial minerals and iron ore. Much of this time was spent as a consulting geologist, working in Western Australia and overseas. He joined the Company in 1993 and was appointed to the Board in January 1995 and now oversees all the Company's Australian exploration projects.

JEFFREY JOHN MOORE, B.App.Sc.(Geol.), M.Aus.I.M.M. (Executive Director)

Mr Moore graduated as a geologist from Curtin University of Western Australia in 1984. Prior to qualifying, he had been involved in the exploration industry in Western Australia for some seven years. Since qualifying, he spent two years as a consulting geologist then joined the Company in 1986 and has had a significant influence in involving the Company with its current projects and is now managing the Namibian project.

GODFREY EDWARD TAYLOR, LL B (Non-executive Director)

Mr Taylor, who was appointed to the Board on 2 July 1999, graduated in law from the University of Western Australia in 1968 and was admitted to practice in 1970. He was a founding partner in 1977 of Taylor Smart, a Perth law firm, of which he is the senior partner. He has been practising law for about 27 years and specialises in commercial and corporate law. Mr Taylor and his family were original shareholders in the Company and have been shareholders throughout its existence.

DIRECTORS' REPORT - 30 JUNE 2000

RONALD WILLIAM O'REGAN (Non-executive Director)

Mr O'Regan was appointed to the Board on 31 July 2000. Having established a career in stockbroking, he joined Astaire & Partners, a firm of London stockbrokers in 1968. He became a member of the London Stock Exchange in the 1970s and was appointed to the Board of Astaire & Partners in 1987 where he currently serves as the Compliance Director.

Eighteen board meetings were held during the year. Mr Forrester attended all eighteen board meetings held during the year. Messrs Jones and Moore attended 17 board meetings held during the year. Mr Taylor attended 14 board meetings held during the year. Mr Jenkins attended 15 board meetings held during the year.

DIRECTORS' AND EXECUTIVES' REMUNERATION

Remuneration packages contain the following key elements:

(a) Salary/fees (including long service leave and annual leave accrued).

(b) Benefits – including superannuation, motor vehicle benefits and bonuses.

The following table discloses the remuneration of the directors of the Company and the highest remunerated executives of the Company (including executive and alternate directors).

Name	Office Held	Salary/Fees	Benefits	Total
		$	$	$
N R Forrester	Executive Director	188,396	16,224	204,620
C B Jones	Executive Director	155,780	12,175	167,955
J J Moore	Executive Director	112,821	10,322	123,143
J R Jenkins	Non-Executive Director	20,000	-	20,000
G E Taylor	Non-Executive Director	20,000	-	20,000

Other than disclosed above, there were no executive officers employed by the Company during the financial year.

DIRECTORS' SHAREHOLDINGS IN THE COMPANY

As at the date of this report:-

Mr N R Forrester and/or associates held	10,099,000	fully paid ordinary shares in the Company.
Mr C B Jones and/or associates held	398,200	fully paid ordinary shares in the Company.
Mr J J Moore and/or associates held	750,000	fully paid ordinary shares in the Company.
Mr G E Taylor and/or associates held	2,247,339	fully paid ordinary shares in the Company.
Mr R O'Regan and/or associates held	163,200	fully paid ordinary shares in the Company.
TOTAL	13,657,739	

SHARE OPTIONS

In accordance with a special resolution approved at the Company's Annual General Meeting, held on 2 October 1996, the Company's Share Option plan in force at that time was terminated and a new plan (expiring on 2 October 1999) was introduced for the issue of up to 2,000,000 Options to eligible employees, under the following terms and conditions:

(1) no price is payable on the issue of the Options;

(2) the Options shall not be transferred or assigned by the holder provided that the holder shall be at liberty at any time to transfer all or any of his or her Options to his or her wife or husband respectively or to a proprietary limited company all the issued shares of which are beneficially owned by the holder and his or her wife or husband or to any other nominee of the Eligible Employee, provided that any such transferee first undertakes to the Company, in a deed, not to transfer or assign such Options until such time as they are exercised;

(3) each Option will entitle the holder to subscribe for one share at an exercise price of 25¢;

(4) the Options expire at 5.00pm on 31 December of the year three (3) years from the year of issue;

(5) the Options are exercisable wholly or in part by forwarding to the Company an "Option Exercise Form", accompanied by payment of the exercise price of 25¢ per option;

(6) the Options are exercisable at any time on or prior to the Expiry Date;

(7) there are no participating rights or entitlements inherent in the Options and holders will not participate in any new issue of capital offered to shareholders during the currency of the options;

(8) shares issued on the exercise of Options will rank pari passu with the then existing ordinary share capital;

(9) an Option's terms must not prevent the Option being reorganised as required by the Listing Rules on a reorganisation of capital;

(10) the Company shall allot the Options and deliver the certificates relating to the Options to the Eligible employee within ten (10) business days of the Application Date.

Status of the Options

Any options issued under this plan will not be listed on the Australian Stock Exchange Limited for official quotation.

Only upon exercise of the Options issued under the plan will the Company make application to the Australian Stock Exchange Limited for the quotation of the shares issued pursuant to the exercise of the Options.

During the financial year 900,000 options with an expiry date of 31 December 2002 were issued. None of these have yet been exercised.

DIRECTORS' REPORT - 30TH JUNE 2000

INDEMNIFICATION OF OFFICERS AND AUDITORS

During or since the financial year the Company has not indemnified or made a relevant agreement to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor. In addition, the Company has not paid, or agreed to pay, a premium in respect of contract insuring against a liability incurred by an officer or auditor.

YEAR 2000

The Year 2000 date change has not resulted in any significant errors in accounting records or adverse impacts on business operations.

ENVIRONMENTAL REGULATIONS

The Board is committed to environmental best practice in its operations and ensures full compliance with all statutory environmental regulations and guidelines.

