



QUARTERLY REPORT

for three months ending 30 June 2006

HIGHLIGHTS

CORPORATE

- o The Company's pro-rata non-renounceable rights issue to shareholders and subsequent placements which closed on 3 May 2006 was almost fully subscribed and raised \$3.58 million, excluding costs and fees associated with the issue. The Directors were highly encouraged by the response from shareholders and investors towards this capital raising

PUNGKUT GOLD PROJECT

- o Drilling at the Sihayo 1 Prospect discovers gold and silver mineralisation within a broad, intense hydrothermal alteration system
- o Significant gold intersections from diamond drilling at the Sambung prospect confirms the prospectivity of the area
- o Drilling at Sambung continues towards defining a JORC compliant Resource
- o Soil sampling at Tambang Tinggi delineates a large gold soil anomaly with coincident high grade rock chips within an intense hydrothermal alteration
- o Mapping and sampling well under way at Tambang Ubi in preparation for drilling this coming quarter

1. CORPORATE

Oropa's pro rata non-renounceable rights issue to shareholders to raise up to \$3.82 million via the issue of up to 27,290,678 shares on the basis of two shares for every five held at an issue price of \$0.14 per share, together with up to 13,645,340 free attaching options, each to acquire one share at \$0.20 on or before 31 December 2006 closed on 3 May 2006.

The Company's directors were extremely encouraged that the issue to shareholders and subsequent placements was almost fully subscribed and raised \$3,582,626.46, excluding the costs and fees associated with the issue.

Upon the allotment of all of the shares and options, the Company currently has 93,816,886 shares on issue, along with 12,795,104 listed options exercisable at 20 cents per share, expiring on 31 December 2006, plus 13,280,776 listed options exercisable at 50 cents on or before 31 December 2007. Funds raised throughout the duration of the extended issue and post the completion of the issue have been directed towards significantly increased levels of exploration and development programmes at the Pungkut gold project in Sumatra, Indonesia.

2. REVIEW OF OPERATIONS

2.1 Indonesia

Pungkut Gold Project, Sumatra (75%)

Sihayo 1

Located approximately 1km south of the 610,000 oz Au Sihayo 1 North Inferred Resource, initial potential of the Sihayo 1 prospect was tested by the completion of a 14 diamond drill hole programme for 991.6m of drilling during the June quarter.

Gold mineralisation encountered at Sihayo 1 in earlier surface sampling, trenching and scout drilling was generally confined to outcropping jasperoid on or near the contact with overlying Tertiary sediments. This is geologically similar to the Sihayo 1 North gold resource, where sub-horizontal zones of gold-bearing jasperoid developed on the contact between older Permian limestone and younger Tertiary sediments.

Drilling encountered intense hydrothermal alteration of Permian lithology that included both limestone and welded dacite volcanoclastics. The Tertiary sediment cover was found to be either absent or substantially thinner than expected and appears to have largely been eroded away.

Mineralisation was encountered both at the remnant Tertiary contact position and within intensely altered, brecciated limestone and dacite volcanoclastics.

Better results returned from drilling included;

- SHDD067:
4m @ 4.09g/t Au from 3m and
- SHDD068:
5m @ 2.1g/t Au from 7m

Drill hole SHDD076 intersected several zones of gold and silver mineralisation in intensely altered dacite volcanoclastics and limestone that included;

- SHDD076:
5m @ 238.75g/t Ag from 41m (including 1m @ 522g/t Ag from 43m) and
5m @ 66.25g/t Ag from 54m.

Elsewhere, anomalous gold values were encountered in intensely altered lithology (table 1).

Drilling has now confirmed the presence of widespread gold and silver mineralisation at Sihayo 1. Gold mineralisation is related to intense hydrothermal alteration and, similarly to the nearby Sihayo 1 North gold deposit, occurs as both Tertiary contact jasperoid and jasperoid breccias. It is therefore reasonable to conclude that hydrothermal alteration identified at the Sihayo 1 and Sihayo 1 North prospects relate to one large hydrothermal system. It appears that this system is responsible for the widespread gold and silver mineralisation encountered in surface geochemical sampling, trenching and drilling throughout the Sihayo 1 area. Silver mineralisation appears to be related to a more structurally complex zone typified by hydrothermal brecciation of limestone and dacite volcanoclastic units.

