



GOLDSTREAM MINING NL

ABN 67 009 129 560

REPORT FOR THE QUARTER ENDED 30th September 2005

Successful
uranium listing

HIGHLIGHTS

Corporate

On 24 August 2005, Goldstream announced its intention to list its wholly owned subsidiary, Uranex NL on the ASX in conjunction with a capital raising of \$6.56m. Goldstream will retain 50.2% of the post IPO issued shares in Uranex.

Uranex made a strong debut on the ASX on 25 October 2005. At close of trade on the day of listing, Uranex had a market capitalisation of \$16.45m valuing Goldstream's investment in Uranex at \$8.26m.

The \$6.56m dollars raised provides ample funding for Uranex's aggressive exploration programme to commence testing the large number of uranium targets already identified. A field reconnaissance program to initiate testing in the Bahi region in Tanzania is currently underway.

Goldstream believes there is good potential for an increase in the value of its shareholding in Uranex through exploration success.

Operations

- Cairn Hill – Australia. Two RC percussion drill rigs operating at Cairn Hill iron-copper-gold project in South Australia.
- Mibango – Tanzania. Diamond drilling intercepts high grade massive sulphide.
- Nachingwea – Tanzania. Strong VTEM anomalies associated with Ni-Cu mineralisation
- Luwumbu – Tanzania. PGM diamond drilling 2,650m completed.

OPERATIONS

AUSTRALIA

SOUTH AUSTRALIA

Mt Woods Project - Coober Pedy (Goldstream 100%)

Cairn Hill Iron-Oxide-Copper-Gold Project

Two drill rigs in operation

Two RC percussion drill rigs are currently operating at Cairn Hill.

A total of 14 holes for 1,750m have been completed. The 3,000m drill programme is designed to target the main northern and southern lodes with drill sections spaced at 80m to 100m. It is anticipated that the drilling will be of sufficient density to calculate a JORC resource.

Broad zones of mineralisation

On the main northern lode, infill drilling has intersected strong magnetite-sulphide mineralisation up to 49m wide (downhole), with variable amounts of brecciated chalcopyrite, pyrite, pyrrhotite and quartz sulphide veining. The drilling has confirmed the strength and continuity of the northern lode mineralisation along an 800m strike length. The mineralisation dips approximately 70 degrees to the south.

Southern zone extended

Drilling of the southern lode has extended the zone 80m west of previous intersections. A potential strike of at least 500m is now indicated with mineralisation again characterised by strong magnetite-sulphide breccias and veining up to 40m wide (downhole). The weaker magnetic signature of the southern lode may be partially explained by the magnetite zone being oxidised to hematite. Whether this hematite is a primary feature or the product of deep weathering along a structure has not yet been determined.

Reconnaissance holes along strike intersect mineralisation

In addition to the main Cairn Hill drilling, broad spaced drill traverses at 800m separation are targeting the first 3km of the intense magnetic feature which extends 18km to the east of Cairn Hill. Initial drilling on two traverses has successfully intersected multiple magnetite-sulphide zones between 1 and 10m in width.

No assays have been received at this stage.

Kangaroo Dam PGM Prospect

A diamond drill contract has now been signed and drilling has commenced. The programme of 1,950m forms part of the South Australian Government's 'Plan for Accelerated Exploration' (PACE)

NORTHERN TERRITORY

Arunta Nickel-Copper Project (Goldstream 100%)

No field work was undertaken.

TANZANIA

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

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

During the quarter, 13 diamond drill holes were completed for a total of 5,970m; Down Hole EM (DHEM) surveys were undertaken, and a helicopter EM survey (VTEM) was flown over the southern section of the Kapalagulu intrusion. This work was directed at the discovery of PGM rich massive nickel sulphides associated with the main Intrusion and interpreted satellite bodies to the south east. Several narrow massive sulphide zones and some broader net textured sulphides have been intersected. Assays received to date show strong nickel and PGM grades up to 7.08% nickel with 7.37g/t PGM from narrow massive sulphide intervals and values up to 5g/t PGM from chromite/sulphide reef style mineralisation. The bulk of the assay results are expected to be received over the next two months.

Diamond drilling is continuing until the scheduled closure of the camp at the start of the wet season in early November.

PGM and Nickel Massive Sulphide

A strong off hole DHEM anomaly detected in hole KPD073 (19903E, 5027N) was tested by drill holes 100 & 101. Both holes intersected narrow massive sulphide mineralisation, with hole KPD101 returning highly encouraging nickel and PGM values (see ASX release dated 17th August 2005; Photo 1):

Hole KPD	North	East	Depth (m)	width (m)	Pt g/t	Pd g/t	PGM+Au g/t	Cu %	Co %	Ni %
100	4840	20000	267.20	0.25	0.27	0.39	0.68	0.75	0.05	1.08
101	4840	20050	268.27	0.57	0.95	6.21	7.37	1.06	0.25	7.08



Photo 1 – Drill core from KPD101, 0.17m length from the massive nickel sulphide intersection.

High grade mineralisation associated with Down Hole EM anomaly

Multiple EM anomalies generated

11m of sulphide-
awaiting assay
results

Good PGM
correlation

A further 5 drill holes were completed in the vicinity of the DHEM anomaly (sections 19900E to 20050E) with all holes intersecting one or more narrow sulphide/magnetite intervals varying from 0.03m to 0.37m in length. Assays have not yet been received. All of the new holes will be surveyed by DHEM.

