

Appendix 5B

Mining Exploration Entity Quarterly Report

Origin: Appendix 8

Name of Entity

YILGARN GOLD LIMITED

ACN or ARBN

34 002 527 906

Quarter Ended ("Current Quarter")

30 JUNE 2006

Consolidated Statement of Cash Flows

	Current Quarter \$A'000	Year to Date (12 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	(62)	(212)
(b) development	-	-
(c) production	-	-
(d) administration	(80)	(237)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	11	21
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	5	16
Net Operating Cash Flows	(126)	(412)
Cash Flows Related to Investing Activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities (note 3)	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net Investing Cash Flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(126)	(412)

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Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(126)	(412)
Cash Flows Related to Financing Activities			
1.14	Proceeds from issues of shares, options, etc.	57	1,412
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	15
1.17	Repayment of borrowings	(115)	(115)
1.18	Dividends paid	-	-
1.19	Other (provide details if material) – Funds held in trust	3,103	3,103
Net Financing Cash Flows		3,160	4,415
Net Increase (Decrease) in Cash Held		3,034	4,003
1.20	Cash at beginning of quarter/year to date	1,074	105
1.21	Exchange rate adjustments to 19	-	-
1.22	Cash at End of Quarter	4,108	4,108

Note: Cash at End of Quarter includes \$3,103,000 held by the company in a trust account relating to the \$5.6m capital raising. The remaining funds of \$2,479,000 were received by 6 July 2006 and the total funds released to the company when the shares were allotted on 11 July 2006.

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	36
1.24	Aggregate amount of loans to the parties included in item 1.10	-
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

NIL

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

NIL

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	450
4.2 Development	-
Total	

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	36	114
5.2 Deposits at call	969	960
5.3 Bank overdraft	-	-
5.4 Other (provide details) – share issue trust	3,103	-
Total: Cash at End of Quarter (item 1.22)	4,108	1,074

Changes in Interests in Mining Tenements

	Tenement Reference	Nature Of Interest	Interest at Beginning of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

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.

	Number Issued	Number Quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference + securities			
7.2	Changes during quarter			
7.3	+ Ordinary Securities	197,470,368	197,470,368	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,150,000	1,150,000	5 cents
7.5	+ Convertible Debt Securities			
7.6	Changes during quarter			
7.7	Options (description)		<i>Exercise Price</i>	<i>Expiry Date</i>
			15	31/05/2007
	4,500,000 177,350,000	- 177,350,000	5	31/12/2008
7.8	Issued during quarter			
7.9	Exercised during quarter	1,150,000	1,150,000	5
7.10	Expired during quarter			
7.11	Debentures			
7.12	Unsecured Notes			

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](#).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: N J Bassett
 (Company Secretary)

Date: 31 July 2006

Print name: Neville John Bassett

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