SUBSEQUENT EVENTS

No matters or circumstances of which the Directors are aware, other than those referred to in the accounts or notes, have arisen since the end of the year which significantly affect, or may significantly affect, the operations, results or state of affairs of the Company in financial years after the financial year, other than as follows:

On 24 July 2000 Mr John Rex Jenkins resigned from the Board of directors and Mr Ronald William O'Regan was appointed in his stead on 31 July 2000.

Since the financial year end the Company has bought back 866,655 shares for $92,811.95 under its on market share buy back scheme.

On 1 September 2000 the Company announced to the Australian Stock Exchange that it was to extend the buyback period for an unlimited duration to achieve the original buyback target of 11,000,000 shares.

On behalf of Directors

N R Forrester
CHAIRMAN AND MANAGING DIRECTOR

SIGNED at Perth this 19th day of September 2000 in accordance with a resolution of the Directors made pursuant to Section 298(2) of the Corporations Law.

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30TH JUNE 2000

	Notes	2000 $	1999 $
Operating Loss before abnormal items	3	(556,178)	(1,377,132)
Abnormal items before income tax	3	-	8,119,181
Operating Profit/(Loss)		(556,178)	6,742,049
Income tax attributable to operating profit	4	-	-
Operating profit(loss) after income tax		(556,178)	6,742,049
Accumulated losses at the beginning of the financial year		(10,596,620)	(17,338,669)
Accumulated losses at the end of the financial year		(11,152,798)	(10,596,620)

BALANCE SHEET AS AT 30 JUNE 2000

	Notes	2000 $	1999 $
CURRENT ASSETS			
Cash		9,142,779	2,693
Receivables	5	38,922	14,040,633
Other		-	-
TOTAL CURRENT ASSETS		9,181,701	14,043,326
NON CURRENT ASSETS			
Investments	6	40,000	-
Plant and equipment	7	240,052	129,673
Exploration interests	8	4,907,762	2,567,197
TOTAL NON CURRENT ASSETS		5,187,814	2,696,870
TOTAL ASSETS		14,369,515	16,740,196
CURRENT LIABILITIES			
Accounts payable	9	456,701	697,987
Borrowings	10	51,350	686,632
Provisions	11	82,553	97,928
TOTAL CURRENT LIABILITIES		590,604	1,482,547
NON CURRENT LIABILITIES			
Borrowings	12	5,438	56,788
TOTAL NON CURRENT LIABILITIES		5,438	56,788
TOTAL LIABILITIES		596,042	1,539,335
NET ASSETS		13,773,473	15,200,861
SHAREHOLDERS' EQUITY			
Share capital	13	24,816,299	25,687,509
Reserves	14	109,972	109,972
		24,926,271	25,797,481
Accumulated losses		(11,152,798)	(10,596,620)
TOTAL SHAREHOLDERS' EQUITY		13,773,473	15,200,861

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2000

	Notes	2000 $	1999 $
Cash flows from operating activities			
Receipts from other activities		-	5,000
Payments to suppliers and employees		(1,052,281)	(794,908)
Interest and bill discounts received		533,103	7,318
Interest and other costs of finance paid		(27,902)	(22,185)
Net cash used in operating activities	27(b)	(547,080)	(804,775)
Cash flows from investing activities			
Proceeds from the sale of tenements		13,000,000	-
Proceeds from sale of fixed assets		1,087,351	31,880
Payment for plant and equipment		(171,505)	(7,182)
Exploration, development and evaluation expenditure		(2,504,357)	(943,046)
Proceeds from the sale of current assets		-	750,000
Payment for investments		(200,000)	-
Net cash provided by/(used in) investing activities		11,211,489	(168,348)
Cash flows from financing activities			
Proceeds from borrowings		-	650,000
Payments for shares bought back		(834,717)	-
Repayment of lease liabilities		(35,790)	(33,276)
Repayment of borrowings		(650,000)	-
Net cash provided by/(used in) financing activities		(1,520,507)	616,724
Net increase/(decrease) in cash held		9,143,902	(356,399)
Cash at the beginning of the financial year		1,851	358,250
Effects of exchange rate changes on the balance of cash held in foreign currencies		(2,974)	-
Cash at the end of the financial year	27(a)	9,142,779	1,851

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company's general purpose financial report has been prepared in accordance with applicable Accounting Standards, the Corporations Law, Urgent Issues Group Consensus Views and other requirements of the Law. It has been prepared in accordance with the historical cost convention. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Company in the preparation of the general purpose financial report.

(a) Acquisition, Exploration and Development Expenditure

Acquisition, exploration and development costs are accumulated in respect of each separate area of interest. Such costs are carried forward where they are expected to be recouped through successful development and exploitation of the area of interest or where activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

The ultimate recoupment of costs related to areas of interest in the exploration and/or evaluation phase is dependent on the successful development and commercial exploitation or sale of the relevant areas.

Where development does proceed, such costs are written off against ore production proportionate to the number of tonnes of ore won which are relative to those costs.

Where it is decided to abandon an area of interest, costs carried forward in respect of that area are written off in full in the year in which the decision is taken.

Each area of interest is reviewed annually to determine whether costs should continue to be carried forward in respect of the area of interest.

(b) Income Tax

The Company adopts the liability method of tax effect accounting whereby the income tax expense in the profit and loss account is matched with the accounting profit (after allowing for permanent differences). The future tax benefit relating to tax losses and expenditure benefits are not carried forward as an asset unless the benefit can be regarded as being virtually certain of realisation. Income tax on net cumulative timing differences is set aside to provision for deferred income tax or future tax benefit accounts at current rates, where its realisation is beyond reasonable doubt.