Mineralisation remains open, with a large portion of the Tertiary contact yet to be drill

tested. Trenching, detailed mapping and further drilling is planned to follow up these

encouraging results from this initial drill programme.

Figure 1: Sihayo 1 - Sambung Prospect Areas

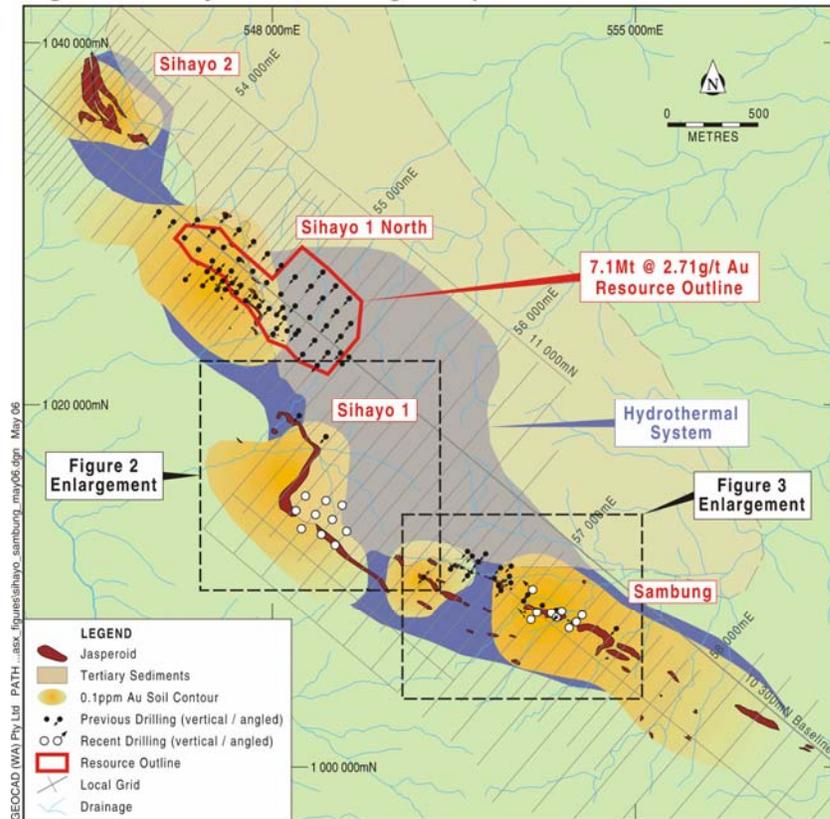
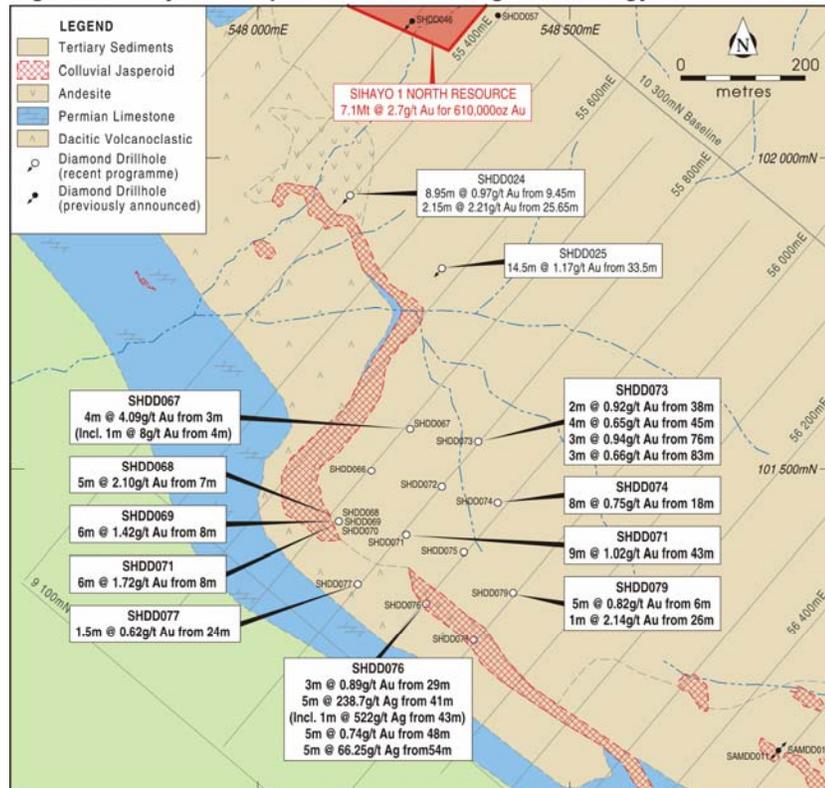


