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31<sup>st</sup> January 2004

## COMPANY ANNOUNCEMENTS OFFICE

### TECHNICAL REPORT – QUARTER ENDED 31<sup>st</sup> DECEMBER 2004

#### 1.0 SUMMARY

The December 2004 quarter was very successful and productive for TasGold Ltd (ASX: TGD).

The Company drilled potentially economic grades /widths of base plus precious metal mineralisation in diamond core at the Gowrie Park Project – Narrawa Reward Prospect of 9m of 9.74% lead + 5.90% zinc + 135 g/t silver + 1.49 g/t gold and also high-grade gold vein intersections at the Lisle Project - Panama Prospect of 0.8m of 22.4 g/t gold and 0.5m of 19.1 g/t gold. In addition, excellent gold in drill hole results from Gowrie Park were reported earlier today.

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 Wart Hill 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\$16 billion).

The planned major diamond drilling program to for the Wart Hill project in SW Tasmania commenced in early January after a slight delay from the planned December mobilisation. The program will consist of up to approximately 3,000m and commenced near our highly successful hole WD001 from last season, that returned 3.9m of 12.6% zinc + 7.2% lead + 123g/t silver + 0.6g/t gold only ~35m vertically below surface. The program covers 3 additional target zones and is subject to continuous review / evaluation and to drilling rates achieved. TasGold has designed and manufactured a new / improved man-portable, low environmental impact diamond drill rig for use in this program.

The Papua New Guinea projects are moving ahead, with Fraserfund Financial's shareholders (the JV/Equity partner – being renamed South Pacific Minerals Corp) approving the deal struck with TasGold last July and Fraserfund now expecting to raise CAD\$2.5 million by early March and to commence drilling at the Mt Bini porphyry copper gold molybdenum deposit as soon as possible.

Managing Director, Peter McNeil, commented, "The 2005 year is going to be very exciting. TasGold is committed to extensive drilling in Tasmania's SW to attempt to define an Inferred Resource of zinc /lead /silver /gold at Wart Hill. If this is successful, the company is likely to continue drilling through out the winter to increase the resource prior to commencing possible pre-feasibility studies in 2006. In addition, we intend to further evaluate the excellent intersections from Gowrie Park and Panama.

The 15% free carried interest and ~18% equity in South Pacific Minerals (after their March 2005 capital raising) are major assets to TasGold and success for them is highly likely to translate to success and an increased market capitalisation for TasGold. We expect to release a steady and substantial flow of drill assay results over the next 5 months.

The biggest challenge I perceive for 2005 is to be able to properly test the plethora of high-quality targets that we have generated in 2004, however, with our dedicated team and continued shareholder support this challenge translates into opportunity and we will certainly do our best."

## 2.0 DETAILS - ASX RELEASES

'Significant' and other 'Technical' releases to the ASX during the reporting period have been compiled below:

TasGold made the following announcement on the 18th of January 2005.

### “SHARE PURCHASE PLAN OFFER”

The Company is offering shareholders, who were registered at close of business on 17 January 2005, the opportunity to purchase up to 40,000 fully paid ordinary shares at an issue price of 12.5 cents each.

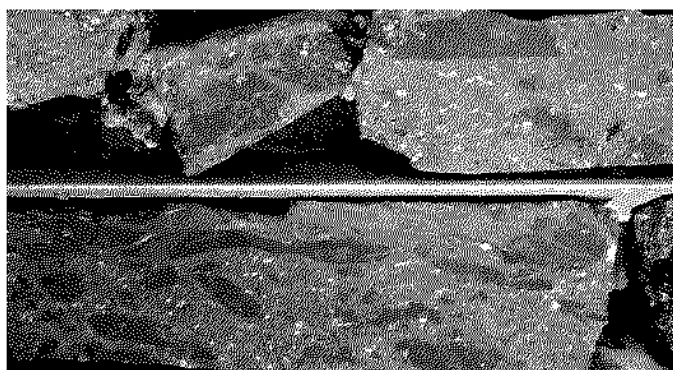
Details of the Plan, which will be mailed to all shareholders on Thursday 20 January 2005, are attached. Appendix 3B in respect of the Plan is also attached.

