



QUARTERLY REPORT

for three months ending 30 June 2004

HIGHLIGHTS

PUNGKUT GOLD PROJECT

- o Oropa purchases 75% interest in the Pungkut Gold project
- o Drilling at Sihayo 2 prospect completed. Results indicate semi-continuous zones of lower tenure gold mineralisation
- o Exploration of the Tarutung epithermal gold prospect extends the strike length of the zone of interest from 350m to approximately 1.3km. Limited grab sampling returned values up to 5.6g/t Au. Work at this prospect is continuing
- o A remote image interpretation and structural geology study of the entire 66,200ha Pungkut CoW area and a more detailed study of the Sihayo area is underway

BLOCK D-7

- o Positive signs are emerging from India for the re-instatement of the Block D-7 Prospecting Licence

1. CORPORATE

Oropa has been saddened by the passing of our chief geologist, Mark Small, after a year-long battle with non Hodgkinson's Lymphoma. Mark had been with the company for 7 years and had been an integral part of our involvement in diamond exploration in India and gold exploration in Australia and Indonesia. Our heartfelt sympathies go out to all Mark's family, colleagues, and all who knew and respected him. He will be greatly missed.

We have been fortunate in securing the services of Jim Kerr, who until recently was Business Development Manager with Mincor Resources NL. Jim is a highly qualified geologist and an experienced explorationist with proven discovery credentials in a variety of geological environments. Jim will be joining Oropa on 2nd of August 2004 as Exploration Manager and flies out immediately to Indonesia to take control of future exploration at Pungkut. With his strong background in project evaluation and development, Jim will be a valuable addition to the Oropa team.

2. REVIEW OF OPERATIONS

2.1 Indonesia

Pungkut Gold Project, Sumatra (75%)

On 20 April 2004, Oropa announced it had exercised an option to purchase 100% of the issued shares in Aberfoyle Pungkut Investments Pty Ltd ("API") from the vendors, Pacmin Mining Corporation Limited and Western Metals Copper Limited, to acquire API's 75% beneficial interest in the Pungkut gold project. API holds a 75% interest in the Pungkut Contract of Work ("CoW") with the Indonesian Government mining company,

P.T. Aneka Tambang holding the remaining 25%.

As consideration, Oropa has agreed to issue the vendors with 27,777,778 ordinary fully paid shares in the Company at a deemed issue price of 3.6 cents per share, calculated from the weighted average of trading on ASX for five consecutive days prior to exercising the option. Settlement is scheduled to be completed in early August.

Exploration conducted during the quarter targeted the mineral potential of the Sihayo 2 prospect, centred approximately 1km to the northwest of the Sihayo 1 North prospect (7.1 Mt @ 2.7g/t Au with 1.0g/t lower cut off). Sihayo 2 is an area of extensive jasperoid outcrop where rock chip and trench samples returned values of up to 5.45 g/t Au and the soil contained anomalous gold averaging 0.33 g/t.

A total of eight (8) diamond holes for 811m of drilling were completed. This drilling intersected mineralisation contained within broken strongly silicified limestone (jasperoid) and silicified volcanoclastic breccia and silicified siltstone analogous to the Sihayo 1 North prospect.

Most holes encountered low level mineralisation with the most significant results returned including;

SH2D001	14.7m @ 0.68 g/t Au from 21.3 metres
SH2D002	14.4m @ 1.25 g/t Au from 68.8 metres incl. 5.30m @ 2.15 g/t Au from 68.8 metres

This drilling concluded the planned drilling programs at Sihayo 1 North and Sihayo 2. . A detailed interpretation of all drilling results and geological reassessment of the

entire gold-prospective Sihayo 2 to Sambung corridor (>3km) is presently being undertaken.

