

31st October 2005

Australian Stock Exchange Limited
Company Announcements Office

TECHNICAL REPORT – QUARTER ENDED 30th SEPTEMBER 2005

TasGold is focussed on precious and base-metal mineral exploration in Tasmania and Papua New Guinea with a policy of 'Year Round Drilling' with its two environmentally friendly, man-portable diamond core drilling rigs. Targets are high-value mineral deposits including various porphyry copper /gold, epithermal and intrusive related gold, VHMS, silver and base metals.

The company has 5 exploration licences (including 1 JV with BHP Billiton /Malachite) in Tasmania totalling approximately 100km². In PNG, TasGold holds 4 EL applications (2,500km²) and has an agreement/JV with South Pacific Minerals Corp (TSX-V: SPZ) that grants a 15% free carried interest to completion of bankable feasibility study + financial closure on all 'mining leases' granted on 3 ELs+5 ELAs (7,500km²). The company also has 3 million shares or ~14.5% equity in South Pacific.

HIGHLIGHTS FOR THE SEPTEMBER 2005 QUARTER:

TASMANIA

- A diamond drilling program consisting of ~800m was commenced at the Gowrie Park license and eight holes have now been initiated, completed or extended for 434m.

Management are pleased to report that the Higgs Deposit Inferred Resource has been extended to the SW by this drilling and new models/ concepts are being successfully applied to the search for further potentially economic mineralisation at the prospect. Folding may play a stronger role in localising or controlling the location of mineralisation than previously perceived.

An excavator trenching program has also been recently completed and several zones with high concentrations of base metals (principally galena) have been noted and sampled. These areas will likely be drilled in the immediate future and results from these programs will be released forthwith.

- Diamond core hole PVD002 at the Panama Prospect intersected three moderate to strongly altered zones with grades to 9.16 g/t gold +35.8 g/t silver over 0.5m. This mineralised zone requires additional evaluation.
- Preparations are being finalised for the SMRV summer exploration and drilling program in southwest Tasmania, with the aim to define potentially economic massive sulphide base and precious metal mineralisation.

The program will commence with a ~20 line kilometre, 3 dimensional IP (Induced Polarisation) survey in later November on Wart Hill and Aldebaran Prospects. This survey will likely define additional drilling targets for testing. Drilling will likely commence in late December or early January following evaluation of the IP results.

Hydraulic auger C-horizon soil /rock sampling will be undertaken over a 6km² area at the Hudson River Zone gold in drainage anomalies.

- One diamond drill hole was successfully completed at the Mt Ramsay Prospect in NW Tasmania.

PAPUA NEW GUINEA

- The JV partner on 3 ELs + 5 ELAs in Papua New Guinea (South Pacific Minerals Corp.) has now drilled ~2,000m of a minimum 2,400m diamond drilling program at the Mt Bini License Kodu Deposit and Oomargi Prospect.

Copper and gold mineralisation has been documented at Kodu to more than 500m vertical depth and best results to date have included 0.35% copper + 0.36 g/t gold + 122ppm molybdenum over 144.3m, from 368m to the end of hole at 512.3m. This 144.3m interval equals ~0.51% copper equivalent, using current metal prices.

- Grid-based soil sampling defined a new porphyry copper/ gold target at the Oomargi Prospect, located ~7km NW of the Kodu Deposit that is currently being drilled. This prospect has exciting possibilities to define a major new zone of porphyry copper gold molybdenum mineralisation.

The assay results defined a >2,200m long and 650m to 1000m (averaging ~750m) wide copper anomaly. The gold anomaly is coincident with the copper and has a similar overall size at a ~15 ppb cutoff. Both anomalies have higher tenor cores in the southern section, with copper being pseudo pear-shaped and up to ~500m wide and ~750m long, averaging ~500ppm, with a peak of >0.1% copper.

Approximately 60% of the trench results were gold and sometimes copper anomalous, including 2m of 3.89g/t gold, 116m of 0.18g/t gold + 0.13% copper, 52m of 0.3 g/t gold + 0.06% copper, 40m of 0.34g/t gold (incl. 6m of 0.9g/t) and 52m of 0.23g/t gold.