(c) Non Current Assets - Plant and Equipment

The cost of each item of plant and equipment is written off over its estimated useful life. Depreciation is calculated on a diminishing value basis. Each item's economic life has due regard to both its own physical limitations and to present assessments of economically recoverable resources of the mine property at which the item is located, and to possible future variations in those assessments. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The following estimated useful lives are used in the calculation of depreciation:

Plant and equipment	4 - 15 years
Leased motor vehicles and equipment	3 - 5 years

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000
(Cont'd.)

(d) Recoverable Amount of Non Current Assets

Non current assets are written down to recoverable amounts where the carrying value of any non current assets exceeds recoverable amounts. In determining recoverable amounts of non current assets, the expected net cash flows have not been discounted to their present values. Where assets are recorded at revalued amounts no account is taken of whether any capital gains tax may become payable in determining the recoverable amount.

(e) Leases

Leases of fixed assets other than operating leases, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Lease payments for operating leases are charged as expenses in the periods in which they are incurred.

(f) Restoration, Rehabilitation and Environmental Costs

Restoration, rehabilitation and environmental expenditure are incurred as required during the production phase of operations. It is also accrued when the need for any additional future expenditure is required and then written off as part of the cost of production of the mine property concerned.

(g) Employee Entitlements

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and is capable of being measured reliably.

Provisions made in respect of wages and salaries, annual leave, sick leave, and other entitlements expected to be settled within 12 months, are measured at their nominal values.

(h) Going Concern Basis

The accounts of the Company have been prepared on a going concern basis which contemplates the continuity of normal business activity, and the realisation of assets and the settlement of liabilities in the normal course of business.

(i) Receivables

Trade receivables and other receivables are recorded at amounts due less any provision for doubtful debts.

(j) Accounts Payable

Trade payables and other accounts payable are recognised when the Company becomes obliged to make future payments resulting from the purchase of goods and services.

(k) Financial Instruments Issued by the Company

Debt and Equity Instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

(l) Foreign Currency

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at that date.

Exchange differences are brought to account in the profit and loss statement in the period in which they arise except that:

(i) exchange differences which relate to assets under construction for future productive use are included in the cost of those assets; and

(ii) exchange differences on transactions entered into in order to hedge the purchase or sale of specific goods and services are deferred and included in the measurement of the purchase or sale.

(m) Revenue Recognition

Interest
Interest is recognised on an accruals basis in accordance with the terms of the relevant agreement.

Disposal of Assets
Revenue from the disposal of assets is recognised when the Company has passed control of the assets to the buyer.

(n) Joint Venture Operations

Interest in joint venture operations are reported in the financial statements by including the Company's share of assets employed in the joint ventures, the share of liabilities incurred in relation to joint ventures and the share of any expenses incurred in relation to joint ventures in their respective classification categories.

(o) Investments

Investments are recorded at lower of cost or net realisable value and dividend revenue is recognised on a receivable basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000
(Cont'd.)

		2000 $	1999 $
2	**REVENUE**		
	Interest received - other persons	570,626	7,318
	Proceeds from sale of current assets	-	750,000
	Proceeds from sale of non current assets	74,851	14,029,500
		645,477	14,786,818

3 OPERATING PROFIT/(LOSS)

The operating Profit/(Loss) before income tax has been determined after:

		2000 $	1999 $
(a)	**Charging as expense:**		
	Interest and finance charges paid or payable to:		
	- finance lease charges	4,650	9,454
	- other persons	2,063	48,920
	Depreciation of fixed assets	13,384	100,572
	Amortisation of leased assets	23,231	23,742
	Operating lease rental expense	41,856	33,981
	Exploration expenditure written off	40,183	100,623
	Development expenditure written off	-	250,116
	Net foreign exchange loss	8,702	-
	Diminution of non current investment	160,000	-
(b)	**Abnormal items (nil tax effect):**		
	Profit on disposal of Butcher Well Gold Project	-	8,119,181
(c)	**Crediting as income:**		
	Profits from sale of non-current assets	74,851	7,000
	Interest	570,626	7,318
(d)	**Auditors' remuneration:**		
	Auditing the accounts	13,900	11,900
	Other services	14,027	18,140
		27,927	30,040

The auditors received no other benefits.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000
(Cont'd.)

	2000 $	1999 $
4 INCOME TAX		
(a) The prima facie income tax expense on pre-tax accounting income reconciles to the income tax expense in the accounts as follows:		
Operating Profit or (Loss)	(556,178)	6,742,049
Income tax expense (benefit) calculated at 36% of operating profit or loss	(200,224)	2,427,138
Add/(Less) Tax effect of permanent differences		
Non-Deductible Items	77,508	23,614
Timing differences:		
Future income tax benefits of income tax losses not previously recognised now brought to account	-	2,450,752
Tax losses not brought to account as future income tax benefits	122,716	-
Income tax expense (benefit) attributable to the operating profit or loss	-	-
(b) Future income tax benefits:		
Certain future income tax benefits have not been recognised as an asset:		
Attributable to tax losses, the benefits of which are not virtually certain of realisation at 34%		
Revenue	3,236,916	2,839,994

(c) The taxation benefits will only be obtained if:

(i) The Company derives assessable income of a nature and of amount sufficient to enable the benefit from the deductions to be realised;

(ii) The Company continues to comply with the conditions for deductibility imposed by the law; and

(iii) There are no changes in tax legislation adversely affecting the Company in realising the benefit from the deductions.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000 (Cont'd.)

		2000 $	1999 $
5	**CURRENT ASSETS – Receivables**		
	Trade debtors	38,922	40,633
	Other debtor [See Note (a)]	-	14,000,000
		38,922	14,040,633

(a) Other debtor represents the proceeds receivable from the sale of the Company's 50% share in the Butcher Well Gold Project to Sons of Gwalia Ltd. This was received on 12 July 1999.