Figure 2: Sihayo 1 Prospect - Recent Drilling and Geology Plan



Sambung

During the quarter, Oropa completed 25 diamond drill holes for 1837.9m of drilling at the Sambung prospect.

Gold mineralisation previously discovered at Sambung in trenching and scout drilling is related to a large hydrothermal alteration system, which extends over some 5km in length and includes the Sihayo 1 North resource and the Sihayo 1 prospect.

Drilling at Sambung targeted geophysical anomalies plus gold mineralisation identified in earlier surface sampling, trenching and scout drilling. The targeted zones included intrusive-related gold/base metal mineralisation, Tertiary sediment contact jasperoid-hosted gold mineralisation and primary jasperoid breccia hosted gold mineralisation. A series of shallow, vertical holes, designed to test the lateral extent of gold-bearing jasperoid colluvium were included in this quarter's drilling programme.

To date, drilling has confirmed the presence of gold-bearing jasperoid mineralisation on the Tertiary contact:

- SAMDD012:
5m @ 1.21g/t Au from 79.4m
- SAMDD016:
18m @ 2.84g/t Au from 35m

Mineralisation was also encountered in primary breccia zones such as:

- SAMDD019:
19m @ 2.27g/t Au from 48m
including
3m @ 10.07g/t Au from 59m

Colluvial/alluvial jasperoid material also yielded encouraging gold values:

- SAMDD022:
22.05m @ 5.86g/t Au from 1m

Drill testing of geophysical anomalies encountered gold, silver and base metal mineralisation:

- SAMDD011:
3m @ 2.85g/t Au from 18m plus
3m @ 1.28%Pb, 2.94% Zn and
33.6g/t Ag from 116m

This mineralisation may be related to a proximal intrusive body.

Drill holes completed to date have defined a central zone of mineralisation with a strike length of approximately 600m, within which gold mineralisation occurs as sub-cropping jasperoid, primary jasperoid breccias and as jasperoid on the Tertiary sediment contact.

Oropa plans to continue drilling at Sambung, with a view towards completing an initial resource estimation of the central zone during the September quarter.

Drilling will also target areas of gold mineralisation identified in trenching and rock chip sampling to the south of Sambung this coming quarter.

Southern Block Exploration

Tambang Tinggi

Oropa continued its regional exploration of the Tambang Tinggi area this quarter, completing 57 line kilometres of gridding and soil sampling on a 50m grid spacing. Soil and rock chip sampling has identified an extensive, cohesive gold soil anomaly (values greater than 0.1ppm Au and up to 1.51ppm Au) approximately 800m x 250m)

Small scale gold mining by local villagers occurs within this anomalous zone, generally exploiting narrow quartz veins developed within a magnetite-rich diorite intrusive body.

Soil sampling also clearly highlighted the Tambang Tinggi granite-hosted zone of gold mineralisation identified by drilling in late 2005 (THDD002: **25m @ 4.58g/t Au from 31m** including **1.2m @ 60.5g/t Au from 52.8m**). Gold mineralisation at Tambang Tinggi is associated with a hydrothermally altered micro-granite intrusive plug. A particular feature of the mineralised area is the destruction of magnetite, potentially making the altered portions of the intrusive body definable by a ground magnetic survey.