- An ~800m long x 500m wide copper, gold and arsenic in grid based soil anomaly was defined at Kodu NW Prospect, immediately adjacent to the Kodu Deposit and follow-up reconnaissance has been undertaken. Results will be reported soon.
- A deep hand trenching program is ongoing at Andewa and is locating quartz (silica-clay) veining within the ~2,500m long x 600m wide Komsen Prospect and tracing the system to the east of where most historic work occurred.

Results from the JV's initial reconnaissance program at the Mt Andewa property included 3m of 14.26 g/t gold and 5m of 8.61 g/t gold. Trench samples will arrive at the laboratory for analysis in the immediate future. Drilling targets are being evaluated and prioritized for an anticipated drilling program to occur in Q1/Q2 2006.

A 3.5km² soil grid is currently being established and sampled over several strongly gold anomalous drainages and associated Aster satellite interpreted silicified structures.

CORPORATE

- A 1 for 1 non-renouncable rights issue was commenced on a 1 for 1 basis to raise a maximum of \$5.2 million. The record date was 14 October, the offer is not underwritten and shareholders may apply for new shares in excess of their entitlements. This offer was extended today to a close of 5.00pm Monday 5 December 2005.

EXPLORATION DETAILS

TASMANIA

Gowrie Park Project

TasGold Ltd is currently undertaking a drill program of approximately 800m that began in early/mid September 2005. TasGold has drilled several successful diamond core holes at the Narrawa Prospect, Gowrie Park EL located in moderately accessible north central Tasmania, including: 9m of 135g/t silver, 1.4g/t gold, 9.74% lead and 5.90% zinc from 53m downhole, 1.5m of 25.5g/t gold from surface and 4m of 10.9g/t gold from 42m. Targets are large tonnage (~50Mt), low to medium grade (~2-4g/t) intrusive related stockwork gold and base metal deposits in high grade veins and skarns within part of the Dolcoath Granite aureole and surrounding rocks.

The Narrawa Prospect, has an Inferred Resource of ~25,000 ounces of gold in 215,000 tonnes at 3.5 g/t gold, 1.5% lead, 1.3% zinc and 23 g/t silver and the Stormont Prospect has an Inferred Resource of ~15,000 ounces of 135,000 tonnes of 3.44 g/t gold and 0.21% Bi. Results in drill holes such as: near true width of 25.4m of 4.33 g/t gold (including 1.3m of 23.1g/t gold, plus 1m of 14.21g/t gold plus 1.15m of 12.13 g/t gold), 42m of 9.56 g/t gold in trench and 36.5 g/t gold at the end of development work in a short adit show significantly more drilling is warranted. Gold and base metal mineralisation is currently still open to the SE and is outside the present resource boundary of the Higgs Deposit. Management anticipate that additional drilling should lead to an increase in the Narrawa Creek (Higgs Deposit) Inferred Resource.

The Narrawa Creek precious and base metal mineralisation have complex inter-relationships which are now better understood because of a recent structural geologic / mineralisation orientation evaluation. Both styles of mineralisation are widespread and of good grades and further drilling is expected to lead to extensions to known mineralisation or new discoveries.

Orientation work undertaken on drill hole NC027 indicated significant potential for south-west dipping mineralised veins, in addition to the previously known moderate/steeply NW dipping strata replacement mineralisation. These results show that whilst much sulphide is bedding parallel and moderate NE dipping, mineralised veins are near perpendicular and dipping relatively shallowly to the SW. This helps with understanding the nature of mineralisation at Narrawa, noting that previous TasGold drilling beneath high grade intersections in NC012 and NC006 returned little. Similarly, some very high grades to 58.67 g/t gold were returned from West Higgs and SW orientated drilling beneath these structures returned little by comparison.

A likely model suggests mineralisation introduced along NW striking / SW dipping structure (likely related to the regional scale faults - Bismuth Creek host to Australia's largest fluorite resource) with permeation along bedding planes within the favourable permeable coarse grained wacke to granule conglomerates.

