



GOLDSTREAM MINING NL

ABN 67 009 129 560

REPORT FOR THE QUARTER ENDED 31ST MARCH 2005

HIGHLIGHTS

Corporate

Share placement

During the quarter Goldstream raised \$1.6million via a placement of 4.6 million shares at 0.35c to institutional and sophisticated clients of D J Carmichael Pty Limited.

Operations

Mibango Platinum/Nickel Project - Tanzania

- Laterite Nickel JORC resource
- 2005 Programme and Budget set at US\$2.4million

Luwumbu

- 2005 Programme and Budget set at US\$0.85million

Uranium

Mid to long term strategy to become a key international explorer in the world-wide resurgence of interest in uranium as an alternative energy source.

OPERATIONS

Goldstream has established tenement positions in Australia's two premier uranium districts – The Pine Creek/Alligator Rivers Province in the Northern Territory and the Gawler Craton IOCG/Uranium Province in South Australia. Goldstream also has substantial uranium interests in Tanzania, East Africa, covering a variety of uranium mineralisation styles including 'roll front/sandstone hosted' and 'Calcrete' environments.

TANZANIA

Mibango Platinum-Nickel Project (Goldstream 100% - Lonmin earning 65%)

The project is a joint venture between Goldstream Mining and London based platinum group metal (PGM) producer Lonmin Plc. Lonmin may earn 65% equity in the project by sole funding exploration to completion of a bankable feasibility study and by arranging Goldstream's share of development finance.

The programme and budget for the Mibango 2005 field season has been set at **US\$2.4M**. The programme will include 8,000m of diamond drilling and will commence in May to pursue a number of Nickel (Ni) -PGM targets. Access roads are currently being rehabilitated and the camp re-opened following the cessation of the wet season.

\$1.6m Raised

*Substantial
Budgets*

*Premier Uranium
Districts*

*JV Budget
US\$2.4m*

Laterite PGM / Ni

On April 6th Goldstream announced to the ASX that a 'JORC' compliant resource had been established at the Mibango Platinum-Nickel Project in Tanzania, East Africa.

Snowden, a leading independent mining industry consultant specialising in resources has reviewed the Goldstream estimate and recommended that the laterite deposit at Mibango be classified on the basis of nickel continuity as an Inferred Resource based on the JORC Code, 2004.

The Inferred Mineral Resource comprises:

- **113.1 Mt grading 0.82% Ni, 0.054% Co** at a 0.5% Ni cut-off grade which contains,
- **55.1 Mt grading 0.96% Ni, 0.06% Co** at a higher cut off grade of 0.8% Ni.

The resource extends over 15km of strike, 1.5km across strike, and ranges from 1 to 32m in thickness with a maximum depth of approximately 40m below surface.

Goldstream has estimated that the gross insitu value per tonne of contained nickel and cobalt based on current commodity prices is US\$155 at the 0.5% cut off or US\$180 at the 0.8 % Ni cut off. Metallurgical testing in regard to standard PAL technology and new atmospheric leaching techniques is continuing.

Significant PGM mineralisation has been intersected within this nickel resource but Snowden concludes that it does not show sufficient continuity, at the current drill hole spacing, to be included in the JORC classification. PGM intersections include;

Hole	Northing	Inclination	Depth from (m)	Interval (m)	PGM g/t (Pt+Pd+Au)
KPD022	19100	60	7.50	12.50	4.22
KAC510	19200	90	6.00	14.00	2.24
KAC514	19100	60	10.00	20.00	3.41
KRB093	19100	90	6.00	28.00	2.50
KRB094	19100	90	8.00	20.00	2.51
KRB116	19900	90	surface	8.00	3.14
KRB150	20400	90	10.00	8.00	3.27

Luwumbu Platinum-Nickel Project (Goldstream reducing to 27%, Albidon reducing to 3%, Lonmin earning 70%)

The project is a joint venture between Goldstream Mining and London based platinum group metal (PGM) producer Lonmin Plc. Lonmin may earn 70% equity in the project by sole funding exploration to completion of a feasibility study.