Oropa plans to follow up soil geochemical anomalies with regional geophysics, trenching and if warranted, drilling during the next December quarter.

Figure 3: Sambung Prospect - Recent Drilling, Geology and Trench Plan

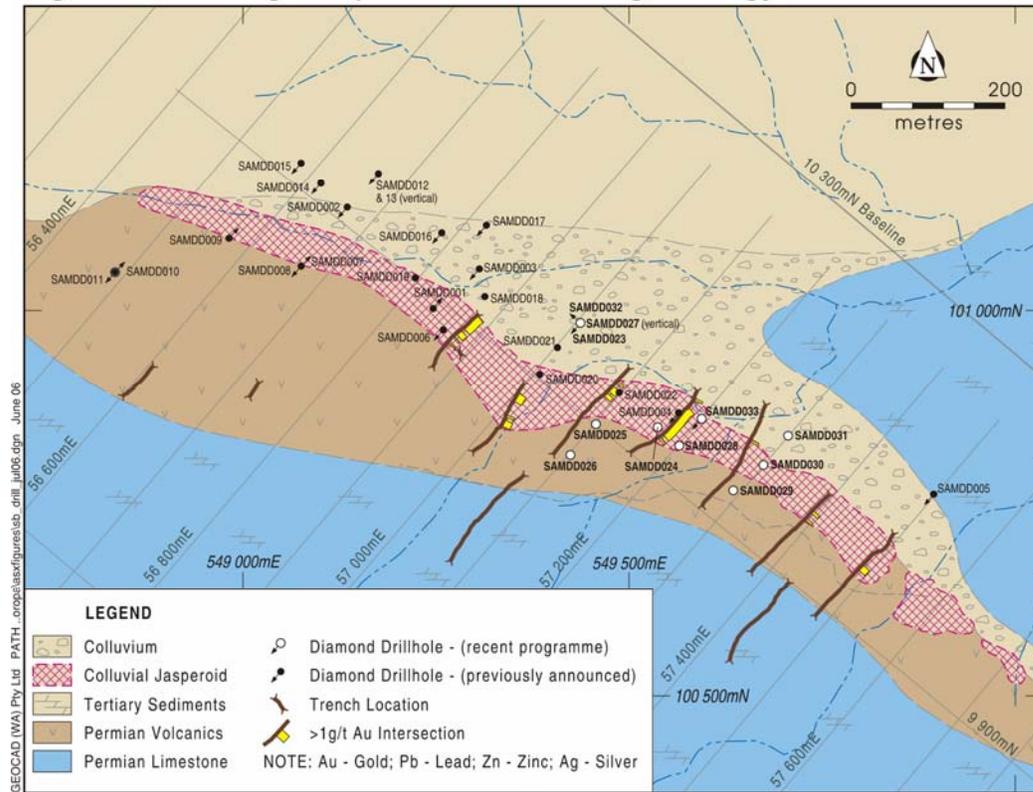
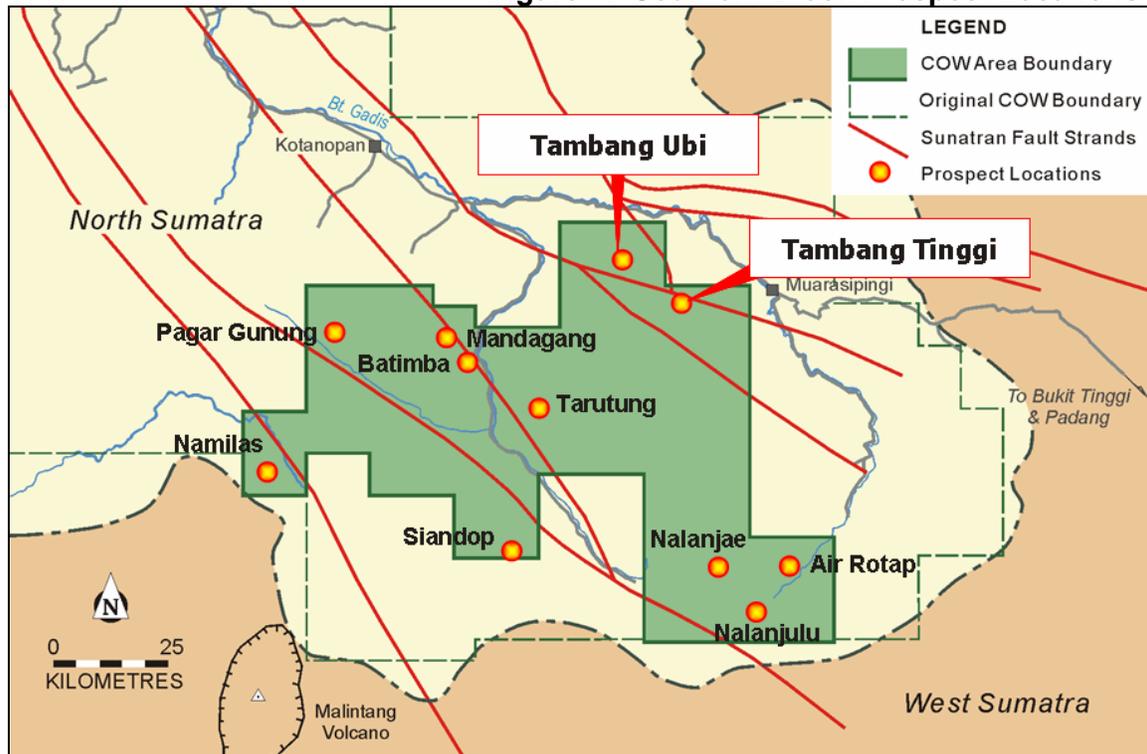