		2000 $	1999 $
6	**NON CURRENT ASSETS – Investments**		
	Shares and options at cost	200,000	-
	Provision for diminution	(160,000)	-
		40,000	-

7 NON CURRENT ASSETS - Plant and Equipment

	At Cost $	Accumulated Depreciation & Amortisation $	Net Book Value $
(a) 2000			
Plant, equipment and motor vehicles	294,696	110,143	184,553
Leased equipment and motor vehicles	165,908	110,409	55,499
	460,604	220,552	240,052
(b) 1999			
Plant, equipment and motor vehicles	152,840	111,943	40,897
Leased equipment and motor vehicles	198,780	110,004	88,776
	351,620	221,947	129,673

Aggregate depreciation and amortisation allocated, whether recognised as an expense or capitalised as part of the carrying amount of other assets during the year.

	2000 $	1999 $
Plant, equipment and motor vehicles	29,864	100,572
Leased equipment and motor vehicles	33,276	32,748
	63,140	133,320

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000
(Cont'd.)

8 NON CURRENT ASSETS – Exploration Interests

	2000	1999
	$	$
Tenement acquisition at cost	859,177	447,247
Exploration and development expenditure at cost	4,048,585	2,119,950
	4,907,762	2,567,197

Included in the above $4,907,762 as at 30 June 2000 is an amount of:

(i) $2,487,041 expended by the Company on its Telfer tenements in which the Company has a 100% interest. In a joint venture, known as the Isdell joint venture, with Normandy Gold Pty Ltd (Normandy), Normandy has the right to earn a 51% interest in the joint venture upon the expenditure of $5 million. [See Note 23(a)].

(ii) $738,667 expended by the Company in relation to a joint venture with Kimberlite Resources Pty Ltd towards earning a 75% interest. [See Note 23(b)].

Included in the above $2,567,197 as at 30 June 1999 is an amount of:

(i) $2,051,991 expended by the Company on its Telfer tenements which are in a joint venture with Carpentaria Gold Pty Ltd in which the Company has a 86.33% interest. [See Note 23(a)].

(ii) $39,989 expended by the Company in relation to a joint venture with Kimberlite Resources Pty Ltd towards earning its 75% interest. [See Note 23(b)].

The ultimate recoupment of the value of assets is dependent upon their successful development and commercial exploitation, or alternatively their respective sale.

The Company's exploration properties may be subject to claims under native title or contain sacred sites or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration and/or mining restrictions.

9 CURRENT LIABILITIES – Accounts Payable

	2000	1999
	$	$
Trade payables	456,701	697,987

10 CURRENT LIABILITIES – Borrowings

	2000	1999
Bank Loan (a)	-	650,000
Lease liability [Note 16 (b)]	51,350	35,790
Bank overdraft	-	842
	51,350	686,632

(a) The bank loan was secured by a fixed and floating charge over the Butcher Well Gold Project tenements and the Tay tenements. It was repaid from the proceeds received from the sale of the Company's 50% share in the Butcher Well Gold Project.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000
(Cont'd.)

11 CURRENT LIABILITIES – Provisions	2000 $	1999 $
Employee entitlements	82,553	97,928

12 NON CURRENT LIABILITIES – Borrowings		
Lease liability [Note 16 (b)]	5,438	56,788

13 SHAREHOLDERS' EQUITY	Shares	2000 $	1999 $
Share Capital			
Issued Capital (fully paid)			
Balance at the start of the year			
(1999:110,316,135)	110,566,135	25,687,509	22,063,227
Shares issued during the year:			
(1999: 250,000 @ 6¢ per share)		-	15,000
Transferred from share premium reserve		-	7,827,552
Transferred from share option reserve		-	105,840
Transferred from share discount account		-	(4,324,110)
Shares bought back	7,130,000	871,210	-
Balance at the end of the year	103,436,135	24,816,299	25,687,509

On 27 August 1999 the Company announced to the Australian Stock Exchange that it was to embark on a 10/12 on market share buyback to commence on 13 September 1999.

Changes to the Corporations Law which became effective 1 July 1998 abolished the par value concept in relation to share capital. As a consequence, as at 1 July 1998 the balances of the share premium reserve, the share option reserve and share discount account were transferred to the issued share capital account.

Details of the movements in reserves are disclosed in Note 14 to the financial statements.

(c) Share Options	2000 Options	1999 Options
Unissued options		
Balance at the start of the year	2,000,000	2,000,000
Issued during the year	(900,000)	-
Expired during the year	(1,100,000)	-
Balance at the end of the year	-	2,000,000
Issued options		
Balance at the start of the year	-	-
Issued during the year	900,000	-
Balance at the end of the year	900,000	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000 (Cont'd.)

Two million unlisted Options for the Employee Share Plan were created as approved by shareholders in a meeting on 2 October 1996. During the year 900,000 options were issued. These are exercisable at 25c and expire on 31 December 2002. The remaining 1,100,000 options under the plan expired on 2 October 1999. No issued options have been exercised.

		2000 $	1999 $
14	**SHAREHOLDERS' EQUITY – Reserves**		
	Share option reserve (a)	-	-
	Share option reserve (b)	-	-
	Asset revaluation reserve (c)	-	-
	Asset realisation reserve (d)	109,972	109,972
	Share discount account (e)	-	-
		109,972	109,972
	Movements		
(a)	**Share premium reserve**		
	Balance at start of financial year	-	7,827,552
	Transfer to share capital (Note 13)	-	(7,827,552)
	Balance at end of financial year	-	-
(b)	**Share option reserve**		
	Balance at start of financial year	-	105,840
	Transfer to share capital (Note 13)	-	(105,840)
	Balance at end of financial year	-	-
(c)	**Asset revaluation reserve**		
	Balance at start of financial year	-	109,972
	Transfer to asset realisation reserve	-	(109,972)
	Balance at end of financial year	-	-

The balance of the Asset Revaluation Reserve at the start of the 1999 financial year relates solely to assets which were disposed of as part of the sale of the Company's 50% interest in the Butcher Well Gold Project to Sons of Gwalia Ltd on 19 May 1999.