A remote image interpretation and structural geology study of the entire 66,200ha Pungkut CoW area and a more detailed study of the Sihayo corridor are underway. This interpretation is based on air-photo and satellite imagery with fieldwork to reinforce the interpretation in several areas. The results will be used to provide focus on the additional exploration of known prospects and to better outline other areas with potential. The results of this detailed structural evaluation, which commenced in May, are expected in early August.

While this structural interpretation was being undertaken, exploration commenced at the Tarutung epithermal gold prospect in the southern block of the CoW, one of many prospects in the southern block that yielded highly anomalous results during initial evaluation by Aberfoyle Resources Ltd. These activities included geological mapping and grid preparation. Previous exploration at Tarutung demonstrated the presence of high gold values in quartz vein sub-crop, with the average of 18 channel samples 18g/t Au (maximum 167g/t Au) & 111g/t Ag (maximum 635g/t Ag). Additional zones of quartz veining were identified during the June quarter, extending the strike length of the zone of mineralisation from 350m to approximately 1.3km from limited grab sampling, which returned values up to 5.6g/t Au. Ground magnetic and IP surveying is planned to assist with drill target delineation, with the ground magnetic survey having recently commenced.

On 11 March 2004, the Indonesian Government issued Regulation in Lieu of Law Number 1 of 2004 that stipulates that all mining sector licences issued before Forest Law Number 44 of 1999 will be exempt from the restrictions imposed by

that law. PT Sorikmas Mining, holder of the Pungkut CoW is one of 13 mining and exploration companies that has been specifically authorised to continue its field activities in forestry areas by a follow up Presidential Decree dated 12 May 2004. This Government Regulation was ratified into law by the Indonesian parliament on 15 July 2004. There has been some controversy between the Central Government and Provincial Governments regarding mining operations within forested areas, but this new law now permits ongoing mining within areas designated protected forests. Most of the areas of interest within the Pungkut CoW are located outside areas designated protected forests, although Sihayo 3, 4 and 5 prospects which have yielded highly anomalous gold values from preliminary exploration are located inside a protected forest. This new law permits PT Sorikmas to continue with its appraisal of these three prospects, situated some 2km west of the main Sihayo trend.

2.2 India

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

Oropa's directors have recently met with the Indian joint venture partners, who advise that meetings have taken place with the new Chhattisgarh state government officials and a strategy has been agreed between B.Vijaykumar Chhattisgarh Exploration Pvt Ltd ("BVCE"), holder of the Block D-7 Prospecting Licence ("P/L") and the state government for the state government to reinstate the Block D-7 P/L, subject to the Chhattisgarh high court discharging the case. This is a positive development, because the Chief Minister is keen to see Block D-7 field operations resume and this matter has been debated in the Chhattisgarh parliament. Applications have been made to the high court for it to consider discharging the case, to permit the Chhattisgarh state government to execute

the assignment documents from the Government of Madhya Pradesh, former party to the joint venture before the new state was formed in November 2000. Another meeting between Oropa and the Indian joint venture partners is scheduled for early August to review these recent developments and to possibly work out a realistic timetable for the transfer documentation to be executed by both state governments. The Chief Minister has indicated that his government is anxious for BVCE to resume work after the monsoon season, including bulk sampling of some of the kimberlites. Fresh applications have recently been made to the Civil Aviation authorities in Delhi to obtain permission to conduct the regional airborne geophysical survey of Block D-7 as the previous permits have lapsed.

2.3 Australia

Mulgabbie Gold Project (95% diluting to 44%)

The Mulgabbie gold project comprising five contiguous P/L's located 130km north-east of Kalgoorlie, is subject to a farm-in agreement with Mulgabbie Mining Pty Ltd ("Mulgabbie Mining"). Under the terms of the agreement, Mulgabbie Mining is to spend \$100,000 on exploration over a 3 year period commencing 26 June 2002 to earn a 51% of Oropa's 95% interest.