This new evidence indicates that precious and base metal mineralisation on the northern side of Narrawa Creek may also not have been drilled effectively. Mineralisation of uncertain orientation is known on the northern side of Narrawa Creek as defined by drilling undertaken from the main access track. The most significant gold in the area was defined in NC001, the hole returning assays of 10.9m of 1.31g/t gold, 9g/t silver, 0.6% lead and 0.7% zinc. Individual intersections within the top of this hole ran higher grades and hole NC025 also intersected 1.5m of 25.5 g/t gold from the drill rig anchor hole. These intersections are particularly significant as they are in an area located to the north of NC 027 and the Inferred Resource, that did not have an associated gold in soil geochemical anomaly. A series of excavator trenches along the main Narrawa Creek access track proximal to this drill intersection have recently been completed to better define the extent and controls on this mineralisation prior to additional drilling. The trenches were located in areas where channel sampling had not been conducted due to limited outcrop. Massive galena has been located in outcrop and sampling results are expected to be returned in the immediate future.

Drill hole NC027 was deepened and semi-massive sulphide mineralisation was encountered from 45.8m (being the previous end of hole) to 55.3m. This 13m interval of pyrite +/- galena/sphalerite mineralisation includes the previously reported 3.8m interval containing 10.9g/t gold. The mineralised interval contains

several minor zones of near massive sulphide over 20cm intervals and the assay results have documented a broad zone of anomalous zinc, lead, silver, copper and gold, containing 9.0m of 0.88% zinc, 0.71% lead, 16g/t silver, 0.14% copper and 0.06g/t gold.

NC028 was drilled on an azimuth 20 degrees further east from the NC027 drill pad (Azimuth 55°, Dip -45°) providing an intersection of disseminated to semi-massive sulphides approximately 10m SE of that in NC027. The intersection in NC028 extended for 16.9m from 34m and consisted of banded sulphide disseminations within garnet-actinolite skarn and semi massive sulphide intervals with up to 25% pyrite, 6-8% galena, 3-5% sphalerite, and trace chalcopyrite.

Hole NC029 intersected 6.1m of semi-massive sulphides from 43 to 49.1m downhole and smaller zones from 55.7 to 57m and 61.0 to 61.7m. This intersection of semi massive sulphides indicates that the mineralisation dips back to the SW at a moderate angle which management had speculated upon. TasGold have confirmed the orientation of this mineralisation in hole NC030, which was drilled from the same pad at a steeper inclination (70°), being designed to intersect the horizon containing the sulphide veining and high-grade gold approximately 15m downdip from the NC29 intersection.

NC030 was collared at 035degrees /-70, providing an anticipated intersection 15m down dip (SW) from that in NC29. The hole was terminated at 97.5m having roughly crossed projected drill traces for NC017 and ND003. Mineralisation was low tenor by comparison to that in NC028 and 029. An alternating approximate zonation from grey silicified sandstone, through calc-silicate alteration, then green skarn etc possibly highlights folding, perhaps with strong mineralisation at the fold closure.

Hole NC031 was collared to test the continued strike extension of mineralisation to the SE of the Higgs Resource, but was terminated at 27m before the target depth in rubbly silicified sandstone with drilling conditions proving exceptionally difficult due to the presence of a late brittle fault. The drill core was moderately to intensely weathered and a steeper hole was planned from this drill pad to attempt to intersect the inferred extension. Lithologies going down hole are hornfels, fine sandstone, weathered skarn, weakly altered siltstone, skarn, fine sandstone, siltstone, weathered skarn, and silicified sandstone.

Drill hole NC032 was collared on the same drill pad as NC031, however the hole was drilled 10 degrees steeper (055 degrees /-55, EOH 54m). Disseminated and vein sulphide mineralisation was intersected over approximately 11m from 32.55m and terminating at 43.50m, bounded by less mineralised skarn intervals. The sulphidic intersections are typically bands of disseminated sulphide averaging 12-15% pyrite, 2% galena and 2% sphalerite with intermittent veins of sphalerite, galena and silica-pyrite. Locally the mineralisation is semi-massive over 5cm intervals and silicification is variable but always present throughout the intersection. The host lithologies vary from siltstone to granule sandstone. A rough summary of lithologies going down hole is hornfels, fine sandstone, weathered skarn, weakly altered siltstone, skarn, fine sandstone, siltstone, weathered skarn, silicified sandstone, skarn, vein and disseminated sulphides in silicified interbedded sandstones and siltstone, weathered skarn and finally unweathered skarn.

NC033 was orientated to 215 degrees /-45SW and will reported in the future . This drill hole and subsequent planned fanned intersections from the same pad tests the extent of Higgs a further 15m to the south east. Significant sulphides were intersected from 6m to an as yet undetermined depth.

