

**BENDIGO MINING N.L.**  
**CORPORATE INFORMATION**  
**A.B.N. 61 005 674 073**

**Directors:**

T.P. Philip (Chairman)  
A.D. Buerger ( Managing Director)  
R..H. Beevor  
T.J. Brown  
T.S.A. Grobicki  
J.D.S. MacLeod  
R. Woodall  
C.G. Papadimitriou (alternate to T.J. Brown)

**Secretary:**

H.L. Dusseljee

**Share Registry:**

Computershare Investor Services Pty Ltd  
Level 12, 565 Bourke Street  
MELBOURNE VIC 3000  
Telephone: (03) 9615 5970

**Stock Exchange:**

Australian Stock Exchange Limited  
ASX Company Security Code: BDG

**Registered Office & Principal Place of Business:**

66 Ham Street  
Kangaroo Flat Vic 3555  
Telephone: (03) 5447 1834  
Facsimile: (03) 5447 1835  
E-Mail Address: info@bmdl.com.au

**Auditors:**

Deloitte Touche Tohmatsu  
Chartered Accountants  
505 Bourke Street  
MELBOURNE VIC 3000

**Shareholder Enquiries:**

Share Registry (03) 9615 5970  
(melbourne.services@computershare.com.au)

or

Company Secretary (03) 5447 1834

**Web Page:**

<http://www.bmdl.com.au>

### ***Directors' Report***

The Directors of Bendigo Mining N.L. present the financial report for the half-year ended 31 December 2003. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

#### ***Directors***

The names of Directors of the Company in office during or since the end of the half-year are:

- **T. Peter Philip**
- **A. Douglas Buerger**
- **Ronald H. Beevor**
- **Arnold C. Offenberg \***
- **Tobias J. Brown**
- **John D. S. MacLeod\***
- **Roy Woodall**
- **Thaddeus S.A. Grobicki**
- **Constantine G. Papadimitriou (alternate to T.J. Brown)**

\* Mr. A.C. Offenberg resigned as a director on 31 December 2003 and Mr. J.D.S. MacLeod resigned on 3 March 2004. The other Directors held office during and since the end of the half-year period.

#### ***Trading Results***

The operating loss after income tax for the half-year amounted to \$9,133,274 (2002: Loss \$10,785,966).

### ***Review of Operations***

During the half-year the Company completed a successful exploration program that:

- Accessed gold bearing quartz reefs with sizes and shapes in accordance with historical experience of the goldfield
- Confirmed that the gold grades in the newly discovered reefs are as expected from resource potential estimates
- Demonstrated the geological predictability of the gold mineralisation
- Defined a Probable Reserve estimate of 656,000 tonnes at 9 g/t Au for 193,000 ounces gold

The Swan Decline was developed to a depth of 835 metres below surface by the end of October. The underground exploration work was successfully completed in December 2003. The processing of bulk samples and the analysis and interpretation of exploration data has continued.

Work on the feasibility study for the development of the New Bendigo Gold Project commenced during the half-year. The project feasibility study is based on a long-term mining rate to be around 30% above that previously estimated in the Conceptual Study of 2002, to 1.6M tonnes per annum with a projected annual gold production of 600,000 ounces per annum.

The directors are reviewing the feasibility study and are currently in discussion with the Company's investment bankers with regard to the best funding approach for the project. The project development and funding strategies are planned to be announced later in March 2004.

Signed in accordance with a resolution of the Directors made on 3 March 2004.



**T.P. PHILIP**  
**DIRECTOR**

**Bendigo, 3 March 2004.**

***Bendigo Mining N.L.***  
***Statement of Financial Position***  
***as at 31 December 2003***

	31 December 2003 \$	30 June 2003 \$
<b>CURRENT ASSETS</b>		
Cash assets	10,711,486	20,437,080
Receivables	398,576	483,910
Other financial assets	949,600	949,600
Other	193,958	228,726
<b>TOTAL CURRENT ASSETS</b>	<b>12,253,620</b>	<b>22,099,316</b>
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	4,569,428	4,895,653
<b>TOTAL NON CURRENT ASSETS</b>	<b>4,569,428</b>	<b>4,895,653</b>
<b>TOTAL ASSETS</b>	<b>16,823,048</b>	<b>26,994,969</b>
<b>CURRENT LIABILITIES</b>		
Payables	1,402,737	2,725,212
Provisions	404,658	338,236
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,807,395</b>	<b>3,063,448</b>
<b>NON CURRENT LIABILITES</b>		
Provisions	1,686,183	1,676,527
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>1,686,183</b>	<b>1,676,527</b>
<b>TOTAL LIABILITIES</b>	<b>3,493,578</b>	<b>4,739,975</b>
<b>NET ASSETS</b>	<b>13,329,470</b>	<b>22,254,994</b>
<b>EQUITY</b>		
Contributed equity	122,938,525	122,730,775
Accumulated losses	(109,609,055)	(100,475,781)
<b>TOTAL EQUITY</b>	<b>13,329,470</b>	<b>22,254,994</b>

The accompanying notes form part of the financial report.