During the quarter, Oropa reached agreement with Telezon Limited ("Telezon") for Telezon to transfer its 25% interest in the project to retire the debt owed to Oropa. Upon Mulgabbie Mining earning its 51% interest, Oropa will hold a 44% contributing interest and Civil & International (Aust) Pty Ltd will hold a 5% free carried interest.

King George Diamond Project (50%)

The King George project is located in the North Kimberley province of Western

Australia. The project is subject to the terms and conditions of a 50/50 joint venture between Oropa and Ellendale Resources NL, manager of the project. No field work was undertaken during the quarter.

Mt Keith Gold Prospect (10% Free Carried)

The three vendors of the Mt Keith gold prospect (M 53/490 and M 53/491), Kelvin Thomas Moore, Murchison Exports and Oropa, have granted Comet Resources Limited ("Comet") a 2 week option for Comet to farm into the project to acquire a 90% interest in the project by paying the vendors cash consideration of \$20,000 and undertaking exploration over the tenements. The vendors will collectively hold a 10% free carried interest. The terms of this agreement will be finalised by the parties subsequent to Comet's acceptance after completing a site visit.

2.4 Project Evaluation

Oropa continued to evaluate a number of mineral exploration and mining opportunities during the quarter. Three projects in Tanzania were evaluated but did not fulfill the Company's technical criteria.

3. NON MINERAL ASSETS

CEPO Systems Pty Ltd (19.9%)

Oropa holds a 19.9% interest in CEPO Systems Pty Ltd ("CEPO") which it has offered to sell to CEPO's majority shareholders for cash consideration of \$100,000. Under the terms of this agreement, CEPO is to locate a cornerstone investor or enter into a strategic alliance with an appropriate third party to assist CEPO to develop and expand its Internet hosted B2B systems, including e-solutions and e-invoicing. This agreement expires

on 31 October 2004. Upon the agreement being invoked, Oropa has the right to buy back a 5% interest in CEPO within a 2 year period of selling its current interest in CEPO.

A handwritten signature in black ink, appearing to read 'Philip Christie', with a long horizontal flourish extending to the right.

PHILIP C CHRISTIE
Managing Director

30 July 2004

Information in this report, insofar as it relates to resource estimation and exploration activities, is based on information compiled by the late Mr Mark Small, who was a Corporate Member of the Australasian Institute of Mining and Metallurgy and who has more than ten years experience in the field of the activity being reported on. This report accurately reflects the information compiled by that member.

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 2004

Consolidated statement of cash flows

	Current quarter	Year to date (12 months)
	\$A	\$A
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	
1.2 Payments for		
(a) exploration and evaluation	(479,411)	(1,901,526)
(b) development	-	-
(c) production	-	-
(d) administration	(144,298)	(690,066)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	16,725	50,103
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
	(606,984)	(2,541,489)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(3,400)
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 (provide details if material)	-	-
	-	(3,400)
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(606,984)	(2,544,889)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(606,984)	(2,544,889)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	2,850,000
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	(116)	(147,173)
	Net financing cash flows	(116)	2,702,827
	Net increase (decrease) in cash held	(607,100)	157,938
1.20	Cash at beginning of quarter/year to date	1,127,898	362,860
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	520,798	520,798

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	92,710
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	200,000
4.2 Development	-
Total	200,000

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	100,798	107,898
5.2 Deposits at call – Bank Guarantee 20,000 - Term Deposit	20,000 400,000	20,000 1,000,000
5.3 Bank overdraft	-	-
5.4 Other – Share Purchase Plan A/c	-	-
Total: cash at end of quarter (item 1.22)	520,798	1,127,898

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	444,300,072	444,300,072		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	115,844,642 16,000,000 2,500,000	115,844,642 - -	<i>Exercise price</i> \$0.05 \$0.09 \$0.05	<i>Expiry date</i> 31/12/2007 23/12/2004 31/8/2004
7.8 Issued during quarter				
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* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:
(Director)

30 July 2004
Date:

Print name: PHILIP 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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