TasGold made the following announcement on the 17<sup>th</sup> November, 2004.

### “135 g/t SILVER + 1.49 g/t GOLD + 9.74 % LEAD + 5.90 % ZINC OVER 9m IN DIAMOND DRILL CORE AT THE GOWRIE PARK EL, NORTHERN TASMANIA

TasGold recently drilled the above- noted highly significant base plus precious metal intersection (the best to date), within a significantly wider lower-grade mineralised zone at the Higgs Deposit, in the 202 km<sup>2</sup> Gowrie Park EL in easily accessible north-central Tasmania.

Downhole Interval			Averaged Assay Results				
From (m)	To (m)	Length (m)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	Cu (%)
48	66	18	76	0.99	5.75	3.76	0.10
incl. 54	66	12	98	1.42	6.88	4.15	0.13
incl. 53	62	9	135	1.49	9.74	5.90	0.11
incl. 54	57	3	282	1.59	15.87	10.12	0.04

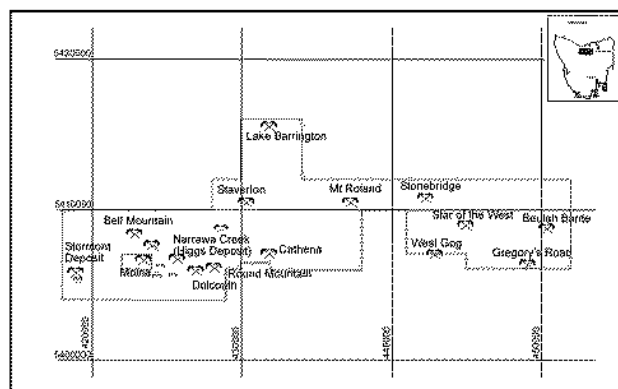


Diamond drilling successfully targeted extensions to the known mineralisation along strike and down dip from that known previously. Two holes have been completed to date on separate target zones and drilling is continuing on the third hole located significantly further to the west. The results of hole one (NC 21) are presented above.

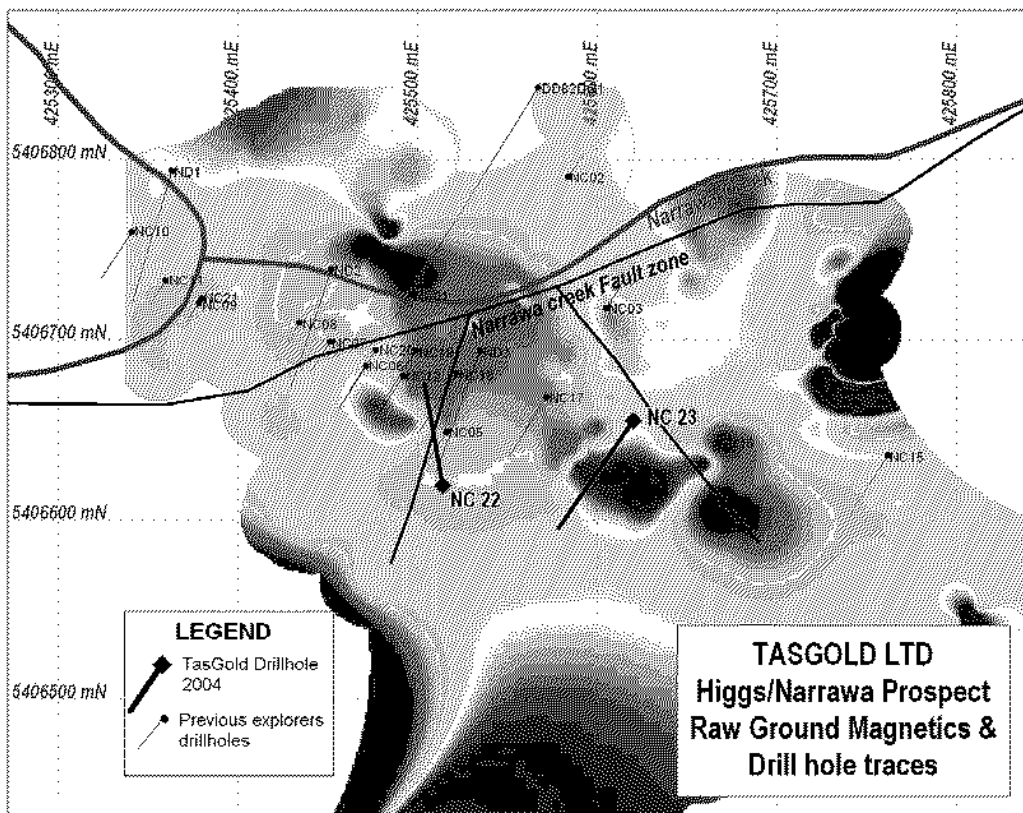
The photograph shows part of the high-grade zone intersected and is particularly rich in galena (lead mineral). The geometry of the mineralisation is not well understood and is now being carefully evaluated.