***Bendigo Mining N.L.***  
***Statement of Financial Performance***  
***For the Half - Year Ended 31 December 2003***

	31 December 2003 \$	31 December 2002 \$
Revenue from funds investment activities	405,485	1,004,766
Other revenue from ordinary activities	2,268,809	10,446
Exploration expenses	(10,739,419)	(10,795,690)
Corporate & administration expenses	<u>(1,068,149)</u>	<u>(1,005,488)</u>
<b>Loss From Ordinary Activities Before Income Tax Expense</b>	<b>(9,133,274)</b>	<b>(10,785,966)</b>
Income Tax Expense Relating To Ordinary Activities	<u>-</u>	<u>-</u>
<b>Net Loss</b>	<b>(9,133,274)</b>	<b>(10,785,966)</b>
Total Revenue, Expenses and Valuation Adjustments Recognised Directly in Equity	<u>-</u>	<u>-</u>
<b>Total Changes in Equity Other than those Resulting from Transactions with Owners as Owners</b>	<b>(9,133,274)</b>	<b>(10,785,966)</b>
<b>Earnings Per Share:</b>		
Loss Per Share - Basic (cents per share)	1.0	1.2
- Diluted (cents per share)	1.0	1.2

The accompanying notes form part of the financial report.

***Bendigo Mining N.L.***  
***Statement of Cash Flows***  
***For the Half - Year Ended 31 December 2003***

	31 December 2003	31 December 2002
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest and other revenue received	2,672,466	1,195,664
Payments to suppliers and employees	<u>(12,268,438)</u>	<u>(11,328,606)</u>
Net cash used in operating activities	<u>(9,595,972)</u>	<u>(10,132,942)</u>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		
Net proceeds from investments	-	8,438,816
Payments for property, plant and equipment	(337,372)	(965,496)
Proceeds from sale of property, plant and equipment	<u>-</u>	<u>10,909</u>
Net cash provided by investing activities	<u>(337,372)</u>	<u>7,484,229</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	207,750	416,233
Capital raising expenses	<u>-</u>	<u>-</u>
Net cash provided by financing activities	<u>207,750</u>	<u>416,233</u>
Net decrease in cash held	(9,725,594)	(2,232,480)
Cash at the beginning of the half-year	<u>20,437,080</u>	<u>35,824,539</u>
<b>CASH AT THE END OF THE HALF-YEAR</b>	<u>10,711,486</u>	<u>33,592,059</u>

The accompanying notes form part of the financial report.

**Bendigo Mining N.L.**  
**Notes to the Half - Year Financial Statements**  
**For the Half – Year Ended 31 December 2003**

1. **Statement of Accounting Policies**

**Basis of Preparation of Half-Year Financial Statements** - The general purpose half-year financial report of the Company has been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 1029 "Interim Financial Reporting". The half-year Financial Report does not include notes of the type normally included in an annual report and should be read in conjunction with the 2003 Annual Report and any public announcements made by Bendigo Mining NL during the half-year in accordance with continuous disclosure obligations arising under the Corporations Act 2001. The accounting policies adopted in the preparation of the half-yearly financial report are consistent with those adopted and disclosed in the 2003 annual financial report.

2. **Contingent Liabilities**

**Rehabilitation & Other Bonds**

Bank guarantees totalling \$25,000 have been lodged in favour of Vic Roads and The Bendigo Trust. These guarantees are in regard to the Company's obligations on a Vic Roads pipeline agreement and use of facilities controlled by The Bendigo Trust. The Company has lodged term deposits of \$25,000 as security for these bank guarantees.

3. **Segment Information**

The company operated within the mining industry undertaking exploration activities during the half-year period.

4. **Subsequent Events**

The Company has completed a feasibility study for the development of the New Bendigo Gold Project in January 2004. The directors are considering the study and will announce development and funding strategies later in March 2004.

No other matters or circumstances have arisen subsequent to the reporting date which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the company in subsequent financial years.

**Bendigo Mining N.L.**  
**Directors' Declaration**  
**For the Half - Year Ended 31 December 2003**

The Directors declare that:

- (a) The attached financial statements and notes thereto comply with accounting standards,
- (b) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the Company.
- (c) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001; and
- (d) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to Section 303(5) of the Corporations Act 2001.



**T.P. PHILIP**  
**DIRECTOR**

**Bendigo, 3 March 2004.**