The $109,972 now represents a realised profit and accordingly has been transferred to an Asset Realisation Reserve.

		2000 $	1999 $
(d)	**Asset realisation reserve**		
	Balance at start of financial year	109,972	-
	Transfer from Asset Revaluation Reserve (c)	-	109,972
	Balance at end of financial year	109,972	109,972
(e)	**Share discount account**		
	Balance at start of financial year	-	(4,324,110)
	Transfer to share capital (Note 13)	-	4,324,110
	Balance at end of financial year	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000
(Cont'd.)

	2000 $	1999 $
15 EARNINGS PER SHARE		
Basic earnings per share	(0.0051)	0.0611

The weighted average number of shares during 2000 amounted to 108,255,615 (1999:110,378,464).

Diluted earnings per share are not materially different from basic earnings per share.

16 COMMITMENTS

(a) The Company together with its joint venture partners has minimum annual expenditure commitments, as required by the Mining Act, in order to maintain title to the various mining leases, prospecting licences and exploration licences which are held in Australia. The current level of commitment which is expected to be fulfilled in the normal course of operations, if no exemptions are applied for, amounts to $1,476,180. Of this amount, $1,330,180 will be met by Normandy Gold Pty Ltd as part of their commitment under the Isdell joint venture [Note 22(a)].

The Company's exploration properties may be subject to claims under native title or contain sacred sites or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration and/or mining restrictions.

The Company together with its joint venture partner Kimberlite Resources Pty Ltd has minimum annual expenditure commitments as required by the Mining Act, in order to maintain title to the various prospecting licences which are held in Namibia. The current level of commitment which is expected to be fulfilled in the normal course of operations by the Company in earning its interest in the joint venture amounts to A$969,580 [Note 22(b)].

No estimate has been given of expenditure commitments beyond one year as this is dependent on the Directors ongoing assessment of operations and in certain instances on Native Title negotiations.

(b) Capitalised Finance Leases

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

The present value of the remaining minimum lease payments at 30 June 2000 is as follows:

	2000 $	1999 $
Lease commitments		
(i) no later than 1 year	53,427	43,947
(ii) later than 1 year and not later than 2 years	5,653	53,427
(iii) later than 2 years and not later than 5 years	-	5,653
Minimum lease payments	59,080	103,027
Deduct future finance charges	2,292	10,449
Present value of minimum lease payments	56,788	92,578

The above finance lease commitments relate to various items of equipment and motor vehicles. The annual lease commitments are fixed and there are no contingent rental payments. The leased assets can be purchased for the amount of the outstanding liability.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000 (Cont'd.)

	2000	1999
The above capitalised finance leases are Included in the financial statements as:	$	$
Current liabilities (Note 10)	51,350	35,790
Non current liabilities (Note 12)	5,438	56,788
	56,788	92,578
(c) Operating lease commitment		
(i) no later than 1 year	41,856	38,500
(ii) later than 1 year and not later than 2 years	42,292	-
(iii) later than 2 years and not later than 5 years	94,612	-
(iv) over 5 years	47,960	-
Commitments not recognised in the financial statements	226,720	38,500

The above operation lease commitment is for the lease of the Company premises. The annual lease commitments are fixed and there are no contingent rental payments. The lease agreement contains an option to renew the lease for 5 years.

17 REMUNERATION OF DIRECTORS

	2000	1999
	$	$
(a) Aggregate remuneration of directors of the Company	535,719	310,310
(b) Number of directors of the Company whose remuneration was within the following bands :	No.	No.
$ – $		
0 – 9,999	-	2
20,000 – 29,999	2	2
120,000 – 129,999	1	1
130,000 – 139,999	-	1
160,000 – 169,999	1	-
200,000 – 209,999	1	-

(c) The names of the directors who have held office during the financial year are: Nigel Raymond Forrester, Clive Bruce Jones, Jeffrey John Moore, Godfrey Edward Taylor and John Rex Jenkins.

18 EXECUTIVES' REMUNERATION

	2000	1999
	$	$
(a) Aggregate remuneration of executive officers of the Company receiving $100,000 or more:	495,719	263,464
(b) Number of executives of the Company where remuneration was within the following bands :		
$ – $	No.	No.
120,000 – 129,999	1	1
130,000 – 139,999	-	1
160,000 – 169,999	1	-
200,000 – 209,999	1	-

Executives disclosed herein are also directors of the Company and disclosed in Note 17 above.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000
(Cont'd.)

19 SEGMENTAL INFORMATION

The Company operates both in Australia and Namibia in the area of mineral exploration and mining.

Geographical Segments

	Revenue		Results		Assets	
	2000	**1999**	**2000**	**1999**	**2000**	**1999**
Australia	645,477	14,786,818	(556,178)	6,742,049	13,519,603	16,740,196
Namibia	-	-	-	-	849,912	-
	645,477	14,786,818	(556,178)	6,742,049	14,369,515	16,740,196

20 RELATED PARTY TRANSACTIONS

Mr John Rex Jenkins, previously a director of the Company, is a beneficiary of the Jenkins Family Trust which is the controlling shareholder of Jenad Australia Pty Ltd . While Mr Jenkins was a Director of the Company, Jenad Australia Pty Ltd provided consulting services to the Company during the year, at commercial rates. These amounted to $20,000 (1999: $20,000).

Mr Jeffrey John Moore, a Director of the Company provided consulting geological services to the Company for the month of July 1999, at commercial rates. This amounted to $1,667 (1999:$20,000).