Significant exploration potential for south-west dipping mineralised veins has now been shown, in addition to the previously known moderate/steeply NW dipping strata replacement mineralisation and this significantly increases the entire Narrawa Prospect area resource potential. Future drilling will utilise this revised model and target this new concept at various locations within the prospect area, including along the back top side of the entire Higgs Deposit/Workings. Some very high gold grades (to 58.7g/t) in the West Higgs Prospect will also be re-assessed.

Lisle Project - Panama Prospect

The second hole (PVD 002) drilled under historic gold workings at the Panama Prospect—'Lisle/Golconda' goldfield, in easily accessible NE Tasmania, discovered previously unknown, stacked, near-surface, narrow gold bearing quartz veins near /in a granodiorite /hornfelsed sediments lithologic contact zone and returned 9.16g/t gold plus 35.8 g/t silver over 0.5m (from 61m downhole), 2.19g/t gold plus 16.5 g/t silver over 0.5m (from 97.25m downhole) and 1.77g/t gold over 0.6m (from 99.5m downhole).

Hole PVD 002 targeted ~40m down dip from parallel drill hole PVD 001, which was completed in late-2004, beneath the 'Wilson-Symonds' workings and returned 21.9g/t gold over 0.8m (from 107.2m downhole) plus 20.2g/t gold over 0.5m (from 85m downhole).

These are the only drill holes to have tested these workings and the vein intersections have documented good gold grades and the nature of gold mineralisation in the intrusive and the thermally altered sedimentary rocks. Additionally, they show that good potential exists at depth below PVD 002 and peripheral (along and across strike) to these recent intersections for similar quartz vein and/or stockwork/'disseminated' gold mineralisation, such as at TasGold's nearby Enterprise /Potoroo Prospects.

The veining/mineralisation at Panama has some similarities to the Tasmania Reef/Beaconsfield Mine (owned by a competitor and located ~41 km to the west), which has total current + historic resources of >~2 million ounces of gold at ~27g/t in a narrow vein (width from 0.1 to 7m, averaging ~2.2m where mined) over a >1200m vertical extent (>1,400m actual down dip extent).

A small, moderate to high grade gold resource could be defined by further drilling at the Panama Prospect (Wilson-Symonds) if high grade mineralization along the known 230° strike continuation of the host wrench fault structures is targeted. In addition, there is evidence for a relatively easily drill tested gold target in the base of the Panama Valley to the NE of Wilson Symonds that is sub-parallel to the known trend of the gold mineralisation, is located in a regional NE trending magnetic transition zone (figure 1) and an area that was never successfully tested for its mineralisation potential by the driving of adits because of access issues.

Additional work to further evaluate Wilson Symonds and broader Panama Prospect area is being evaluated / planned.

Mt Ramsay Prospect

The first drill hole at the Mt Ramsay Project in Tasmania intersected 23.4m total of pyrrhotite-rich sulphide mineralisation that was weakly anomalous with tin. The highest tin value was 180 ppm and tungsten reported a maximum of 110 ppm (WO₃). The most intensely sulphidic rocks, including both the 5.7m zone from 355.2m to 360.9m down-hole and the 17.7m zone from 364.6m to 382.3m down-hole, average about 120 ppm tin compared with a background average below 50 ppm tin in more weakly mineralised parts of the hole.

Petrological studies on samples of core have revealed that the mineralisation intersected at Mt Ramsay is hosted by strongly brecciated and veined, calc-silicate hornfels rocks.

SMRV Project – Wart Hill/ Aldebaran Prospects

TasGold holds the premier land position in SW Tasmania in the highly mineralised Mount Read Volcanic Province (holding >40 kilometres of strike length). The target at the Wart Hill Prospect is a volcanic hosted massive sulphide deposit such as the World Class Rosebery Deposit / Mine, which is located ~125km to the north in the same Mount Read Volcanic sequence, with >32 million tonnes at 14.6% zinc, 4.5% lead, 146g/t silver and 2.3g/t gold (total contained metal value of ~A\$14 billion).

No field work was undertaken at the SMRV project during the quarter, however, data evaluation continued and work programs for the summer 2005/2006 exploration program were formulated, submitted and conditionally approved by Mineral Resources Tasmania.