NC21 is the fourth hole drilled by TasGold at Narrawa Prospect (in total) and it compares favourably to our previous best result of 3.5m of 4.0 g/t Au + 5.1% Pb + 4.2% Zn + 0.4% Cu (Ag not analysed) from 29.7 to 33.2m downhole in NC18 drilled a year ago. Ground magnetics surveys have proven useful at defining possible zones of mineralisation and downhole EM will be considered.

The EL has more than 35 named mineral occurrences / workings that require re-evaluation and two existing gold resources, with a total inferred resource of approximately 40,000 ounces at 3.5 g/t gold.

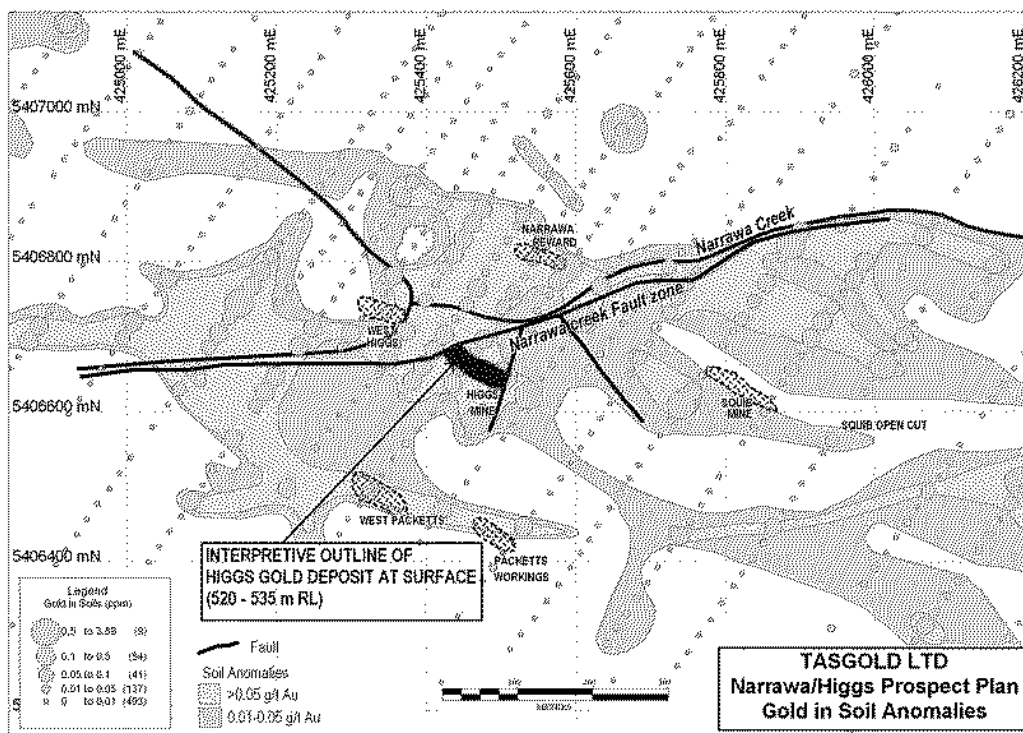


Targets are gold and base metal mineralisation within part of the Dolcoath Granite aureole and surrounding rocks. Results in drill holes such as near true width of 25.4m of 4.33 g/t Au (including 1.3m of 23.1g/t Au, plus 1m of 14.21g/t Au plus 1.15m of 12.13 g/t Au), 42m of 9.56 g/t Au in trench and 36.5 g/t Au at the end of development work in a short adit show significantly more work is warranted.



The Higgs deposit at Narrawa Creek, has an inferred resource of 215,000 tonnes at 3.5 g/t Au, 1.5% Pb, 1.3% Zn and 23 g/t Ag and the Stormont Deposit has an inferred resource of 135,000 tonnes of 3.44 g/t Au and 0.21% Bi.