During the year the law firm Taylor Smart & Co provided legal services to the Company on various matters at commercial rates. This amounted to $14,315.20 (1999: Nil). Mr Godfrey Taylor is both a partner of Taylor Smart & Co and a Director of the Company.

	2000	1999
Ordinary shares held by directors and/or their associates at 30 June.	13,800,539	8,594,205
Ordinary shares acquired by directors and/or their associates at market rates during the year.	5,206,334	2,147,730
Ordinary shares disposed of by directors and/or their associates at market rates during the year.	-	-

21 CONTINGENT LIABILITIES

(a) In accordance with an agreement dated 28 June 1991, between the Company and Cove Mining N.L., the Company agreed, contingent upon production, to pay to Cove Mining N.L., a royalty of $1.50 per tonne of all ore mined and milled from mining tenements subject to the agreement. This contingent liability was discharged on 18 August 1999 through the payment of $50,000 to Cove Mining N.L.

(b) In accordance with an agreement dated 28 April 1992, between the Company and Aberv Pty Ltd, the Company agreed, contingent upon production to pay to Aberv Pty Ltd, a royalty of $1.00 per tonne of all ore mined, milled and treated from Exploration Licences E45/1217 and E45/1218.

(c) In accordance with an agreement dated 21 July 1992, between the Company and Joseph Allen Treacy, the Company agreed:

Contingent upon its election, to pay to Joseph Allen Treacy, $10,000 per annum on 21 July every year until 1997 and a payment of $55,000 on 21 July 1997. This commitment was renegotiated with $10,000 paid on 9 March 1998, $15,000 paid on 19 August 1998, $5,000 paid on 29 September 1998, $10,000 paid on 2 December 1998 and the balance of $15,000 on 12 August 1999.

Contingent upon production, to pay to Joseph Allen Treacy, a 2% royalty on production from Exploration Licences E45/1234, E45/1235, E45/1237 and E45/1393.

(d) In accordance with an agreement dated 26 April 1996 between the Company and Furnace Technologies Pty Ltd, the Company agreed, contingent upon production, to pay to Furnace Technologies Pty Ltd a royalty of $1.00 per tonne of all ore mined and milled from Exploration Licence E45/1654. This contingent liability was discharged on 11 August 1999 by way of an agreement to pay Furnace Technologies Pty Ltd $30,000 on 1 September 1999 and $30,000 on 1 September 2000.

Any contingent liabilities arising in respect of any of the agreements as outlined in (b) and (c) will be borne by the Company and any of its joint venture partners, unless they are otherwise re-negotiated and settled by the Company.

(e) On 12 April 1994 the Company was served a Writ of Summons issued by Avago Pty Ltd, claiming damages in the amount of $821,218 plus interest and costs for an alleged breach of contract in July 1993 between the Company and Avago Pty Ltd.

In September 1999 Avago's claim was dismissed and each party paid their own costs of the action.

The Company has borne some $20,000 in legal fees since 1994 on this matter.

22 CONTINGENT ASSETS

On 12 July 1999 the Company entered into three royalty deeds with Sons of Gwalia Ltd and Sons of Gwalia (Murchison) N.L. relative to the sale of its 50% share of the Butcher Well joint venture.

The first royalty deed covers Mining Leases M39/411, M39/412 and M39/413 within which lies the Red October gold deposit. In terms of this deed the Company is entitled to 1.75% of the spot value of all gold sales (less refining costs, gold sales costs and any royalties paid to the government or Native Title parties) after the production of 160,000 ozs from these leases. The Red October deposit is currently being mined by Sons of Gwalia Ltd.

The second royalty deed covers Mining Leases M39/165 and M39/166 within which are situated the Butcher Well gold resources. In terms of this deed the Company is entitled to 1% of the spot value of all gold sales (less refining costs, gold sales costs and any royalties paid to the government or Native Title parties) after the production of 50,000 ozs from these leases. No mining is currently taking place from these resources.

The third royalty deed covers all of the other tenements which were in the Butcher Well joint venture, within which are situated a number of small resources. In terms of this deed the Company is entitled to 1% of the spot value of all gold sales (less refining costs, gold sales costs and any royalties paid to the government or Native Title parties) from any production from these tenements. No mining is currently taking place from any of the resources on these tenements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000 (Cont'd.)

23 JOINT VENTURES

The Company has an interest in the following joint ventures as at the 30 June 2000.

(a) A joint venture, known as the Isdell joint venture, with Normandy Gold Pty Ltd (Normandy), in respect of the majority of the Company's tenement holdings in the Telfer region of Western Australia. Normandy has the right to earn a 51% interest in the joint venture, through and upon the expenditure of $5 million over a four year period. Normandy has the right to withdraw at any time having spent $1,400,000.

A number of the leases in joint venture with Normandy were held jointly by the Company and Carpentaria Gold Pty Ltd (Carpentaria), a wholly owned subsidiary of Mount Isa Mines Ltd. The Company had an agreement with Carpentaria whereby it would acquire a 100% interest in these leases outside of the Normandy agreement, through the final payment to Carpentaria of $300,755 on 30 June 2000. The $300,755 payment was made on 19 June 2000, taking the Company's interest in these leases to 100%.

The above ensures that if Normandy completes its expenditure requirements for the Isdell Joint Venture within four years, the resulting equities in the tenements for this joint venture will be Normandy 51% and Mount Burgess 49%.

As at 30 April 2000 Normandy had spent $3.2million. The amount of expenditure between this date and the date of this report is not yet available.

(b) A joint venture, known as the Tsumkwe Joint Venture, with Kimberlite Resources Pty Ltd, for the exploration and development of mines on Exclusive Prospecting Licences 2012 and 2014 in the Republic of Namibia. The Company must spend A$1,200,000 on exploration by March 2001 to earn a 55% interest in the project.

