

Yilgarn Gold Limited

ACN 002 527 906
ABN 34 002 527 906

QUARTERLY ACTIVITY REPORT

For the period ending 30 September 2005

New Bulong Project

Yilgarn Gold Limited 100%

The New Bulong Project is situated approximately 30 kilometres east of Kalgoorlie with good access along the sealed Bulong road. The project area is elongated north south and covers approximately 60 square kilometres of highly prospective greenstone terrain. The 19 km of strike includes numerous old workings and gold mines, the most notable being the Queen Margaret which closed in 1908 and has not been worked since.

Interested parties continue to assess the New Bulong data and are now focussing their attention on the Queen Margaret line of workings. These extend for one and half kilometres in a north south direction and consist of the Melbourne United and White Horse mines to the north of the main Queen Margaret mine and the Queen Margaret Central and Queen Margaret South mines extending to the south. Historical mining in the early 1900's was from underground at the Queen Margaret with over 65,000 tonnes mined at an average grade of 32.5g/t and to a depth of 700 feet (213 metres). The potential for selective underground mining is being considered.

Rehabilitation work and low impact prospecting using a local prospector continues. Work was concentrated north of the Melbourne United mine to the Strathfield area. Two hectares are completed at a time to the satisfaction of the Dept of Industry and Resources Environmental Division. This work aids in the clean up of the old historical mining which was not rehabilitated at no cost to the company and achieves the minimum expenditure commitment.

Cowarna Rocks E28/1041

Yilgarn Gold Limited 100%

The Cowarna Rocks project lies 85km east of Kalgoorlie and covers 14 square kilometres of the Jubilee Greenstone Terrane.

The Railway shear, which is interpreted to run through the middle of the exploration licence, separates the Kurnalpi belt which lies to its east and consists of mafic and ultramafic rocks with the North-West striking Penny Dam conglomerate covering most of the western portion of the licence.

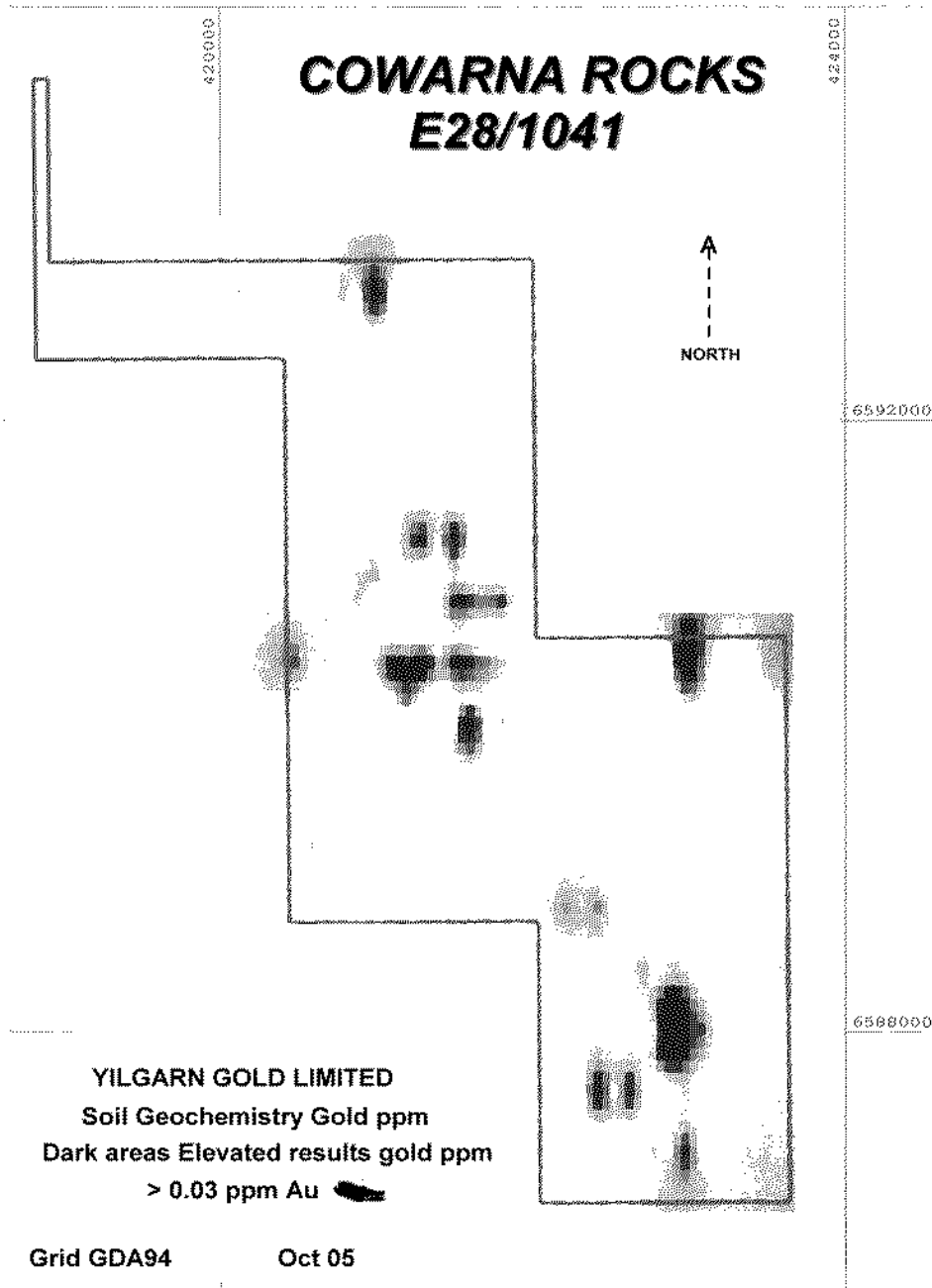
Previously a soil geochemical sampling program was completed over the western half of the tenement which identified a gold soil anomaly in the central portion of the tenement. A soil geochemical sampling program has now been completed over the remaining eastern half of the exploration licence covering an area of 5 square kilometres. Assay results were received from samples which were collected on 400 metre spaced lines at intervals of 100 metres. Whole samples were collected from a depth of 20cm and the material submitted to Kalassay Group for analysis using the Aqua Regia Digest / ICP-MS Analysis method. All samples were tested for Au, Ni, Cu and Co.