Other deposits in the general region, but outside the EL attest to the area's high geological prospectivity. It is planned to increase the known gold resources at the Higgs and Stormont Deposits.



Targets include narrow high grade vein deposits, large tonnage (~50Mt), low to medium grade (~2-4g/t) intrusive related stockwork Au or porphyry Cu-Au deposits, Carlin style deposits and skarns.

The company also intends to take a district scale approach to the Fossey Mountain Trough and re-evaluate existing stream /surface geochemistry and work up new prospects of merit in the area as appropriate."

The following announcement was made on the 7<sup>th</sup> January, 2005.

## “MAJOR DRILLING PROGRAM TO COMMENCE 11<sup>th</sup> JANUARY SMRV PROJECT, SW TASMANIA

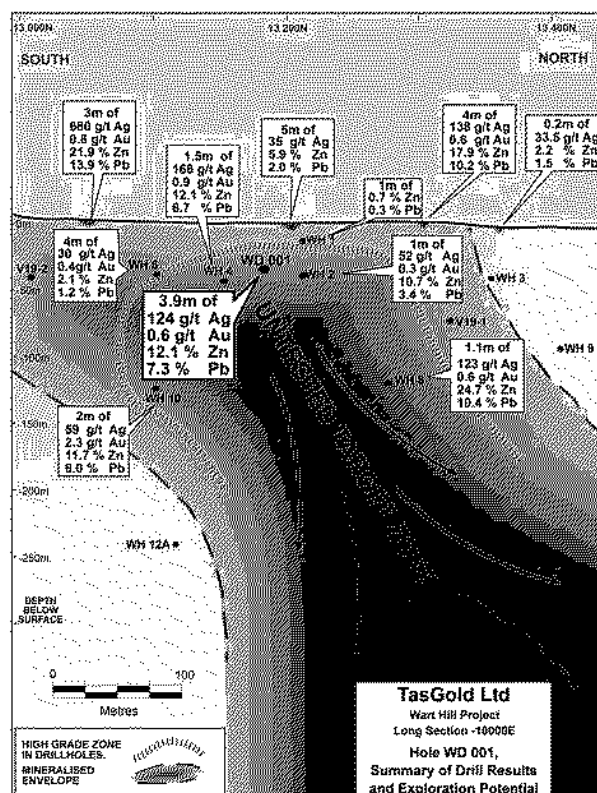
TasGold’s summer work program at the SMRV project area (ELs 20/96 & 21/99) was initiated 29/12/2004 with the preliminary mobilisation of equipment and personnel. Full mobilisation is expected to occur on 9/1 and 10/1/2005, after receiving final work program / regulatory approvals.

