

30 April 2003

Manager Announcements  
Companies Announcements Office  
Australian Stock Exchange Limited  
10<sup>th</sup> Floor, 20 Bond Street  
SYDNEY NSW 2000

*via electronic lodgement*

Dear Sir/Madam,

## **QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 31 MARCH 2003**

### **Golden Gate Merger**

On 10 February 2003 Valdera entered into an agreement with Golden Gate Resources Limited to effect a merger pursuant to which Golden Gate will become a wholly owned subsidiary of Valdera.

A notice of meeting and explanatory memorandum to approve the merger was dispatched to shareholders last week. Full details of the merger and Golden Gate's Padre Island project are set out in this notice of meeting.

### **Merger Update**

The merger is proceeding according to plan. Both parties have completed due diligence to their satisfaction. Valdera's meeting for shareholders approval has been convened for 16 May 2003 and Golden Gate expects to convene its shareholders meeting on 11 June 2003. It is expected that the merger will be completed shortly after Golden Gate's shareholders meeting. In relation to the Padre Island Joint Venture, recent developments include:

1. BP has entered into an agreement to farm-in to the ultra deep prospects within the Padre Island lease areas. The terms of this farm-in are:
  - BP has paid the Joint Venture a US\$2 million option fee and it will perform pre-drilling technical work at its own cost estimated to be US\$10 million.
  - Upon completion of this technical work, BP has the right to drill ultra deep prospects (below 15,000 feet) within the lease areas.
  - The Joint Venture participants will be free carried through all costs up to the production stage of ultra deep prospects and retain 25% of their respective existing interest. In Golden Gate's case its working interest in the ultra deep section will be 2.5% carried into production.

BP is the largest explorer of oil and gas in North America and arguably the most successful explorer in the deep water gulf of Mexico. The BP deal endorses the prospectivity of the Padre Island acreage and its potential. The BP farm-in gives the Joint Venture exposure to substantial exploration upside in the ultra deep section without risking its own capital.

The BP deal does not affect the shallow and intermediate/deep prospects already identified by the Joint Venture which represent its existing focus.

2. The West Bird No. 1 well has commenced production at 2 mmcf/day under choke. It is expected that this production rate will shortly be increased.
3. The Joint Venture received revenue for its gas sales during March and April in excess of US\$5/mcf.
4. The Jack Frost No. 1 exploration well is due to be spudded within one week.

### **Base Metal Projects Update**

As part of the merger Valdera is in the process of effecting a carefully-targeted disposal of its mineral assets. No further exploration operations are being undertaken in relation to these projects, which are listed below.

#### *Corkwood*

A small nickel sulphide deposit located in the Kimberley region of Western Australia.

#### *Currans Well*

A nickel sulphide project with elevated levels of platinum group metals, located approximately 500km northeast of Perth, Western Australia.

#### *Freddie Well*

A Volcanic-hosted Zn-Cu massive sulphide deposit similar in style and geological setting to the deposits currently being mined at Golden Grove in the Murchison region of Western Australia. The Project is located approximately 500km northeast of Perth.

#### *Hermit Hill*

A nickel sulphide and platinum group metals project located 150km south-southwest of Darwin in the Daly River area of the Northern Territory of Australia.

#### *Ord Basin Copper*

A very extensive sediment-hosted copper project located approximately 200km south of Kununurra, Western Australia.

#### *Bow River*

A large, low grade nickel-copper-cobalt project in the East Kimberley.

#### *Onslow*

A copper gold project focused on a series of geophysical and geochemical targets in the Ashburton region of WA.

#### *Bangemall Basin*

A suite of tenements over sediment-hosted Cu and Zn targets in central WA.

Rule 5.3

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Valdera Resources Limited

ABN

34 090 074 785

Quarter ended ("current quarter")

31 March 2003

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors		0
1.2 Payments for		
(a) exploration and evaluation	(232)	(931)
(b) development	0	0
(c) production	0	0
(d) administration	(81)	(264)
1.3 Dividends received	0	0
1.4 Interest and other items of a similar nature received	5	35
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Other (provide details if material)	0	0
	(308)	(1,160)
<b>Net Operating Cash Flows</b>		
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	0	0
(b) equity investments	(23)	(23)
(c) other fixed assets	0	(3)
1.9 Proceeds from sale of:		
(a) prospects	0	0
(b) equity investments	0	0
(c) other fixed assets	0	0
1.10 Loans to other entities	0	0
1.11 Loans repaid by other entities	0	0
1.12 Cash recognised from acquisitions of subsidiaries	0	0
<b>Net investing cash flows</b>		(26)
1.13 Total operating and investing cash flows	(332)	(1,186)

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (carried forward)	(332)	(1,186)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	0	0
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	0	0
1.17	Repayment of borrowings	0	0
1.18	Dividends paid	0	0
1.19	Other (provide details if material)	0	(27)
<b>Net financing cash flows</b>		0	(27)
<b>Net increase (decrease) in cash held</b>		(332)	(1,213)
1.20	Cash at beginning of quarter/year to date	2,188	3,069
1.21	Exchange rate adjustments to item 1.20	0	0
1.22	<b>Cash at end of quarter</b>	1,856	1,856

**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	53
1.24	Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

Director services were provided by Finind Pty Ltd ATF Wise Family Trust, a company in which Mr T Wise is a director, under normal commercial terms and conditions for the period aggregated \$8,957.

A bonafide reimbursement of expenses of \$393.20 was paid to Sequentes Pty Ltd, a company in which Mr Craig Burton is a director.

A bonafide reimbursement of expenses of \$1,272.57 was paid to Mr Donal Windrim.

Consulting services were provided by Target Concepts Pty Ltd, a company in which Mr Donal Windrim is a director, under normal commercial terms and conditions for the period aggregated \$6,416.

Consulting services were provided by Seaspin Pty Ltd, a company in which Mr Charles Morgan is a director, under normal commercial terms and conditions for the period aggregated \$24,658.

Administrative services were provided by Mitchell River Group Pty Ltd, a company in which Mr Donal Windrim and Mr Craig Burton are directors, under normal commercial terms and conditions for the period aggregated \$11,688.

**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

+ See chapter 19 for defined terms.

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

### Financing facilities available

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	0
3.2	Credit standby arrangements	0

### Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	15
4.2	Development	0
<b>Total</b>		15

### 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	Previous quarter \$A
5.1	Cash on hand and at bank	161
5.2	Deposits at call	2,026
5.3	Bank overdraft	0
5.4	Other (provide details)	0
<b>Total: cash at end of quarter</b> (item 1.22)		2,188

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2	EL 23106 E 80/2360	Direct through Subsidiary Direct through Subsidiary	0% 0%	100% 100%

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**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)	Amount paid up per security (see note 3)
7.1 <b>Preference *securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	48,731,291	34,718,765		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	600,000	-	Consideration for acquisition of Currens Well tenement	\$0.05 per share
7.5 <b>*Convertible debt securities</b> <i>(description)</i>				
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>	48,000,000	48,000,000	<i>Exercise price 25 cents</i>	<i>Expiry date 1/06/2005</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>	0			
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	0			

+ See chapter 19 for defined terms.

## Compliance statement

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



Sign here:

Company secretary

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Date: ..30/4/2003

Print name: Mark Freeman

## Notes

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

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