'JORC' Resource

Significant PGM Mineralisation

JV Budget
US\$0.85m

The programme and budget for the Luwumbu 2005 field season has been set at **US\$0.85M**. The programme will include 3,000m of diamond drilling and surface geophysical surveys to follow-up PGM intersections and to investigate for massive nickel sulphide. In 2004 the Goldstream/Lonmin Joint Venture discovered PGM in the Nkenja intrusive with intersections of;

Hole	Depth (m)	Interval (m)	Ni %	PGE g/t (2E+Au)
NDH03	201.00	9.00	0.33	1.56
includes	207.00	1.00	0.38	3.27
NDH09	23.60	1.00	0.28	3.55

Clearing of geophysical lines and preparation of drill pads is planned to commence in May.

URANIUM

In Tanzania, Goldstream has applied for 20 tenements totalling 21,600 km². At this stage 8,241km² have been offered for grant by the Tanzanian Ministry of Energy and Minerals.

The PL's cover both 'Roll Front' and 'Calcrete' styles of uranium mineralization. Goldstream's land acquisition was based on historic records, including the country-wide radiometric survey and Goldstream's drainage geochemical database gathered over the last five years. Historic drill intercept of up to **2.3kg/t U₃O₈** in a 'calcrete' environment occur on the company's Bahi tenements in Central Tanzania. Calcrete drainage channels near lake Bahi were trenched in the 1970's and showed uranium enrichment to **0.39kg/t U₃O₈** in the form of carnotite mineralisation. Drainage geochemical surveys conducted by Goldstream over its tenements in Southern Tanzania have identified highly anomalous coincident uranium and lead anomalies.

Follow-up exploration of these and other areas will commence with the start of the dry season in May.

Other Projects

Nachingwea, Morogoro, Muipa, Kondoa, Buhemba

Field work will commence in May at the start of the dry season.

AUSTRALIA

SOUTH AUSTRALIA

Mt Woods Project - Coober Pedy, Iron-Copper-Gold (Goldstream 100%)

Cairn Hill Iron-Copper-Gold Project

A programme of 3000m of RC drilling is planned to infill the current 200m apart sectional drilling and to test further Fe-Cu-Au targets along strike to the east. This drilling was planned for the first quarter of 2005 but has been delayed due to the unavailability of suitable drilling rigs. Drilling is now planned for the second quarter. A detailed surveyed grid has been established and drill sites and permitting completed.

Cairn Hill Drilling

Metallurgy – Further work on the copper-gold concentrate by-product from the initial magnetic separation has shown that the sample was of a partially oxidized transitional nature. This is not surprising as the material came from a vertical depth of 25 to 29m. Mineralogy identified supergene copper minerals (covellite, digenite) coating sulphide grains, some tarnishing of sulphides and some completely oxidized pyrite in the form of goethite. These aspects greatly impact on the floatation characteristics of sulphides and further processing was suspended pending the acquisition of more representative primary sulphide material from the next drilling phase.

Geophysics - A review of previous geophysical data has indicated that detailed ground magnetics provides the most suitable method for drill hole positioning. A new detailed ground magnetic survey is therefore planned to cover the Cairn Hill prospect and extensions to the east. Gridding has been completed in preparation for the survey which will commence in May.

The Cairn Hill Magnetite deposit is distinguished from many other iron deposits in South Australia in that it has been subjected to high grade metamorphism which has coarsely recrystallised the mineral grains. This metamorphic effect has facilitated easier mineral processing and is a characteristic of the northern part of the Mt Woods Inlier. Several comparable strong aeromagnetic targets have been identified within this province which have high potential for further massive magnetite development.

Kangaroo Dam PGM Prospect

Petrographic studies of the zone of highly anomalous Palladium (Pd) and Platinum (Pt) intersected in drillhole KDRC001 (1m @ 4.10g/t Pt+Pd) have shown that it occurs in a hornblende-pyroxene rich rock that may represent skarn-type alteration of metasediments or metapyroxenite. Sulphide mineralisation consists of pyrrhotite and pyrite with a maximum concentration of about 2.5%. Further drilling is planned to test the strike and dip extensions of this mineralisation and follow-up other zones of PGM anomalism intersected in regional drill holes.

Regional Targeting

A review of the existing aeromagnetics, regional gravity and drillhole databases was carried out to identify and rank further targets in the Mt Woods project area. The particular focus was on high-grade iron targets, IOCG style Cu-Au-U and PGM targets.

Numerous high quality, untested targets are present over the project area and these will be systematically investigated in conjunction with the detailed drill programmes at Cairn Hill and Kangaroo Dam.

