

Appendix 5B

Mining exploration entity quarterly report

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

AUSTINDO RESOURCES CORPORATION N.L

ABN

48 002 678 640

Quarter ended ("current quarter")

31 March 2006

Consolidated statement of cash flows

| Cash flows related to operating activities | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1.1 Receipts from product sales and related debtors | - | - |
| 1.2 Payments for | | |
| (a)exploration and evaluation | (74) | (74) |
| (b)development (Refer Note 1) | (8,112) | (8,112) |
| (c)production | - | - |
| (d)administration | (293) | (293) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 68 | 68 |
| 1.5 Interest and other costs of finance paid | (43) | (43) |
| 1.6 Income taxes paid | - | - |
| 1.7 Other (provide details if material) | - | - |
| Net Operating Cash Flows | (8,454) | (8,454) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: | | |
| (a)prospects | - | - |
| (b)equity investments | - | - |
| (c) other fixed assets | (108) | (108) |
| 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 (Refer Note 2) | (4,000) | (4,000) |
| Net investing cash flows | (4,108) | (4,108) |
| 1.13 Total operating and investing cash flows (carried forward) | (12,562) | (12,562) |

Notes: 1. Development and project implementation expenditure in relation to the Cibaliung Gold Project in Banten Province, Indonesia.

2. Funds invested in a Foreign Currency Term Deposit account which are available to fund the Cibaliung Gold Project. ANZ Banking Group Limited has a secured charge over the funds in this account.

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| | | | |
|------|--|----------|----------|
| 1.13 | Total operating and investing cash flows (brought forward) | (12,562) | (12,562) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issues 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 (provide details if material) | - | - |
| | Net financing cash flows | - | - |
| | Net increase (decrease) in cash held | (12,562) | (12,562) |
| 1.20 | Cash at beginning of quarter/year to date | 13,431 | 13,431 |
| 1.21 | Exchange rate adjustments to item 1.20 | 29 | 29 |
| 1.22 | Cash at end of quarter | 898 | 898 |

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 | 77 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

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

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

+ See chapter 19 for defined terms.

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 (Conditions precedent to drawdown under the ANZ Project Facility Agreement were satisfied on 5 th April 2006) | 36,577 | - |
| 3.2 Credit standby arrangements | - | - |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|---------------|
| 4.1 Exploration and evaluation | 197 |
| 4.2 Development | 19,288 |
| Total | 19,485 |

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 | 898 | 7,999 |
| 5.2 Deposits at call | - | 5,432 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other (provide details) | - | - |
| Total: cash at end of quarter (item 1.22) | 898 | 13,431 |

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 Interests in mining tenements acquired or increased | Trenggalek Project KP* (held by PT Sumber Mineral Nusantara) | Majority Joint Venture Interest | 0% | 95% |

* Permit granted during the current quarter.

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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> | - | - | - | - |
| 7.2 Changes during quarter | - | - | - | - |
| (a) Increases through issues | | | | |
| (b) Decreases through returns of capital, buy-backs, redemptions | | | | |
| 7.3 +Ordinary securities | 1,082,738,890 | 1,082,738,890 | | |
| 7.4 Changes during quarter | | | | |
| (a) Increases through issues | - | - | - | - |
| (b) Decreases through returns of capital, buy-backs | - | - | - | - |
| 7.5 +Convertible debt securities- Convertible Notes | 66,666,667* | Nil | 6 | 6 |
| 7.6 Changes during quarter | | | | |
| (a) Increases through issues | - | - | - | - |
| (b) Decreases through securities matured, converted | - | - | - | - |
| 7.7 Options <i>(description and conversion factor)</i> | 6,000,000 | - | <i>Exercise price</i> 7 | <i>Expiry date</i> 22/05/06 |
| | 3,000,000 | - | 7 | 22/10/07 |
| | 4,000,000 | - | 7 | 26/05/08 |
| | 2,000,000 | - | 7 | 10/12/09 |
| | 14,000,000 | - | 7 | 31/07/10 |
| | each to subscribe for one ordinary share in the capital of the Company | | | |
| 7.8 Issued during quarter | - | - | - | - |
| 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> | - | - | | |

*During 2005 the Company issued Convertible Notes for \$4.0M which are convertible into ordinary fully paid shares at any time at a price of 6 cents per share.

+ 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:



Date: 28 April 2006

(Company Secretary)

Print name:

Andrew J. Cooke

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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* 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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