PAPUA NEW GUINEA

Kodu Deposit

The Kodu Deposit has an Inferred Resource of 1.64 million ounces of gold and 750 million pounds of copper in 85Mt grading 0.40% copper + 0.60g/t gold. The porphyry copper /gold /molybdenum deposit is located ~50km NE of the capital of Port Moresby and is only partly drilled. The deposit remains open to the SW and at depth.

The first 4 drill holes at the Kodu project were designed to refine the margins of the Inferred Resource and to attempt to consolidate /validate it. Drill holes KD001 and 002 documented a deep system and tested the eastern margin of the intrusion in the northern and north-central sectors of the Inferred Resource zone and also tested the depth extent of the mineralisation on that margin. KD003 and 004, were designed to refine the position of the northern margin of the mineralisation, test part of the annulus model extending to the NE (KD003) and evaluate the width of the mineralised zone as it extends to the west (KD004).

The JV's first diamond core hole at the Kodu Deposit was drilled vertically and returned an intercept that assayed 0.50% copper + 0.72 g/t gold over 22m from 72m downhole, within 516m containing 0.13% copper + 0.21 g/t gold. Mineralisation occurs from surface in broad potassic and propylitic altered zones within diorite porphyry and lesser wallrock. Individual peak assays were 0.98% copper and 1.34 g/t gold.

Visual appraisals of holes 2, 3 and 4 show suggest the possibility of similar alteration and mineralisation.

The second diamond core hole at the Kodu Deposit, KD002 was drilled vertically and assayed 0.35% copper + 0.36 g/t gold + 122ppm molybdenum over 144.3m, from 368m to the end of hole at 512.3m. This 144.3m interval is equivalent to 0.51% copper equivalent, using current metal prices to calculate a conversion ratio of 2.2597 gold ppm = 1% copper equivalent.

This intercept is contained within 416.3m (from 96m downhole) containing 0.29% copper + 0.25g/t gold + 122ppm molybdenum + 2ppm silver and occurs in broad phyllic and strong argillic altered zones that are most intense in the wallrock. Individual peak assays in the hole are 0.84% copper and 1.28 g/t gold. The hole was terminated in 0.28% copper + 0.40 g/t gold + 90ppm molybdenum at 512.3m. Mineralisation also occurs from surface to 96m grading 0.12% copper + 0.08g/t gold + 79ppm molybdenum.

Results from KD002 have been a geological revelation, with the best results for gold and copper occurring within argillic and phyllic altered phyllite marginal metasediments, rather than within the diorite porphyry intrusive. Significantly, the best results clearly occur in the deepest portion of the drill hole, highlighting excellent depth potential and also the potential of the metasediments to the SE of KD002, with mineralisation open to the east, west and south.

The system appears to have better mineralisation /resource expansion potential to the south and west of our initial drilling and this was targeted ~1,000m SW of KD001 with hole KD005 at the Sirimu Prospect. The hole was drilled to ~300m to test a cohesive >0.1 g/t gold in soil anomaly 550m x 250m in extent, with a peak of 0.621g/t gold. This soil anomaly is similar in general size and tenor to that at Kodu and had never been previously drilled. Historic Sirimu trench results include: 35m of 1.09 g/t, 30m of 1.10 g/t and 60m of 0.79 g/t gold (incl. up to 5m of 2.70 g/t gold and separate grab samples up to 20.3 g/t gold +5.6% copper). The sampling is currently being completed. Gold and base metals anomalism at Sirimu is also associated with a nearby blind (non-outcropping) analytical signal anomaly. Similar anomalies at the main Kodu area are associated with magnetite bearing copper + gold mineralisation.

The phyllite hosted mineralisation style has obvious implications for resource expansion and exploration targeting. It is now evident that the scope for resource expansion is greater than previously envisaged by the company, due to the recognition that mineralisation is not restricted to the porphyry intrusive. Given their obvious prospectivity, marginal porphyry areas elsewhere around the Inferred Resource now also need to be evaluated in more detail. Recent correlation of geology and assays for some historic drill holes has revealed that many intervals of strong mineralisation in the previous drilling were also hosted by metasediments in abundant quartz-pyrite-chalcopyrite± molybdenite veins.