The diamond drilling program will consist of up to approximately 3,000m and commence at the Wart Hill (V19) Prospect on 11/1/2005. The program covers 4 target zones and is subject to continuous review /evaluation and to drilling rates achieved. TasGold has designed and manufactured a new / improved man-portable, low environmental impact diamond drill rig for use in this program that will be primarily supported/ moved by 4 tonne crawler carriers.

The company 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 Wart Hill 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\$16 billion).

TasGold drilled a potentially economic, high-grade and high-value, base and precious metal intersection (**3.9m of 12.6% Zinc + 7.2% Lead + 123g/t Silver + 0.6g/t Gold**) at Wart Hill in it’s first diamond drill hole at the prospect and the last hole of the company’s 2004 ‘summer’ program. The intersection is approximately true width (i.e. it is an accurate or representative width as opposed to an apparent width) and is contained within a 7m mineralised zone of 7.8% zinc + 4.4% lead + 78g/t silver + 0.4g/t gold, in semi-massive to massive sulphides that are located only ~35m vertically below surface.

TasGold’s excellent drill result demonstrates that high-grade, near surface resources can potentially be located at Wart Hill and other prospects in the district and defining such resources is the goal of the upcoming drilling program.”



The following announcement was made on the 10<sup>th</sup> January, 2005.

## “TWO HIGH-GRADE GOLD QUARTZ VEINS INTERSECTED IN DRILL CORE AT PANAMA PROSPECT, NE TASMANIA

TasGold is pleased to announce that the first hole ever drilled under historic gold workings at the Panama Prospect—‘Lisle/Golconda’ goldfield, has returned high-grade gold intersections in separate, parallel quartz veins of 0.5m of 19.1 g/t gold and 0.8m of 22.4 g/t gold.

These vein intersections have good gold grade, occur between ~50 to 70m vertically below the previously known mineralisation and document the vertical continuity of gold mineralisation in the thermally altered sedimentary host rocks. Additionally, they show that excellent potential exists at greater depth in these rocks and also in the proximal/underlying granodiorites (which are expected to host similar vein and/or stockwork/‘disseminated’ mineralisation, such as at the nearby Enterprise /Potoroo Prospects).

The veining/mineralisation has 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).

Additional work, to further evaluate this exciting prospect at depth, will be undertaken following the company's major summer drilling program in the SW of Tasmania (drilling is scheduled to commence tomorrow and be completed by May).

## DETAILS

The single diamond core hole (PVD 001) successfully targeted down dip extensions to the narrow (~30cm wide) high-grade gold mineralisation known from an adit/ drives and mined historically. The hole targeted the centre of and beneath the Wilson – Symonds workings, in the south western /upper end of the Panama valley. These workings host significant gold in quartz-arsenopyrite veins, with rock chip sampling of the lodes within the drives by TasGold returning numerous high gold analyses to 76.5g/t. Rock chip samples from quartz – arsenopyrite float within the Panama Valley have returned up to 11g/t Au from TasGold sampling, 210g/t from Mines Department sampling and the original sample that prompted historic interest in the region contained 11 ounces /ton (~310 g/t Au).

The drill hole intersected a number of thin quartz-arsenopyrite banded lodes including two principal lodes assaying up to 24.8g/t Au in individual assays (Figure 1). The veins are hosted within wrench faults (230° strike), related to a major NW oriented structure, that is located immediately SW of the Wilson-Symonds workings.