Figure 4: Southern Block Prospect Locations



Tambang Ubi

Mapping and gridding at Tambang Ubi commenced this quarter, focussing on the historical Dutch underground workings and the surrounding areas. Tambang Ubi is a copper-gold skarn deposit exploited by a Dutch mining company until the outbreak of the Second World War. Local miners continue to exploit gold/copper mineralisation at a number of locations. Rock chip sampling of historical and active underground workings returned maximum values of 39.4g/t Au, 4.7% Cu and 88g/t Ag.

A total of 27.8 line km of gridding was established this quarter over the main prospect

area to assist with the detailed mapping of the local geology and to accurately define historical and active underground workings.

This work will assist in accurately defining drill targets for testing this coming quarter.

Figure 5: Tambang Tinggi - Geology and Surface Sampling Gold Results

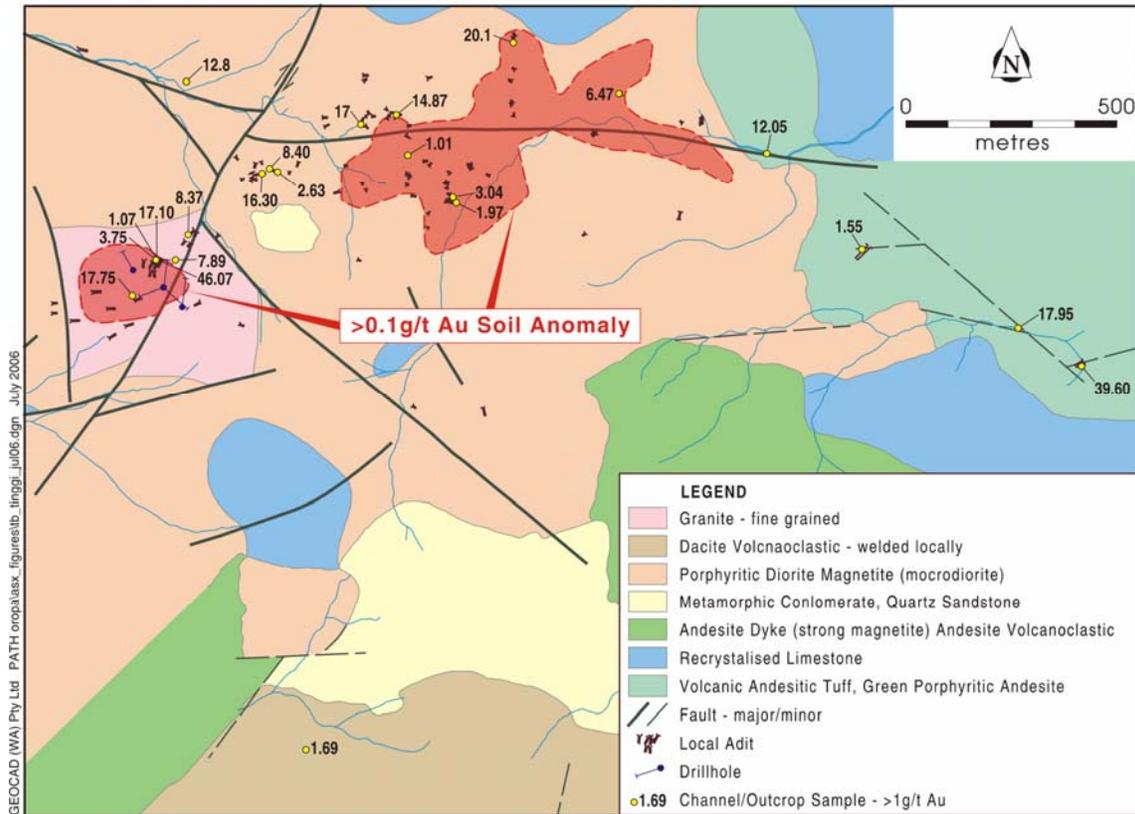


Table 1: Sihayo 1 Prospect Drilling Summary

Hole	Local North	Local East	Dip	Depth	Significant Intersections				
					From	To	M	Au g/t	Ag g/t
SHDD066	55700	9653	-90	122	No significant intersections				
SHDD067	55705	9748	-90	60	3	7	4	4.09	
SHDD068	55706	9548.5	-90	24.1	7	12	5	2.10	
SHDD069	55706.5	9550	-90	18.3	7	13	6	1.42	
SHDD070	55706	9550	-90	50.6	7	13	6	1.72	
SHDD071	55812	9606	-90	87.8	43	52	9	1.02	