The results indicate a minor gold soil anomaly is present in the southern central part of the licence and covers a north south strike of 800 metres and extends east west up to 700 metres. Background results averaged between 0.005-0.008ppm Au with the anomaly average of 0.03ppm Au. The highest result was 0.083ppm Au. The anomalous area needs to be better defined with infill sampling on 200 metre spaced lines. However it is interesting to note the position of the gold anomaly corresponds to the interpreted position of the Railway shear which strikes through the tenement in a north west direction. The area is totally



soil covered with no outcrop. Minerals targeted in this program were gold, nickel, copper and cobalt with no anomalous results for nickel, copper or cobalt.

Geological interpretation using ground information, air photography and aeromagnetic data is ongoing to define the structures in the area with the aid of the latest geochemistry. If additional sampling confirms the anomaly a possible drill target will be defined.



Goodenough Project

Yilgarn Gold Limited 100%

Interested parties are continuing to assess the data with regards to the Goodenough Project and associated regional tenements.

The company is currently negotiating native title heritage affecting prospecting licence applications P29/1817 – 1823 which are situated around the Goodenough mining lease.

Browns Lagoon

Yilgarn Gold Limited 100%

The Company continues to consider various options for the future of the Browns Lagoon Project.

Great Southern Project

Yilgarn Gold Limited 100%

The Company continues to consider various options for the future of the Great Southern Project.

Golden Cliffs

Yilgarn Gold Limited 100%

A leading mining company in the area which has expressed an interest in the mining lease continues to assess the data relevant to the property.

A notice of intent to carry out low impact prospecting and rehabilitation was approved by the Department of Industry & Resources and work was started in the south west part of the mining lease. This was carried out by a local prospector who has an agreement to prospect for surface gold on the mining lease using a front end loader to scrape and then detects and rehabilitates. This rehabilitation work of areas historically disturbed by mining and in need of rehabilitation is completed at no cost to the Company and the Company will receive 10% of all gold won from the exercise. Two hectares are completed at a time to the satisfaction of the Department of Industry and Resources Environmental Division.

Foley Well

Yilgarn Gold Limited 100%

Foley Well is in joint venture with Gutnick Resources who manage the project. The project now consists of 3 mining lease applications and an exploration licence application. Until these are granted no further field work can be carried out.

Clinker Hill

Yilgarn Gold Limited 100%

ML application is still pending.

YILGARN GOLD LIMITED

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr N Taylor MAusIMM MAIG, a full time employee of the Company. Mr Taylor has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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 Resources and Ore Reserves". Mr Taylor consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

TENEMENT SCHEDULE
30 September 2005

Project	Manager Operator	Tenement	Interest %
New Bulong JV <i>Western Australia</i>	Yilgarn Gold Ltd	M27/332*) Yilgarn Gold Limited (65%) Great Southern Mines NL (35%)
		E25/218	
		P25/1125-27	
		M25/193*	
		P25/1128-33	
		M25/181*	
		P25/1134-36	
		P25/1191	
		M25/192*	
		M25/303*	
		M25/83	
		P27/1312	
		M27/326*	
		E25/90	
		M25/249*	
		M25/215*	
M25/24) Yilgarn Gold Ltd (100%)		
M25/129			
M25/91			
P25/1788*			
Browns Lagoon <i>Western Australia</i>	Yilgarn Gold Ltd	P24/3595-98 M24/858*) Great Southern Mines NL (100%)
Foley Well JV <i>Western Australia</i>	Gutnick Resources NL	E31/405* M31/327* M31/328* M31/377*) Great Southern Mines NL (100%)
Great Southern <i>Western Australia</i>	Yilgarn Gold Ltd	M77/729 M77/1014) Yilgarn Gold Limited (100%)
Goodenough <i>Western Australia</i>	Yilgarn Gold Ltd	M29/141	Resource Assets Pty Limited (100%)
		P 29/1309)
		P 29/1343) Yilgarn Gold Ltd (80%)
		P 29/1345)
		P 29/1387)
		M29/229*)
		M29/236*)
		P 29/1821-23*	Yilgarn Gold Ltd (100%)
		P 29/1817-20*	Yilgarn Gold Ltd (90%)
M29/183*	Yilgarn Gold Ltd (80%)		
Clinker Hill <i>Western Australia</i>	Yilgarn Gold Ltd	M26/766*	Great Southern Mines NL (100%)
Cowarna Rocks <i>Western Australia</i>	Yilgarn Gold Ltd	E28/1041	Yilgarn Gold Ltd (100%)
Golden Cliffs <i>Western Australia</i>	Yilgarn Gold Ltd	M29/327	Yilgarn Gold Ltd (100%)

* Application Pending

NB Great Southern Mines NL & Resource Assets Pty Limited are wholly owned subsidiaries of Yilgarn Gold Limited.