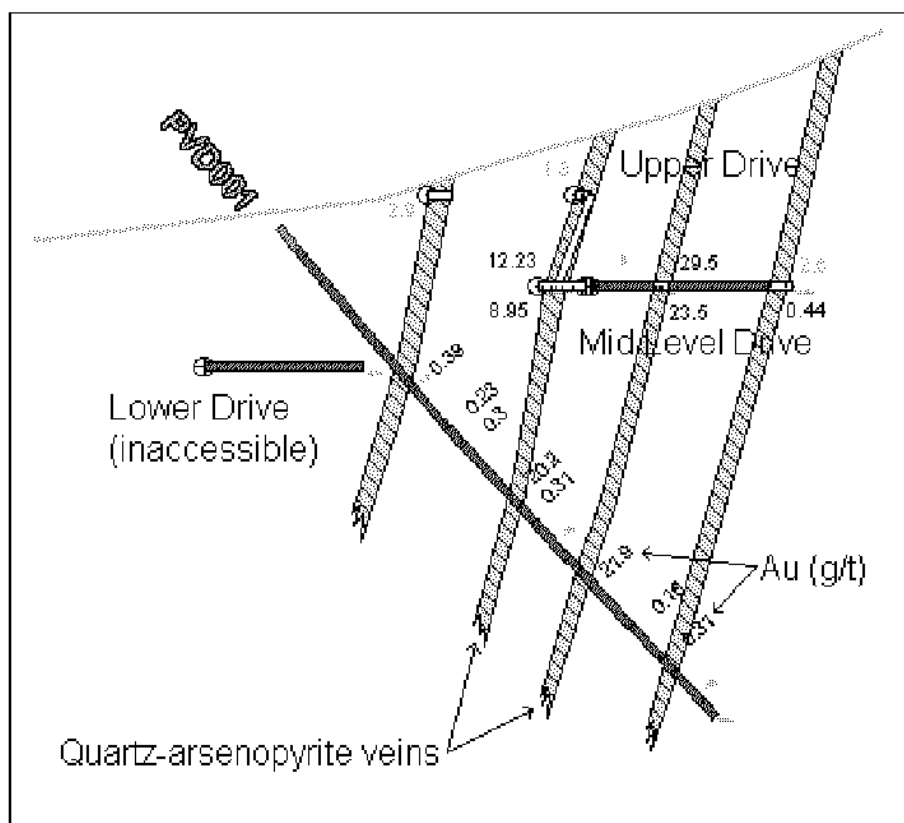


Figure 1: PVD 001 drill section (looking east) The hole is 143.0m long, with high-grade gold intersections from 85.0-85.5m and 107.2-108.0m downhole. The assays plotted on the section are the first assay only, not the average of all assays.

The lodes are enclosed by an arsenopyrite-quartz veinlet bearing sericitic-silica halo within hornfelsed Mathinna Bed sediments. These zones returned low level gold and elevated gold to 0.55ppm was returned from silica-carbonate-pyrite fault filling hydrofracture breccia, located adjacent to the principal quartz lodes.