SHDD072	9700	55868	-90	78	No significant intersections				
SHDD073	9800	55811	-90	110	38	40	2	0.92	
					45	49	4	0.65	
					76	79	3	0.94	
					83	86	3	0.66	
SHDD074	9743	55898	-90	86	18	26	8	0.75	
SHDD075	9641	55900	-90	52.9	No significant intersections				
SHDD076	9550	55900	-90	81.9	29	32	3	0.89	
					41	46	5		238.75
			Including		43	44	1		522
					48	53	5	0.74	
					54	59	5		66.25
SHDD077	9500	55800	-90	69.5	24	25.5	1.5	0.62	
SHDD078	9550	56000	-90	68	No significant intersections				
SHDD079	9650	56000	-90	82.5	6	11	5	0.82	
					26	27	1	2.14	

Table 2: Sambung Prospect Drilling Summary

Hole	Coordinates		Dip	Dir	M	Intersection							
	Local E	Local N				From	To	M	Au g/t	Ag g/t	Zn%	Pb%	
SAMDD011	56504	9640	-45	220	172.6	11	14	3	1.74				
						18	21	3	2.85				
						40	41	1	1.02				
						116	119	3	-	33.6	2.94	1.26	
SAMDD012	56680	9950	-55	220	129.2	79.4	83.4	5	1.21				
SAMDD013	56680	9950	-90		158.7	No significant intersections							
SAMDD014	56630	9905	-60	220	119	45	56	11	1.01				
			including				45	47	2	2.97			
						63	74	11	0.71				
SAMDD015	56600	9907	-60	220	123	66.6	68.6	2	1.18				
						92	99	7	1.11				
SAMDD016	56793	9960	-60	220	73	35	53	18	2.84				
			including				38	44	6	4.88			
SAMDD017	56834	10006	-60	220	93.6	65	66	1	2.36				
SAMDD018	56895	9936	-90	0	50.4	To be re-drilled due to poor							