A helicopter mounted EM system (VTEM) has been flown over the southern half of the Kapalagulu Intrusion and its interpreted south eastern extension. A total of 727 line kilometres of VTEM were flown at a line spacing of 150m. Several anomalies were identified within, and marginal to the Intrusion, and adjacent to a satellite gabbro body recently discovered 6km south of the main Intrusion.

Diamond drilling is now being directed at selected VTEM conductors. Drill Hole KPD109 has intersected matrix and disseminated sulphides over 11m from 115m depth (Photo 2).

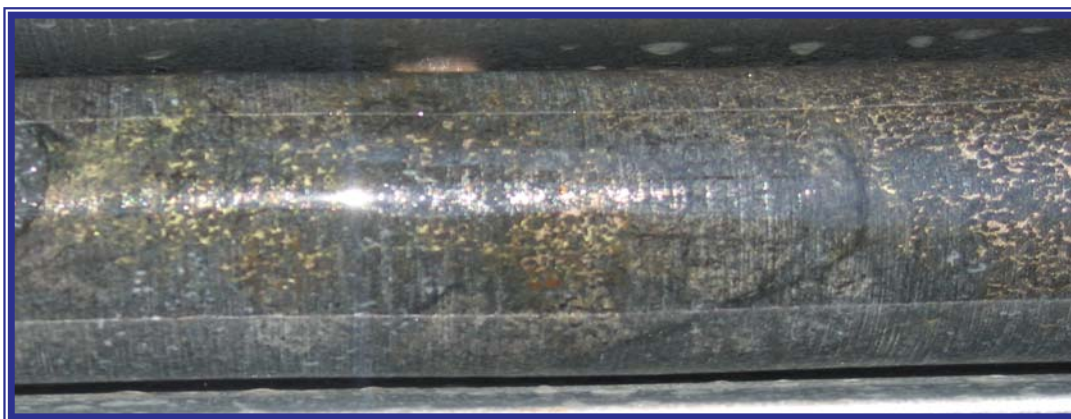


Photo 2 – Matrix sulphide from drill hole KPD109

Primary PGM Mineralisation

Assays received to date show strong PGM mineralisation above the DHEM massive nickel sulphide target zone;

Hole KPD	North	East	Depth (m)	width (m)	Pt g/t	Pd g/t	PGM+Au g/t	Cu %	Co %	Ni %
100	4840	20000	116.00	6.00	0.75	0.94	1.77	0.06	0.02	0.20
includes			118.00	1.00	1.73	2.64	4.51	0.09	0.02	0.21
101	4840	20050	103.00	7.00	0.85	0.91	1.87	0.09	0.02	0.24
includes			105.00	0.50	1.73	3.25	5.10	0.12	0.02	0.28

The intersections from holes KPD100 and 101 show good correlation and continuity on sections 50m apart which was not apparent from the routine 400 and 800m apart drill sections undertaken throughout the remainder of the Intrusion. These results indicate that there is potential for the development of multiple podiform higher grade PGM mineralisation.

Laterite Nickel

An independent study of the laterite nickel resource is being conducted to determine options for further testing and economic assessment.

Strong EM
conductors
generated

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

The project is a joint venture between Goldstream and London based PGM producer Lonmin Plc. Lonmin may earn 70% equity in the project by sole funding exploration to completion of a Feasibility study.

During the quarter, a diamond drilling program of 8 holes for 2,650m and a helicopter EM survey (VTEM) of 668 line kilometres were completed.

Diamond drilling was designed to follow up and extend the PGM mineralisation intersected in 2004. Geological logging and core cutting for assaying is continuing.

The VTEM system was flown over the ultramafic dominant Nkenja intrusion to assist in assessing its massive sulphide potential. The interpretation of the survey results will be completed during the next quarter.

Nachingwea Nickel-Platinum Project (Goldstream 100%)

Strong EM conductors have been detected by a helicopter EM survey (VTEM) survey. The survey of 450 line kilometres was centered over the Ntaka prospect and preliminary data shows several bedrock conductors from within and marginal to interpreted ultramafic bodies.

Final geophysical products and interpretation are keenly awaited to enable planning for diamond drill testing at the start of next field season.

Other Projects

Morogoro, Muipa, Kondoa, Buhemba

No field work was undertaken

INDIA

No field work was undertaken pending processing and granting of tenements.



GEORGE S KENWAY
MANAGING DIRECTOR

Information in this report relating to exploration results is based on data compiled by Bianca Manzi who is a Member of the Australian Institute of Geoscientists, and who is a full-time employee of the Company. Bianca Manzi has sufficient relevant experience to qualify as a Competent Person under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Bianca Manzi consents to the inclusion of the data in the form and context in which it appears.

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")

30 September 2005

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(1,220)	(1220)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	102	102
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other – Joint Venture contributions	2,092	2,092
Net Operating Cash Flows	592	592
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	(17)	(17)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	96	96
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	79	79
1.13 Total operating and investing cash flows (carried forward)	671	671

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	671	671
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	671	671
1.20	Cash at beginning of quarter/year to date	5,687	5,687
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	6,358	6,358

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	152
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 Less Joint Venture Contributions	2,437 (1,400)
4.2 Development	
Total	1,037

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	276	257
5.2 Deposits at call	6,082	5,430
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	6,358	5,687

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	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	EL3387 PL3403/2005	Granted Granted	Nil Nil	100% 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	122,078,639		
	120,000	122,078,639	7	1
	250,000		11	1
	200,000		12	1
	595,000		18	1
	709,000		22	1
	600,000		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			
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:

(Director/Company Secretary)

Date: 31 October 2005

Print name:

GEOFFREY J WALLACE

+ See chapter 19 for defined terms.

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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