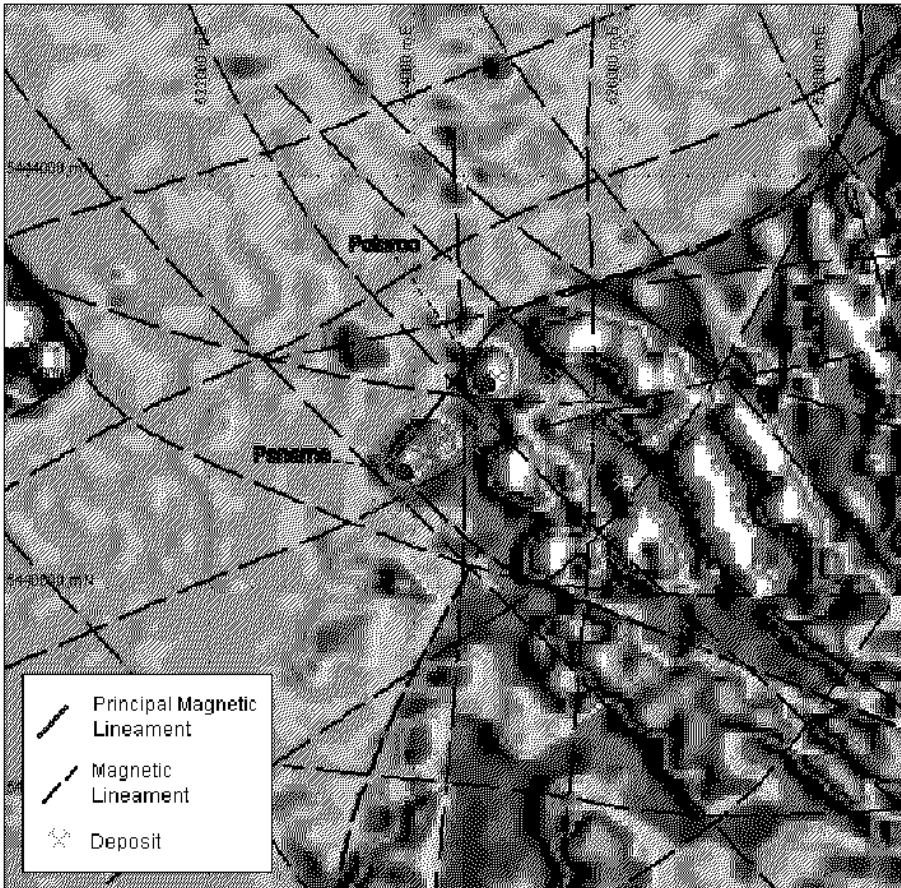


Figure 2: Panama Area Regional Magnetics and Interpretation (2000m grid squares for scale)

Excellent drill targets exist at depth beneath the Wilson-Symonds workings, as well as in the surrounding area. The regional setting (interpretation of MRT aeromagnetics) indicates that the Panama and Potoroo Prospects lie at the intersection of major regional terrain boundaries (Figure 2).

Additionally, magnetic lineament analysis shows an interpreted structural intersection in the immediate Wilson – Symonds mine area (Figure 3). A coincident discrete and intense magnetic high at this point possibly represents pyrrhotite veined sediments, since channel sampling along strike in a weakly magnetic zone within the Mid Level Adit returned Au to

0.37g/t from strongly hematitic FeO veined hornfels. Another interpretation is that the anomaly represents a pyrrhotitic apophysis of the nearby granodiorite. Notably, pyrrhotitic granodiorite is host to gold mineralisation at nearby Potoroo Prospect.