						recoveries			
SAMDD019	56802	9895	-90	0	73.6	7	33	26	2.86
including						8	19	11	4.23
						48	67	19	2.27
including						59	62	3	10.07
SAMDD020	57005	9902	-90	0	34.2	4	12	8	1.52
including						4	6	2	3.25
and						10	2	2	2.18
SAMDD021	57000	9944	-90	0	45.5*	10	21	11	2.30
SAMDD022	57100	9950	-90	0	35.5	1	23.05	22.05	5.86
SAMDD023	57000	9990	-60	220	76.1	12	16.85	4.85	0.69
and						22	39	17	0.82
SAMDD024	57163	9950	-90	0	25.35	0	2	2	4.85
SAMDD025	57100	9900	-90	0	22.1	No significant intersections			
SAMDD026	57100	9850	-90	0	27	No significant intersections			
SAMDD027	57000	9990	-90	0	72.5	29	35.05	6.05	1.10
SAMDD028	57200	9950	-90	0	20*	No significant intersections			
SAMDD029	57291	9975	-90	0	20	1	2	1	0.94
SAMDD030	57300	10000	-90	0	20.1	7	8	1	1.42
						10	11	1	0.86
SAMDD031	57300	10050	-90	0	39.1	1	2	1	0.61
SAMDD032	57000	9990	-60	040	100.3	0	2	2	0.51
SAMDD033	57200	9995	-60	220	70	0	16	16	1.26

2.2 India

Block D-7 Diamond Project, Chhattisgarh (18%, option to increase to 27%)

Oropa's long running court case against the Chhattisgarh state government involving the suspension of the Block D-7 Prospecting Licence ("P/L") made another step forward during the quarter, with the Supreme court in Delhi's dismissal of the second of three third party applications for small areas of land within Block D-7. This dismissal paves the way for the Chhattisgarh high court to deal with the matter within its own jurisdiction as the third application was lodged with the Chhattisgarh high court. A number of meetings/hearings were convened late in the June quarter and early July between BVCE's solicitors, the state's Advocate General and the high court judge presiding over the matter. Additional material was requisitioned by the judge which has been furnished to the court. It would be logical to now assume that the judge will deal with the matter as there are no extraneous interventions from other legal jurisdictions and he is well aware of the collective intent of both the state government and BVCE to resume work on the block at the commencement of this years field season in October.

Krishna River Gravels, Andhra Pradesh (20%, option to increase to 30%)

Oropa's Indian operating company, B.Vijaykumar Technical Services Pvt Ltd ("BVTS") applied for two large contiguous Reconnaissance Permits ("RPs") collectively covering in excess of 9,000km², after Oropa's geologists had completed a geological survey of the area in mid-2000. Owing to reasons outside of Oropa's control the Andhra Pradesh ("AP") state government has been reluctant to approve them, citing the Block D-7 matter as their primary concern. After receiving legal advice, BVTS initiated legal proceedings in the AP high court to force the state's hand by BVTS obtaining a court order for the state to issue the RPs. The matters are being dealt with separately, with the delta area RP

application being the first for mention. A prominent law firm in Hyderabad and an associate high court senior counsel have been engaged to argue both cases. Our solicitors are confident that the first case will be heard by the high court later this month.

2.3 Australia

Lake Deborah Gold Project (5% Free Carried)

The Golden Valley Joint Venture ("GVJV") covers a portfolio of tenements subject to a joint venture agreement entered into between Polaris Metals NL ("Polaris"), Western Areas NL, Geoinformatics Exploration Limited and Oropa. Under the GVJV, Oropa is free carried to the completion of a bankable feasibility study by Polaris with an option for Oropa to increase its interest in the Lake Deborah tenements ("designated area") to a 15% participating interest by paying Polaris \$50,000 cash consideration, plus 15% of Polaris' total expenditure on the designated area.