Oomargi Prospect

Several grid-based soil sampling programs were undertaken within EL 1348– Mt Bini in an attempt to define new porphyry copper/ gold and epithermal gold exploration and ultimately drilling targets, including at the Oomargi Prospect, located ~7km NW of the Kodu Deposit in EL 1348. The assay results defined large, porphyry related, coincident copper and gold anomalies, with minor molybdenum. The JV's work followed up limited previous soil sampling and minor trenching undertaken more than a decade ago by BHP.

The copper anomaly is oriented to the NNE/NE, similar to the Kodu Deposit, is cohesive and >2,200m long and 650m to 1000m (averaging ~750m) wide, using a cutoff of >~60ppm. The gold anomaly is coincident with the copper and has a similar overall size at a low-level (~15 ppb) cutoff. Both anomalies have higher tenor cores in the southern section, with copper being pseudo pear-shaped and up to ~500m wide and ~750m long, averaging ~500ppm, with a peak of >0.1% copper. The copper and gold anomalies are very well defined and remain open to the NE.

Lead and zinc anomalies, peripheral to the copper and gold anomalism, indicate zonation typical of porphyry copper/gold deposits in this type of tectonic setting. Assays on the edges of the grid are generally <25ppm copper and below detection (1ppb) for gold. The northern ~40% of the copper and gold anomalies appears to be ~250m left laterally offset by a NW trending fault. This NE sector may represent a higher stratigraphic level in the system, as it is topographically higher than the SW sector, the anomalies have a lower overall assay tenor and silicification is suggested from interpretation of aeromagnetic data. The soil grid is 2,200m x ~1,700m and was sampled every 25m on 200m spaced lines.

The copper and gold at Oomargi appears to be associated high-level calc-alkaline rocks intruding metasediments in an oval shaped ~2,000 x 1,000m phyllic altered zone, surrounded by a halo of moderate to weak silicification. The 622m of historic hand trenching exposed mostly strong quartz-sericite-pyrite (phyllic) altered metasediments. Approximately 60% of the trench results were gold and sometimes copper anomalous, including 2m of 3.89g/t gold, 116m of 0.18g/t gold + 0.13% copper, 52m of 0.3 g/t gold + 0.06% copper, 40m of 0.34g/t gold (incl. 6m of 0.9g/t) and 52m of 0.23g/t gold. These intercepts are considered to be excellent first pass results and their mode of occurrence in mineralised country rock reflects on the high overall prospectivity of the associated porphyry copper gold system.

The potential for economic mineralisation at Oomargi is currently being assessed by scout drilling, with 2 holes located about 300m apart planned initially. The holes are planned to be ~250m long and will test the central sector of the strongest copper and gold anomalies. If good megascopic mineralisation is observed in the first hole, it is likely that an additional hole could be drilled from each pad at 90degrees to the first hole.

Kodu NW Prospect

The Kodu NW Prospect is located immediately northwest of the Kodu porphyry copper/ gold/ molybdenum deposit and is separated from it by a ridgeline. The geomorphology, mineralisation potential and proximity of the Kodu NW area with the Kodu deposit is compelling. There are 2 prominent arcuate drainages from which visible gold has been panned that require immediate follow up. The drainages define a ~700m diameter circular feature, which is about the same size as the prominent Kodu Deposit hill, that is suggested to reflect a sub-surface, potentially mineralised intrusion. Fracture orientations in 'unroofed' intrusives often exhibit such concentric patterns.

A typical Island Arc type porphyry copper/ gold 'core' is now evident in the interpretation of the soil geochemical anomalies from the ~1km x 1km Kodu NW soil grid, weakening peripherally to a halo of molybdenum, lead and zinc geochemistry. The copper and gold anomalous zones are relatively cohesive and coincident and are approximately 800m long and 500m wide. The general tenor of the copper and gold in soils is weaker than observed at Kodu itself where mineralisation is evident on surface. However, the Kodu NW Prospect is located at a higher elevation and this result would be expected if the intrusive has not yet been 'unroofed'. Gold and copper values varied as expected from near or below detection on the edges of the grid, up to 231ppb gold and 336 ppm copper in the core. Follow-up geological evaluation/ mapping and outcrop/ float sampling of the anomalous zone has been undertaken.

Mt Andewa Project

Geological reconnaissance and initial sampling was completed at Mt Andewa (EL 1345) and results from 107 samples have been received. The program was conducted in the caldera of an extinct, Pleistocene strato-volcano and was the first exploration in the sub-district for ~16 years.

