

Golden Deeps Ltd

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25 October 2007

**The Manager
Company Announcement Office
Australian Securities Exchange
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000**

Dear Sir,

QUARTERLY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2007

1. KELIMAIZINA GOLD PROJECT, MADAGASCAR.

The Kelimaizina Gold Project is located approximately 260 kilometres northwest from Antananarivo, the capital of Madagascar, and consists of four mineral tenements totalling 262.50 square kilometres.

As previously reported, the Company completed three auger drill programmes centred on the former Kelimaizina laterite open cut. A total of 363 auger holes were drilled.

The auger drill results defined a strong, coherent zone of surface gold mineralization. Using as a cut-off the 200 parts per billion contour, the mineralised zone extends for approximately 500 metres in a north - south direction and varies to approximately 100 metres in an east - west direction.

Mineralisation appears to occur where there is a change in strike, from the regional northeast - southwest trend, to a north - south trend. This change in strike can be inferred to represent a dilational jog structure.

A reconnaissance diamond drilling programme was completed in December 2006, consisting of three diamond drill holes for a total advance of 226 metres that targeted the primary mineralisation below the existing open pit. These drill holes encountered a number of thin zones of quartz veining and sulphide mineralisation. Sampling of this drilling was generally disappointing, however assaying confirmed the presence of gold mineralisation.

The Kelimaizina gold project is being further reviewed and joint venture opportunities assessed.

2. GARDEN GULLY (M 15/675), WESTERN AUSTRALIA

The Garden Gully tenement is located adjacent to the Coolgardie town site, on the Tindal's trend. Analysis of the Company's exploration data has shown several areas of potential ore grade mineralisation within the tenement area that require further drill testing. Prospecting continues within the project area for near surface gold mineralisation.

3. BLUE FUNNEL (M 16/19), WESTERN AUSTRALIA

The Blue Funnel open pit is located on the Zuleika Shear, approximately 17 kilometres to the northeast of Kundana, and was mined in the late 1980's for 205,579 t @ 3.22 gpt Au. The potential for additional resources below the existing pit floor is strong.

The Company is now seeking joint venture partners to assist in the exploration of the project area.

4. TWIN HILLS (M 29/21), WESTERN AUSTRALIA

The Twin Hills project is located 27 kilometres to the northeast of Menzies in the Eastern Goldfields. The historic Twin Hills mine hosted high-grade gold mineralisation and shows the potential for additional resources at depth and along strike.

A detailed analysis of the existing drill data showed the ore system plunging steeply to the southwest, and will require drill testing. No further fieldwork has been undertaken in the reporting period. The company is examining various options for the rehabilitation of the workings from the historical mining operations, in line with DoIR requirements.

Yours faithfully,
Norman Grafton
Company Secretary
Golden Deeps Ltd

Competent Person Declaration

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Timothy Putt of Exploration and Mining Information Systems, who is a member of The Australasian Institute of Geoscientists. Mr. Putt has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Timothy Putt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.