

Extract Resources Ltd

ABN 61 057 337 952

QUARTERLY REPORT

**For the Three Months Ended
31 March 2004**

Extract Resources Ltd

Ground Floor
47 Kishorn Rd.
Applecross WA 6153

PO Box 1246
Canning Bridge
Western Australia 6153

Telephone: 61 8 9316 1214

Enquiries regarding this report
may be directed to:

Peter McIntyre
MANAGING DIRECTOR

or

Peter Ironside
COMPANY SECRETARY

OVERVIEW

Corporate

- Outright purchase of the Burnakura Project
- Placement of 47.8m shares at 1.8 cents per share to raise \$860,400

NOA2 Project

- Completion of NOA2 de-watering
- Project development finance currently being sought
- Preparation of NOI and PMP for statutory mining approval

1.0 Corporate

1.1 Acquisition of Burnakura Pty Ltd

The Company completed the acquisition of Burnakura Pty Ltd from Coronet Resources Limited (Coronet) on 20 January 2004. Burnakura Pty Ltd had the rights to earn a 70% interest in the Burnakura Project, 50 km to the south of Meekatharra in Western Australia.

At settlement, the following was issued to Coronet:

1. 50m Ordinary Shares;
2. 50m Class A Incentive Shares which can be converted to ordinary shares upon commencement of mining activities on the Burnakura Project;
3. 50m Class B Incentive Shares which can be converted to ordinary shares upon the first gold is produced; and
4. 100m Class C Incentive Shares which can be converted to ordinary shares after 12 months of gold production, or an increase in resources to 340,000 ounces.

1.2 Outright Purchase of the Burnakura Project

On March 9 2004, the Company announced that it had entered into an agreement with St Barbara Mines Limited (SBM), to acquire SBM's 30% interest in the Burnakura Project for \$1m. At signing, Extract paid \$0.5m to SBM, the balance was paid on 15 April 2004, following the successful share placement (ref: 1.3).

In addition Extract replaced the environmental bonds over the tenements, and assumed liability for the retrospective rehabilitation. The area requiring rehabilitation is considered minor, as most work has been completed by SBM.

The effect of this acquisition causes the Burnakura Joint Venture to dissolve, leaving Extract with 100% ownership of the project, which includes 202,000 ounces of defined resources, within three deposits known as NOA2, NOA7/8 and Alliance. The primary benefits of the acquisition include a real return on the investment as well as creating more options for Extract in respect to the project funding requirements.

Extract and SBM had previously entered in to a toll-treatment milling agreement to process any ore mined from the Burnakura area, through SBM's Bluebird mill 35 km to the north. This agreement remains in force.

1.3 Capital Funding

During the quarter, the Company initiated a 15% placement of 47.8m shares at 1.8 cents each to raise \$860,400. At 31 March 2004, the Company had \$751,000 in cash, after having paid SBM the first \$500,000 of the acquisition price, but before any proceeds of the placement.

2.0 NOA2 Project

During the quarter, the Company announced completion of a detailed underground mining study for the NOA2 deposit. The study indicates total proven and probable mine reserves of 236,000 tonnes at 7.01 g/t for 53,200 gold ounces.

It is intended to access the underground from the previously mined-out NOA2 open-pit. This was mined in 1996/97 by Gold Mines of Australia (GMA), recovering some 25,650 ounces of gold, to a depth of 80m. The current underground study will develop a further 80m vertical depth beneath the bottom of the open-pit, while the mineralisation remains open down-plunge and represents an excellent ongoing exploration target.

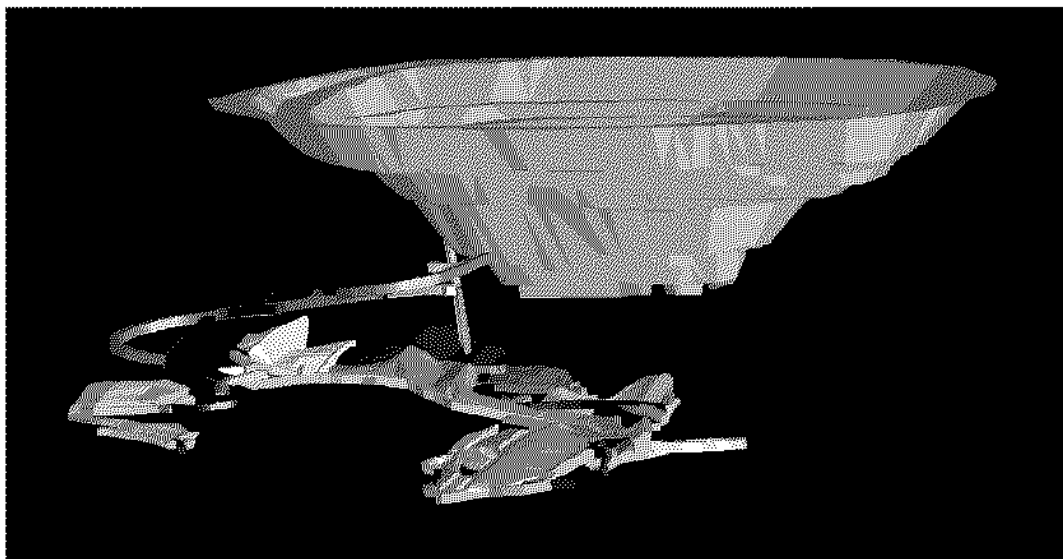
This NOA2 pit contained over 650,000 m³ of water as a result of local stormwater run-off, and dewatering commenced in January 2004. Despite some delays as a result of continual heavy rains in the region, the pit has now been dewatered. Conditions in the pit are relatively good, although some remedial work on the pit ramps will be necessary to re-open access to the bottom of the open-pit, such that the decline portal can be cut.