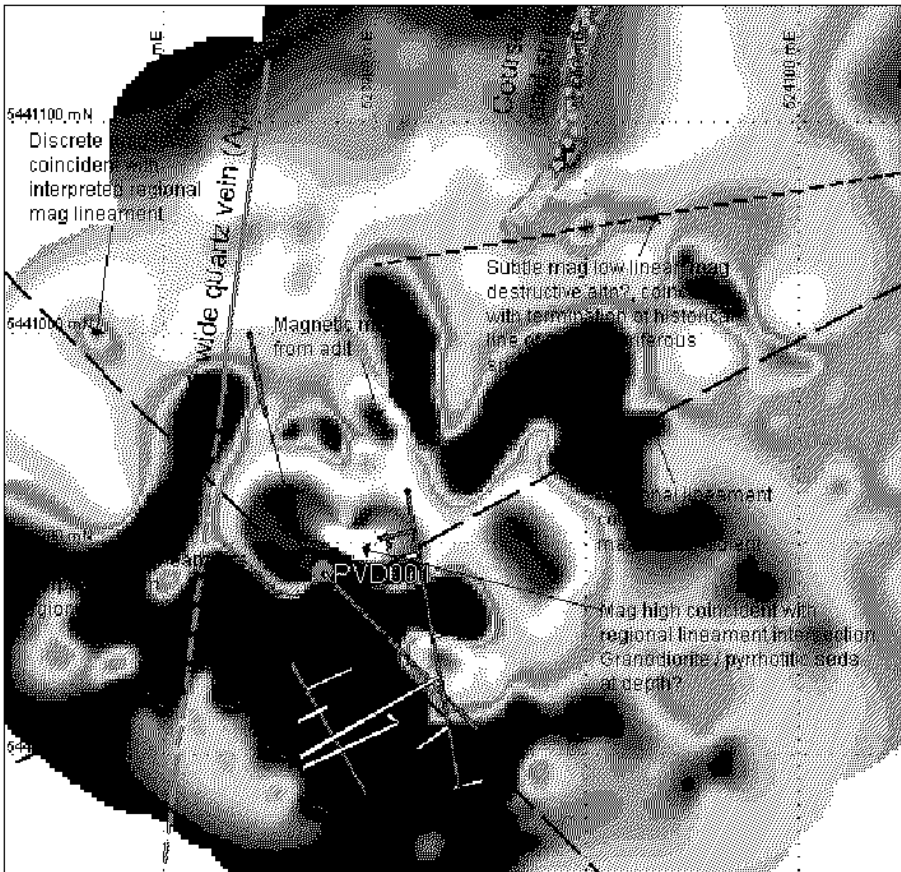


Figure 3: Panama Ground Magnetics and Interpretation (100m grid squares for scale)

Magnetic lows are evident parallel to the interpreted structural lineaments in the Panama Valley. These may represent magnetite destructive sericite – silica alteration, which is evident adjacent to the Au bearing lodes in PVD001. A particularly prospective target is the subtle magnetic low coincident with the termination of the historically mined gutter of auriferous specimens (Figure 3 – central north section in green).

Ground magnetic surveys have proven useful at defining possible structures and zones of mineralisation/ interest. Further interpretation awaits completion of detailed close spaced magnetics and induced

polarisation geophysical surveys, currently underway by a Geophysics Honours student from CODES, University of Tasmania, who is sponsored by TasGold.”

Further details relating to exploration and drilling programs will be released as available.

Please see TasGold's website at [www.tasgold.com.au](http://www.tasgold.com.au) and previous releases for additional information.

TasGold Ltd

A handwritten signature in black ink, appearing to read 'P.A. McNeil', written in a cursive style.

P.A. McNeil  
Managing Director, M.Sc.

This report is based on and accurately  
reflects information 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")

**31 DECEMBER 2004**

### Consolidated statement of cash flows

	Current quarter \$A'000	Year To Date (6 Mths) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(208)	(428)
(b) development	-	-
(c) production	-	-
(d) administration	(123)	(399)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	19
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Expenditure to be reimbursed by JV partner	(477)	(477)
<b>Net Operating Cash Flows</b>	<b>(800)</b>	<b>(1,285)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchase of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(74)	(114)
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 (provide details if material)	-	-
<b>Net Investing Cash Flows</b>	<b>(74)</b>	<b>(114)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(874)</b>	<b>(1,399)</b>



1.13	Total operating and investing cash flows (brought forward)	(874)	(1,399)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issue of shares, options, etc.	(7)	1,456
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	-	-
<b>Net financing cash flows</b>		(7)	1,456
<b>Net increase (decrease) in cash held</b>		(881)	57
1.20	Cash at beginning of quarter/year to date	1,314	376
1.21	Exchange rate adjustments to 1.20		
1.22	<b>Cash at end of quarter</b>	\$433	\$433

**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	57
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	-
<b>Total</b>	<b>400</b>

**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	-	(28)
5.2 Deposits at call	433	1,342
5.3 Bank overdraft		
5.4 Other : fixed term deposits		
<b>Total: cash at end of quarter (item 1.22)</b>	<b>433</b>	<b>1,314</b>

**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		
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 <b>Preference +securities</b> <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 <b>+Ordinary securities</b>	47,760,393	36,862,803		
7.4 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	Nil	Nil		
7.6 Changes during quarter				
(a) Increases through issues	-	-		
(b) Decreases through securities matured, converted	-	-		
7.7 <b>Options</b> <i>(description and conversion factor)</i>	26,074,754 4,190,000	25,974,754 -	<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 <b>Debentures</b> <i>(totals only)</i>	Nil	Nil		
7.12 <b>Unsecured notes</b> <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: January 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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