

Golden Deeps Ltd

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The Manager - Companies
Australian Stock Exchange
Exchange Centre
20 Bond Street
SYDNEY NSW 2000

Golden Deeps Ltd - Quarterly Report for period July 1st 2004 to September 30th 2004.

1. Garden Gully (M 15/675)

The Garden Gully tenement is located adjacent to the Coolgardie townsite, on the Tindal's trend. The project has an insitu resource of 121 850 t @ 3.04 gpt Au. An evaluation of resource position and the overall prospectivity of the tenement has identified a number of areas requiring further exploration.

a. The Lone Hand Resource

The current resource is centred around the historical 'Lone Hand' workings. A sectional evaluation of the current resource shows that infill drilling is required in several areas. This drilling will give the resource greater integrity and increase its overall tonnage, and improve its optimisation characteristics.

b. The Lone Hand Porphyry

The Lone Hand resource is hosted by a diorite porphyry. Analysis of the geological mapping and drill data indicates that this unit has untested strike extensions to the south east of the resource area, where it is covered by a veneer of alluvium which masks its geochemical signature. A program of aircore drilling has been planned to test this potential zone of mineralisation.

c. The King Billy Workings

This north-south striking set of workings sits on the western side of the Garden Gully tenement. These workings exploited a quartz reef system and were mined in the 1900's. The host reef has not been subjected to modern exploration and has the potential to host high-grade gold mineralisation.

Analysis of the company's exploration data has shown several areas of potential within the tenement area that require drill testing, however the Company is currently looking for a joint venture partner to undertake this exploration.

2. Blue Funnel (M 16/19)

The Blue Funnel open pit is located on the Zuleika Shear, approximately 17 kilometres to the north-east of Kundana, and was mined in the late 1980's for 205 579 t @ 3.22 gpt Au; a resource of 150 000 t @ 4.50 gpt Au remains insitu below the current pit floor. A review of the historical open pit mining data, and a reinterpretation of the insitu resource position, shows extensions to the mineralised system at depth. Analysis of the mineralisation, utilising both contoured projection and long section methodology, identified two zones for drill testing. The Blue Funnel Deeps and Northern Extension have been tested with deep RC drilling in June, yielding the following results being obtained after resampling of mineralised intercepts:

BFRC 001 6615137N 320122E 1m @ 3.29 gpt Au (from 78 metres)
BFRC 002 66156128N320108E 1m @ 3.65 gpt Au (from 137 metres)
BFRC 004 6615022N 320174E 1m @ 6.21 gpt Au (from 127 metres)
1m @ 4.33 gpt Au (from 150 metres)
1m @ 10.8 gpt Au (from 159 metres)
BFRC 005 6615018N 320168E 2m @ 4.55 gpt Au (from 172 metres)
Incl. 1m @ 8.2 gpt Au
BFRC 006 6615011N 320158E 1m @ 2.85 gpt Au (from 193 metres)
BFRC 007 6615000N 320187E 1m @ 1.78 gpt Au (from 170 metres)

*All holes drilled at approx -60/055 degrees.

While the results from this area were not of the tenor and widths anticipated, the drilling confirmed the presence of mineralisation at depth and the ore system will be further examined to generate further drill targets.

3. Twin Hills (M 29/21, 107, 113, 115, 132 & 147)

The Twin Hill project is located 27 kilometres to the northeast of Menzies in the Eastern Goldfields. The historic Twin Hills mine has a reported insitu resource of 17,540 t @ 20.86 gpt Au and shows the potential for increases in tonnage through both infill and extensional drilling. Analysis of the existing drill data, utilising contoured projection, showed the ore system at the Twin Hills mine to plunge steeply to the southwest. The target area was the interpreted up plunge extensions to the ore body, which remained untested by drilling. A program of 13 RC holes was undertaken in June, with the following results being obtained after resampling of mineralised intercepts:

RCTH 010 6740879N 317813E 1m @ 1.86 gpt Au (from 25 metres)
RCTH 013 6740979N 317793E 2m @ 17.77 gpt Au (from 13 metres)
Incl. 1m @ 31.34 gpt Au
1m @ 3.11 gpt Au (from 63 metres)

*All holes drilled at -60/090 degrees.

The best results came from north of the Roxbury/ box-cut area and may represent a new zone of mineralisation, which requires follow up drilling. In addition to this drill target, several other

anomalous zones have been identified within the project area, including the areas surrounding the historic Jasper Bore and the Southlands mine workings. The exploration data for these areas is currently being reviewed with a view to the drill testing of these positions.

Initial drill testing at Blue Funnel & Twin Hills has met with limited success, and future exploration will be concentrated on the assessment of the current resource positions and other prospective zones of mineralisation within the project areas.

4. Kelimaizina Gold Prospect – Madagascar

On 17th September 2004 Shareholders approved the acquisition of the Kelimaizina Gold Prospect.

The prospect consists of 2 mining tenements (PR6256 and PR6978) totalling 87.5 square kilometres located 260kms north of Antananarivo, the capital of Madagascar.

The area is prospective for alluvial, eluvial and hardrock gold mining.

Previous exploration and alluvial mining was conducted by a French company from 1995 to 1998 when their tenancy was terminated. Reports from that period indicate a zone of mineralisation remains over an area of 140,000 square metres. Grades from exploration pits and surface workings ranged from 0.28g/m³ Au to 5.0 g/m³ Au with a suggested average of 2.6g/m³ Au. A JORC compliant resource has not been established at this stage.

In November 2003, the Vendors, Kalgoorlie Mine Management Pty Ltd completed a soil and rock chip sampling programme to gauge the areal extent and host lithologies of the gold mineralisation system.

Metallurgical tests on the samples indicate that the mineralization is predominantly free gold less than 1mm in diameter and gravity separation would be easily achievable with a simple milling and gravity circuit. The sampling programme has provided a sound basis for future drill testing.

Independent Consultant Geologist, Malcolm Castle has reported “The Kelimaizina Gold Project has considerable exploration upside and with minimal expenditure could be brought into production.”

“The exploration potential within the project area will come from exploration of the bedrock source below the current laterite and old workings, including the recently discovered Tsimahabekitoza and Mahatsinjo deposits. Dredging operations in nearby rivers, where high grades have been reported but not documented, may add to the mineral inventory.”

Subject to the oncoming wet season, work should commence in the December 2004 Quarter.

D N ZUKERMAN
Director

Competent Person Declaration

The geological information included in this report has been prepared by a geologist with more than the required five years experience.