Mt Gee, Mt Painter Uranium

Goldstream holds a mining royalty over the tenement covering the historic uranium deposits of the Mt Painter Uranium Field on the northern margin of the Curnamona Craton.

NORTHERN TERRITORY

Bynoe Uranium Nickel-Copper Project (Goldstream 100%)

The Pine Creek/Alligator Rivers Uranium Province in the Northern Territory is host to major uranium deposits Jabiluka, Ranger, Koongarra, Nabarlec and Rum Jungle. Goldstream's Bynoe tenements are located in the western section of this province and cover an area of 441km².

Goldstream has completed a review of the historic exploration data covering its Bynoe tenements in the Litchfield Province of the Northern Territory. Historic exploration for base metals in 1982 generated numerous base metal anomalies. A limited programme of 763m of diamond drilling tested four of the anomalies. Drill hole MHD01 intersected **1.76m @0.36 kg/t** uranium (U₃O₈) from a depth of 84.2m. The hole encountered a suite of rocks consisting of massive carbonates, calc-silicate rocks, amphibolite, biotite quartzofeldspathic gneiss, graphitic schist/gneiss, quartzite, sideritic iron formation and ultramafic rock. Similar lithologies are found both within rocks of the South Alligator and Mount Partridge Groups.

In late 2004 Goldstream completed 11 RC percussion drill holes to the north of this intersection testing for nickel mineralisation. These holes have been re-sampled for uranium and the spoil heaps scanned radiometrically. Narrow intervals of anomalous uranium are anticipated from the assays and the results will assist in placement of uranium dedicated drill holes later this year.

A new tenement application of 27km² adjoining the Bynoe tenements has been applied for to cover uranium mineralisation intersected in historic drilling in 1986.

Uranium data from the Bynoe tenements is being assessed and follow-up drill programmes formulated.

Arunta Nickel-Copper Project - 2,000km² (Goldstream 100%)

No field work was undertaken

INDIA

No field work was undertaken pending processing and granting of tenements



GEORGE S KENWAY
MANAGING DIRECTOR

The information in this report as it related to ore reserves, mineral resources or mineralisation is reported in accordance with the AusIMM "Australian Code for reporting of Identified Mineral Resources and Ore Reserves" and is based on information compiled by Competent Persons as defined by the Code. "Significant" drill results refer to results that are indicative of potentially economic mineralisation or that warrant follow up work

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

GOLDSTREAM MINING NL

ABN

67 009 129 560

Quarter ended ("current quarter")

31 March 2005

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 (b) development (c) production (d) administration	(585)	(4,124)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	55	183
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other – Joint Venture Contributions Security Deposit	-	1,152 (22)
Net Operating Cash Flows	(687)	(3,337)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	(1)	(97)
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)		
Net investing cash flows	(1)	(97)
1.13 Total operating and investing cash flows (carried forward)	(688)	(3,434)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(688)	(3,434)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	1,638	1,662
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)	(82)	(82)
	Net financing cash flows	1,556	1,580
	Net increase (decrease) in cash held	868	(1,854)
1.20	Cash at beginning of quarter/year to date	5,568	8,290
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	6,436	6,436

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	104
1.24	Aggregate amount of loans to the parties included in item 1.10	N/A

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

None

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

+ 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	Nil	
3.2 Credit standby arrangements	Nil	

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,100
4.2 Development	
Total	1,100

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	802	1,313
5.2 Deposits at call	5,634	4,255
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	6,436	5,568

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	ELA36/787	Withdrawn	Nil	Nil
	EL2679	Expired	100%	Nil
	EL2708	Expired	100%	Nil

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in mining tenements acquired or increased	EL24684	Granted	Nil	100%
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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	121,658,639	121,658,639		
	200,000		6	1
	120,000		7	1
	250,000		11	1
	200,000		12	1
	595,000		18	1
	709,000		22	1
	620,000		25	1
	160,000		43	1
	750,000		57	1
	1,000,000		61	1
	950,000		31	1
	1,420,000		39	1
	350,000		52	1
	600,000		52	1
	1,000,000		42	1
	100,000		34	1
	30,000		36	1
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	4,600,000	4,600,000	35	35
7.5 +Convertible debt securities <i>(description)</i>				

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
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>				

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: 29 April 2005

Print name:

GEOFFREY J WALLACE

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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+ See chapter 19 for defined terms.