The Company must spend a further A$800,000 within a further one year to earn an additional 20% interest in the project.

If the Company spends A$2,000,000 as per above, the resulting equities in the Tsumkwe Joint Venture will be Mount Burgess 75% and Kimberlite Resources Pty Ltd 25%.

The Company has spent A$735,000 as at 30 June 2000.

The following amounts represent the Company's interest in assets employed in the above joint ventures. The amounts are included in the accounts under their respective asset categories.

	2000 $	1999 $
Non-current Assets		
Exploration Interests	3,225,708	2,096,949
Total Non-Current Assets	3,225,708	2,096,949
Total Assets	3,225,708	2,096,949

24 ECONOMIC DEPENDENCY

The Company is not economically dependent on any other company for the derivation of revenues.

25 SUPERANNUATION COMMITMENTS

The Company has ensured that the minimum superannuation levy was contributed to a complying fund on behalf of all its employees.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000
(Cont'd.)

26 SUBSEQUENT EVENTS

No other matters or circumstances of which the Directors are aware, other than those referred to in the accounts or notes, have arisen since the end of the year which significantly affect, or may significantly affect, the operations, results or state of affairs of the Company in financial years after the financial year, other than as follows:

On 24 July 2000 Mr John Rex Jenkins resigned from the Board of directors and Mr Ronald William O'Regan was appointed in his stead on 31 July 2000.

Since the financial year end the Company has bought back 866,655 shares under its on market share buy back scheme.

On 1 September 2000 the Company announced to the Australian Stock Exchange that it was to extend the buyback period for an unlimited duration to achieve the original buyback target of 11,000,000 shares.

27 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks. 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:

	2000	1999
Cash balance comprises		
Bank overdraft	-	(842)
Cash	9,142,779	2,693
Cash balance as per Statement of Cash Flows	9,142,779	1,851

(b) Reconciliation of Operating Profit/(Loss) after tax to the cash flows from operations:

	2000	1999
Operating Profit/(Loss) after income tax	(556,178)	6,742,049
Loss on sale of non current assets	-	52,172
Writedown of non current investments to recoverable amount	160,000	-
Depreciation	13,384	100,572
Amortisation	23,231	23,742
Write off of exploration and development expenditure	40,183	350,739
Non cash share issue costs	-	15,000
Profit on sale of non current assets	(74,851)	-
Profit on asset sales – exploration tenements	-	(8,178,353)
Net exchange differences	2,974	-
Changes in operating assets and liabilities		
Increase/(decrease) in trade receivables	(33,245)	10,321
Increase/(decrease) in trade creditors	(107,203)	54,248
Increase/(decrease) in provision for employee entitlements	(15,375)	24,735
Net cash flows from operations	(547,080)	(804,775)

(c) Financing Facilities

As at 30 June 2000 the Company had a Visa Card credit facility to the value of $65,000 and payroll facility to the value of $56,000. At balance date the total amount unused was $101,000.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000
(Cont'd.)

(d) Non-cash financing and investing activities

2000
There were no non-cash financing and investing activities during the year.

1999
During the financial year, the Company

(i) acquired Year 2000 compliant computer systems on lease finance for $18,000; and

(ii) issued 250,000 ordinary fully paid shares for a value of $15,000 to Arrow Resources Management Pty Ltd (wholly owned by the Rothschild Australia Group) as part of the borrowing costs in relation to the Butcher Well Joint Venture project finance facility provided by NM Rothschild (Australia) Ltd.

None of the above are reflected in the Statement of Cash Flows.

28 FINANCIAL INSTRUMENTS

Significant Accounting Policies

(i) Details of significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the accounts. No financial instruments were in place at year end.

(ii) **Interest Rate Risk**

The following table details the economic Company's exposure to interest rate risk as at the reporting date.

	Average Interest Rate	Variable Interest Rate	Fixed Interest Rate Maturity			Non-Interest Bearing	Total
			Less than 1 year	1 to 5 Years	More than 5 years		
	%	$	$	$	$	$	$
2000							
Financial Assets							
Cash	6.12		9,135,193			7,586	9,142,779
Shares						40,000	40,000
Trade receivables	-					38,922	38,922
		-	9,135,193	-	-	86,508	9,221,701
Financial Liabilities							
Trade payables						456,701	456,701
Finance lease liabilities	9.85		51,350	5,438			56,788
Employee entitlements						82,553	82,553
		-	51,350	5,438	-	539,254	596,042

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000
(Cont'd.)

	Average Interest Rate %	Variable Interest Rate $	Fixed Interest Rate Maturity Less than 1 year $	1 to 5 years $	More than 5 years $	Non-Interest Bearing $	Total $
1999							
Financial Assets							
Cash	-	-	-	-	-	2,693	2,693
Trade receivables	-	-	-	-	-	14,040,633	14,040,633
		-	-	-	-	14,043,326	14,043,326
Financial Liabilities							
Trade payables	-	-	-	-	-	697,987	697,987
Bank loan	6.38	-	650,000	-	-		650,000
Bank overdraft	8.9	842	-	-	-		842
Finance lease liabilities	10.1	-	35,790	56,788	-		92,578
Employee entitlements						97,928	97,928
		842	685,790	56,788	-	795,915	1,539,335

(iii) **Credit Risk**

Credit risk refers to the risk that a counterparty will default on in respect of its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis.

The Company does not have any significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Company's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

(iv) **Net Fair Value**

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1 to the accounts.

DIRECTORS' DECLARATION

The Directors declare that:

(a) The attached financial statements and notes thereto comply with accounting standards;

(b) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the Company;

(c) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Law; and

(d) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Directors

N R Forrester
CHAIRMAN and MANAGING DIRECTOR

Signed at Perth this 19th day of September, 2000 in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Law.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOUNT BURGESS GOLD MINING COMPANY N.L.