The Company is preparing the Notice on Intent and the Project Management Plan to commence mining, for statutory approval.

Final project approval is subject to the project finance being completed. The study indicates mining working capital of \$1.5m is required before sufficient ore stockpiles can be processed. It will be necessary to build up considerable mined-ore stockpiles to enable an efficient level of campaigning through the Bluebird gold plant. Negotiations for the project funding have progressed and have involved detailed external technical and financial due-diligence on the project. The recent successful acquisition of SBM's 30% interest in the project, leaving Extract with 100% of the project, was an important step in progressing the project funding strategy.

Subject to the statutory approvals and funding being finalised, it is planned to commence mining activities on NOA2 this quarter.

Diag1: Image of the decline access into the various lodes



Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97.

Name of entity

EXTRACT RESOURCES LTD

ACN or ARBN

057 337 952

Quarter ended ("current quarter")

31 MARCH 2004

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9..... months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(148)	(153)
(b) staff costs	-	(16)
(c) GST paid	(19)	(29)
(d) administration	(69)	(347)
1.3 Interest and other items of a similar nature paid	(4)	(8)
1.4 Interest and other items of a similar nature received	13	28
1.5 Other Corporate Costs	-	(185)
Net Operating Cash Flows	(227)	(710)
Cash flows related to investing activities		
1.6 Payment for purchases of:		
(a)prospects	(500)	(500)
(b)equity investments	-	-
(c) other fixed assets	-	-
1.7 Proceeds from sale of:		
(a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	210	210
1.8 Loans to other entities		
1.9 Loans repaid by other entities		
1.10 Other (provide details if material)		
Net investing cash flows	(290)	(290)
1.11 Total operating and investing cash flows (carried forward)	(517)	(1,000)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.11	Total operating and investing cash flows (brought forward)	(517)	(1,000)
Cash flows related to financing activities			
1.12	Proceeds from issues of shares, options, etc.	-	2,085
1.13	Payment to Settle Deed of Company Arrangement	-	(220)
1.14	Proceeds from borrowings	-	200
1.15	Repayment of borrowings	-	(234)
1.16	Costs associated with issue of securities	(4)	(80)
1.17	Other (provide details if material) Underwriting fees	-	-
	Net financing cash flows	(4)	1,751
Net increase (decrease) in cash held			
		(521)	751
1.18	Cash at beginning of quarter/year to date	1,272	-
1.19	Exchange rate adjustments to item 1.20		
1.20	Cash at end of quarter	751	751

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	17
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Fees paid to Directors or Director related entities (exclusive of GST)

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

Issue of 50,000,000 ordinary shares and 200,000,000 incentive shares to Coronet Resources Limited pursuant to the Share Sale Agreement for the purchase of the Burnakura Pty Ltd on 20 January 2004

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

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	200	200
3.2	Credit standby arrangements		

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	35
4.2	Development	450
Total		485

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	751	1,272
5.2	Deposits at call	–	–
5.3	Bank overdraft	–	–
5.4	Other (provide details)	–	–
Total: cash at end of quarter (item 1.22)		751	1,272

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	M51/116 M51/117 M51/177 M51/178 M51/252 M51/414 M51/478 PLA51/2346 PLA51/2508-2512	} Joint Venture } Registered Applicant	– –	70% 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.

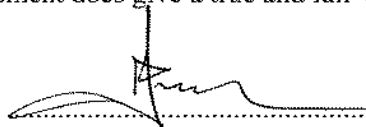
	Number issued	Number quoted	Par value (cents)	Paid-up value (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Issued during quarter				
7.3 +Ordinary securities	518,928,082	318,928,082		
7.4 Issued during quarter	250,000,000	50,000,000		
7.5 +Convertible debt securities <i>(description and conversion factor)</i>				
7.6 Issued during quarter				
7.7 Options <i>(description and conversion factor)</i>	8,000,000		<i>Exercise price</i> 1.8 cents	<i>Expiry date</i> 31 December 2005
7.8 Issued during quarter	8,000,000		<i>Exercise price</i> 1.8 cents	<i>Expiry date</i> 31 December 2005
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ 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 Law 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:


..... Date: 30 April 2004
Company secretary

Print name:

Peter Ironside
.....

=====

+ See chapter 19 for defined terms.