As a result of recent changes to the Mining Act 1978, Polaris as Manager of the GVJV is currently conducting a reversion process of the tenements under the new regulations, resulting in a reduced number of exploration licences.

2.4 Project Evaluation

With the ongoing impasse in India, the Company is actively sourcing another quality project to supplement the Pungkut gold project. A number of projects located in SE Asia were evaluated during the June quarter and into July. However, none were regarded as being capable of hosting sufficient resource potential, or were grossly overvalued to justify joint venture or ongoing farmin negotiations. Project evaluation, both in Australia and overseas is ongoing.



PHILIP C CHRISTIE

Director

31 July 2006

Note 1: *It is advised that in accordance with the Australian Stock Exchange Limited Listing Rule 5.6, the information in this report that relates to Exploration Results is based on information compiled by Mr. Jim Kerr, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Kerr is a full time employee of Oropa Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit which is 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. Jim Kerr consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

Note 2: *All statements in this report, other than statements of historical facts that address future timings, activities, events and developments that the Company expects, are forward looking statements. Although Oropa Ltd, its subsidiaries, officers and consultants believe the expectations expressed in such forward looking statements are based on reasonable expectations, investors are cautioned that such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward looking statements. Factors that could cause actual results to differ materially from forward looking statements include, amongst other things commodity prices, continued availability of capital and financing, timing and receipt of environmental and other regulatory approvals, and general economic, market or business conditions*

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

OROPA LIMITED

ABN

77 009 241 374

Quarter ended ("current quarter")

30 JUNE 2006

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A	Year to date (12 months) \$A
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(661,243)	(1,886,722)
(b) development	-	-
(c) production	-	-
(d) administration	(183,329)	(888,801)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	19,760	42,701
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(824,812)	(2,732,822)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	(7,451)	(28,298)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – cash acquired on purchase of subsidiary	-	-
Net investing cash flows	(7,451)	(28,298)
1.13 Total operating and investing cash flows (carried forward)	(832,263)	(2,761,120)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(832,263)	(2,761,120)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,819,201	5,027,247
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – cost of share issue	(94,694)	(194,865)
	Net financing cash flows	1,724,507	4,832,382
	Net increase (decrease) in cash held	892,244	2,071,262
1.20	Cash at beginning of quarter/year to date	1,668,617	472,210
1.21	Exchange rate adjustments to item 1.20	(17,112)	277
1.22	Cash at end of quarter	2,543,749	2,543,749

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
1.23	Aggregate amount of payments to the parties included in item 1.2	77,795
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

NOT APPLICABLE

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

NOT APPLICABLE

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

NOT APPLICABLE

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A	Amount used \$A
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A
4.1 Exploration and evaluation	300,000
4.2 Development	-
Total	300,000

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	Previous quarter \$A
5.1 Cash on hand and at bank	2,507,749	1,632,617
5.2 Deposits at call – Bank Guarantee 20,000 - Term Deposit	20,000 16,000	20,000 16,000
5.3 Bank overdraft	-	-
5.4 Other – Share Purchase Plan A/c	-	-
Total: cash at end of quarter (item 1.22)	2,543,749	1,668,617

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

+ See chapter 19 for defined terms.

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.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	93,816,886	93,816,886		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	82,331,968	82,331,968	14 Cents	14 cents
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	13,280,776 12,795,104	13,280,776 12,795,104	<i>Exercise price</i> \$0.50 \$0.20	<i>Expiry date</i> 31/12/2007 31/12/2006
7.8 Issued during quarter	7,052,636	7,052,636	<i>Exercise Price</i> \$0.20	<i>Expiry Date</i> 31/12/2006
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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 (see note 4).
- 2 This statement does /does not* give a true and fair view of the matters disclosed.



Sign here:
(Director)

28 July 2006
Date:

Print name: PHILIP C CHRISTIE

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.