SCOPE

We have audited the financial report of Mount Burgess Gold Mining Company N.L. for the financial year ended 30 June 2000 as set out on pages 16 to 33. The Company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements so as to present a view which is consistent with our understanding of the Company's financial position and performances as represented by the results of its operations, and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion, the financial report of Mount Burgess Gold Mining Company N.L. is in accordance with:

(a) The Corporations Law, including:

  (i) Giving a true and fair view of the Company's financial position as at 30 June 2000 and of its performance for the year ended for that date; and

  (ii) Complying with Accounting Standards and the Corporations Regulations; and

(b) Other mandatory professional reporting requirements.

DELOITTE TOUCHE TOHMATSU

P Messer
Partner
Chartered Accountants
Signed at Perth this 19th day of September 2000.

The liability of Deloitte Touche Tohmatsu is limited by, and to the extent of, the Accountants' scheme under the Professional Standards Act 1994 (NSW).

STOCK EXCHANGE INFORMATION

ADDITIONAL INFORMATION INCLUDED IN ACCORDANCE WITH THE LISTING REQUIREMENTS OF THE AUSTRALIAN STOCK EXCHANGE LIMITED

The information set out below was applicable as at 28 August 2000.

1. Distribution of Equity Securities and Voting Rights:

(a) Distribution of Shareholders of Ordinary shares:-

	No. of Holders
1 - 1,000	213
1,001 - 5,000	636
5,001 - 10,000	459
10,001 -100,000	903
100,000 and over	127
Total No. of Shareholders	2,338

(b) Each shareholder entitled to vote may vote in person or by proxy, attorney or representative. On a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote. On a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share.

(c) There existed 667 shareholders who held less than a marketable parcel of shares.

2. Substantial Shareholders

The Company had one substantial shareholder as follows:-

N R Forrester (with associates) 10,099,000 shares

STOCK EXCHANGE INFORMATION

ADDITIONAL INFORMATION INCLUDED IN ACCORDANCE WITH THE LISTING REQUIREMENTS OF THE AUSTRALIAN STOCK EXCHANGE LIMITED

3. Top Twenty Shareholders

Shareholder Name	Units Held	Percentage of Issued Capital
Nigel Raymond Forrester	8,146,190	7.88
ANZ Nominees Limited	7,361,047	7.12
Chase Manhattan Nominees	5,000,000	4.83
National Nominees	2,897,217	2.80
Swan River Nominee Corporation Pty Ltd	1,856,000	1.79
Baracus Pty Ltd (Brooks Family A/c)	1,800,000	1.74
Citicorp Nominees Pty Ltd	1,790,000	1.73
Pendant Ltd	1,600,000	1.55
Mr Godfrey Taylor	1,563,312	1.52
Westpac Custodian Nominees	1,562,565	1.51
Rubicon Nominees Pty Ltd	1,503,200	1.45
Mr Oliver Messenger (Messenger Family Account)	1,190,000	1.15
Whitloyd Nominees Pty Ltd	1,160,000	1.12
Strata Drilling WA Pty Ltd	1,050,000	1.02
Beta Management Services Pty Ltd (S/F A/C)	1,025,000	0.99
Colbern Fiduciary Nominees	1,000,000	0.97
Merrill Lynch (Australia)	966,150	0.93
Dilkara Nominees Pty Ltd (S/F Fund A/C)	900,000	0.87
Perpetual Custodians Ltd	715,100	0.69
Mrs Poh Lian Ang	672,000	0.65
	43,757,781	42.31

4. Contingent Liabilities in relation to Termination Benefits

There are no service agreements with any directors or officers of the Company.

DETAILS OF THE COMPANY'S MINERAL TENEMENTS AS AT 28 AUGUST 2000

Telfer

Tenement No.		% Equity
E 45/854		100
E 45/857		100
E 45/859		100
E 45/1217		100
E 45/1218		100
E 45/1227		100
E 45/1234		100
E 45/1235		100
E 45/1237		100
E 45/1393		100
E 45/1535		100
E 45/1654		100
E 45/1946	Under Application	100
E 45/2036	Under Application	100
E 45/2202	Under Application	100
M 45/527		100
M 45/528		100
M 45/542		100
M 45/543		100
M 45/544		100
M 45/545		100
M 45/548		100
M 45/549		100
M 45/550		100
M 45/551		100
M 45/659	Under Application	100
M 45/660	Under Application	100
M 45/661	Under Application	100
M 45/662	Under Application	100
M 45/663	Under Application	100
M 45/664	Under Application	100
M 45/749	Under Application	100
M 45/750	Under Application	100
M 45/901	Under Application	100
M 45/903	Under Application	100
M 45/904	Under Application	100
M 45/905	Under Application	100
M 45/917	Under Application	100
M 45/918	Under Application	100
P 45/2367		100
P 45/2368		100
P 45/2369		100

Tenement No.		% Equity
Tabletop		
E 45/1741	Under Application	100
E 45/1742	Under Application	100
E 45/1743	Under Application	100
E 45/1744	Under Application	100
E 45/1745	Under Application	100
E 45/1746	Under Application	100
Broadhurst		
E 45/1833	Under Application	100
E 45/1834	Under Application	100
E 45/1912		100
M 45/716	Under Application	100
M 45/717	Under Application	100
M 45/718	Under Application	100
M 45/719	Under Application	100
Mount Weld		
E39/518		100
Jutson		
E38/1342		100
Southern Yilgarn		
E 63/528		100
E 74/196	Under Application	100
E 74/197	Under Application	100
E 74/198	Under Application	100
E 63/739	Under Application	100
E 63/748	Under Application	100
NAMIBIA – Tsumkwe		
EPL 2012	Earning	75
EPL 2014	Earning	75
EPL 2187		75
EPL 2188		75
EPL 2189		75