The best continuous chip channel samples of quartz veins included: **3m of 14.26 g/t gold** (containing 1m of 21.9 g/t), 5m of 8.61 g/t, 2m of 4.86 g/t, 6.7m of 1.2 g/t, 6m of 1.21 g/t, 1m of 5.90 g/t and 1m of 5.41 g/t gold. A peak of 87 g/t silver in a 1m channel sample was noted and more than 90% of the samples collected were mineralised at >0.1 g/t gold.

Siliceous breccia veins averaging ~3m in width are noted within a 1000m long zone at Komsen Prospect that contains a 250m section historically averaging 4.93 g/t gold. Previous trench assay results included up to: 15.6m of 5.12 g/t, 9m of 6.44 g/t, 9m of 5.64 g/t, 6m of 8.49 g/t, 15m of 1.83 g/t and 5.9m of 3.86 g/t + 5.1m of 3.27 g/t gold.

Management believe the gold mineralised silica-clay veins at Komsen offer attractive exploration targets. There is also the possibility that large-tonnage, bulk-mineable lower-grade epithermal gold mineralisation could occur in a favourable tuff horizon proximal to the silica-clay veins, that are hosted by more competent overlying andesites.

The initial exploration program consisted of general geological evaluation of part of the central sector of the caldera, along with re-opening and sampling of selected trenches at the ~2,500m long x600m wide Komsen Prospect to track the clay-silica veins and attempt to document their gold grades.

Deep hand trenching is now being conducted and specific mineralised sections of some existing trenches are also being deepened to better assess and sample the mineralised zones. In addition, a grid based soil sampling program has commenced on an initial area 3.5km long x1km wide. This work will attempt to define additional discrete gold mineralised exploration/ trenching/drilling targets within known gold anomalous drainages.

An Aster satellite imagery study has been completed and it defined several new targets/anomalous areas, being 6 alteration anomalies, 2 silicified structures and 2 circular features. Some of these alteration anomalies/ structures are particularly promising and are being targeted by the soil sampling program.

The Ekhos Prospect also warrants evaluation and is located ~4km to the east of Komsen. Ekhos consists of a mineralised shear zone to ~4m wide, within a 650m by <50m zone that is open to the NW. The best historic trench continuous chip channel sample gold results were: 15m of 1.83 g/t + 9m of 1.96 g/t and 2.5m of 5.19 g/t. In addition, fault breccia cropping out at Ler Creek assayed 48 g/t gold, was identified as a Dickite anomaly in the Aster evaluation and requires further assessment.

CORPORATE

Management have conducted reviews of TasGold's exploration licences and have relinquished the Lone Star exploration licence (EL 29/2003) and reduced the area of the Wanderer exploration licence (EL 21/99). This relinquishment and reduction is not seen to materially affect the Company.

A 1 for 1 non-renouncable rights issue was commenced on a 1 for 1 basis to raise a maximum of \$5.2 million. The record date was 14 October, the offer is not underwritten and shareholders may apply for new shares in excess of their entitlements. The offer was extended today to a close of 5.00pm Monday 5 December 2005.

The funds raised by the Issue will be used to advance exploration/drilling at all the Company's Tasmanian Properties, in particular, the SMRV Project; to commence exploration/drilling on the TasGold PNG Ltd exploration license applications (once granted) in the highlands of Papua New Guinea, corporate development (investigations into alternate funding possibilities for the PNG properties); and for general working capital.

An extensive exploration program will commence with a 3 dimensional Induced Polarisation (IP) program over Wart Hill (V19) and nearby Aldebaran (V34) Prospects in November 2005 to define conductivity anomalies, evaluate the sulphide depth extent, better define the mineralised system and to locate new drilling targets. This will be followed with diamond drilling in December 2005 to test the defined anomalies.

In addition, first pass follow up of some of the extensive untested gold in creeks at the Hudson River and Porphyry Contact Zone will be carried out and consists of extensive hydraulic auger c-horizon soil sampling to define trenching and drilling targets. The Company's diamond drilling rig, excavator and 2 crawlers are on-site and ready to commence work immediately following the IP program.

Exploration will continue at the Lisle, Gowrie Park and other Tasmanian Projects to follow up previous gold in drill hole intersections, gold geochemical anomalies and other targets.

TasGold Ltd's PNG subsidiary (TasGold PNG Ltd) has 4 ELAs that are all located in the Highlands of PNG, with Porgera type deposits as one of the many exploration targets. Previous exploration results have included up to 569g/t gold in soils, 7,100g/t gold in rocks, 15m of 57.4g/t gold and 0.85m of 754g/t gold in trench and 7.75m of 11.39g/t gold from limited drilling. Lateritic nickel grading ~10m of 1.3% Ni has been documented in 2 auger holes located about 2km apart and only 6 holes were drilled in the region in total.

Subject to raising an adequate amount of capital, initial exploration will commence on all the Papua New Guinea licences, with drilling planned at the Awari exploration licence application in 2006 and at the Bulago and Leonard Schultz exploration licence applications in 2007.

For additional information relating to the company's projects please visit our website at www.tasgold.com.au.



TasGold Ltd
P.A.McNeil
Managing Director M.Sc.

This report is compiled by a competent person as defined in Appendix 5A of the ASX Listing Rules.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

TASGOLD LTD

ACN OR ARBN

095 684 389

Quarter ended ("current quarter")

30 SEPTEMBER 2005

Consolidated statement of cash flows

	Current quarter \$A'000	Year To Date (3 Mths) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(455)	(455)
(b) development	-	-
(c) production	-	-
(d) administration	(220)	(220)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Expenditure to be reimbursed by JV partner	315	315
Other - Expenditure to be reimbursed by others	334	334
Net Operating Cash Flows	(21)	(21)
Cash flows related to investing activities		
1.8 Payment for purchase of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(41)	(41)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - Mines Dept deposits	-	-
Net Investing Cash Flows	(41)	(41)
1.13 Total operating and investing cash flows (carried forward)	(62)	(62)

1.13	Total operating and investing cash flows (brought forward)	(62)	(62)
Cash flows related to financing activities			
1.14	Proceeds from issue of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	-	-
Net financing cash flows		-	-
Net increase (decrease) in cash held		(62)	(62)
1.20	Cash at beginning of quarter/year to date **	190	190
1.21	Exchange rate adjustments to 1.20		
1.22	Cash at end of quarter	\$128	\$128

** Cash in the Statement of Financial position at 30 June 2005 was \$299,000 including Tasgold's share of funds held in the Mt Ramsay joint venture of \$109,000. For quarterly cash reporting that amount was excluded from the cash balance as it had left the control of the company.

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	41
1.24	Aggregate amount of payments to the parties included in item 1.10	Nil
1.25	Explanation necessary for an understanding of the transactions	
Directors: salaries and consulting fees		

Non-cash financing and investing activities

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

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

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Financing facilities available*Add notes as necessary for an understanding of the position*

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

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	400
4.2 Development	-
Total	400

Reconciliation of cash

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

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	29	1
5.2 Deposits at call	98	189
5.3 Bank overdraft		
5.4 Other : fixed term deposits		
Total: cash at end of quarter (item 1.22)	127	190

Changes in interests in mining tenements

	Tenement Reference	Nature of Interest (note(2))	Interest at Beginning Quarter	Interest at end of Quarter	
6.1	Interests in mining tenements relinquished, reduced or lapsed	EL 41/2002 Lone Star	Exploration Licence Relinquished	100%	Nil
6.2	Interests in mining tenements acquired or increased				

Issued and quoted securities at end of current quarter

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	Nil	Nil		
7.2 Changes during quarter				
(a) Increases through issues	-	-		
(b) Decreases through returns of capital, buy-backs redemptions	-	-		
7.3 +Ordinary securities	58,226,293	58,226,293		
7.4 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>	Nil	Nil		
7.6 Changes during quarter				
(a) Increases through issues	-	-		
(b) Decreases through securities matured, converted	-	-		
7.7 Options <i>(description and conversion factor)</i>	26,064,754 3,480,000	25,964,754 -	<i>Exercise price</i> 20 cents 20 cents	<i>Expiry date</i> 30-Nov-07 31-Dec-07
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>	Nil	Nil		
7.12 Unsecured notes <i>(totals only)</i>	Nil	Nil		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4)
- 2 This statement does / ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Date: October 31, 2005
(~~Director~~/Company secretary)

Print name: Garry M. Edwards

Notes

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

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