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Date: 29 April 2003
To: Companies Announcements Office, ASX
Electronic Lodgement:
Subject: Third Quarter Activity Report to 31 March 2003
Number of pages: 9

THIRD QUARTER ACTIVITY REPORT TO 31 MARCH 2003

1) COPPER/GOLD EXPLORATION DRILLING ABOUT TO START MYALL CREEK COPPER DEPOSIT, SOUTH AUSTRALIA (EBR Earning 75% Interest)

1.1 Introduction

Eagle Bay Resources N.L. has entered into a letter of agreement with Minotaur Resources Limited regarding a farmin in relation to a copper/gold prospect located at Myall Creek which is strategically located in one of the largest copper belts in Australia. This belt is about 400 kilometres long, stretching from Minotaur's Prominent Hill to the Olympic Dam mine in the north, through the Mt Gunson and Cattlegrid mines. The Myall Creek deposit is half way to the large Wallaroo and Moonta mines that contains approximately three quarters of the known copper resources in Australia.

Three dimensional gravity modelling of newly recorded data has defined an attractive Olympic Dam style target to be drilled in May 2003, subject to rig availability.

1.2 Current Exploration Status

A 1.2km gravity grid established by Minotaur Resources has been closed down to 500 x 125 metres by Eagle Bay and three dimensional modelling has defined an attractive "Olympic Dam" style target coincident with an elongate magnetic anomaly and some 150 metres beneath drill intercepts of 1.48 metres of .56% copper.

A drilling rig will be engaged to test this target in the May of 2003.

1.3 Conclusion

There is already a small copper deposit at Myall Creek and the proposed drilling program will focus on an Olympic Dam feeder deposit underneath it, specifically defined by the recently completed three dimensional gravity survey.

2) OIL AND GAS EXPLORATION

2.1 GIPPSLAND BASIN OFFSHORE VICTORIA (EBR 100% and diluting) VIC/P41 and VIC/47

Eagle Bay Resources N.L. (EBR) is committed to intensive seismic evaluation of prospects within our portfolio of oil and gas permits to the stage where drilling can be completed. EBR was successfully operated on time and under budget drilling in the offshore Gippsland Basin. Efforts over the past year have been focussed on maturing prospects located in permits VIC/P47 and VIC/P41 through both 2D and 3D seismic surveys and additional geological and geophysical reviews.

Two separate 3D Seismic surveys (including the Esso Australia survey) at a cost of some A\$6 million have now been completed within VIC/P47. Bass Strait Oil Company Limited (BSOC) has been granted an option over VIC/P47 and is required to interpret the Esso Australia survey, estimated to cost \$250,000. Following this interpretation, BSOC can elect to drill the North Kipper prospect, estimated to cost a further \$6 million, to earn a 75% interest in the permit.

Computer Processing of the Esso 3D seismic survey will be completed in April and should allow North Kipper to be sufficiently defined by the time the BSOC option expires, on 26 September 2003.

Computer Processing of a 2D seismic survey will be 45% complete at the end of March by BSOC, over prospects located within VIC/P41. BSOC must elect to sole fund the cost of a well in VIC/P41 or record 250 km of 3D seismic to increase its equity by 55% to a total of 75% interest in VIC/P41 by 13 July 2003. The combined cost of all four seismic surveys is estimated at approximately \$7million. EBR has not been required to contribute financially to these surveys.

2.2 OIL DRILLING ACTIVITY UPDATE

Following the work completed over the past year, EBR is proposing to drill two wells over the next 12 months based on completed and interpreted 2D and 3D seismic surveys. These wells are expected to be drilled with farmin partners.

The East Patricia prospect (VIC/P47, EBR 100%) is an eastern extension of the Patricia/Baleen group of producing fields. Mapping completed by EBR highlights "direct hydrocarbon indicators" of gas and the potential for an oil column to underlie the gas. EBR believes East Patricia is highly likely to contain a gas reservoir. The Gilbert structure immediately north of Patricia Baleen has been farmed out to Lakes Oil who advise preliminary processing of the Falcon survey data is highly encouraging and they are likely to exercise their drilling option in VIC/P47 by the end of May, 2003.

North Kipper is a major prospect located in the southern portion of VIC/P47 and lies within the recently shot 3D seismic survey completed by Esso Australia. The North Kipper prospect is a deep faulted geological concept within the Golden Beach and Emperor Subgroups. The substantial Kipper oil and gas field, located in the permit south of VIC/P47 is an analogue for the postulated Golden Beach geological concept that might exist at North Kipper.

2.3 PETROLEUM EXPLORATION, OFFSHORE TIMOR SEA AC/P32 Timor Sea Offshore North West Australia

This permit has been relinquished.

2.4 EP-423/TP21 OFFSHORE NW SHELF (EBR 15%)

EBR has been awarded, in conjunction with three joint venture partners, two exploration permits located in the Carnarvon Basin near the coastline and between Barrow Island and Karratha. These two permits are located on trend and 12kms to the southwest of Stag oil field which has recoverable reserves estimated at 50 million barrels.

2.5 PETROLEUM EXPLORATION OFFSHORE BROWSE BASIN WA 331P (EBR 25%)

WA331P was granted to a consortium of 4 company's including EBR on 5 September 2002. The permit contains thirty seven blocks and was granted for a period of 6 years.

The permit is south of the Cornea oil field and contains 5 seismically defined structures similar in nature to the Cornea field.

3) ULEY GRAPHITE MINE (EBR 100%) PORT LINCOLN SOUTH AUSTRALIA

3.1 History of EBR's Graphite Mine

The Uley Graphite project contains a world class resource of high grade flake graphite. The reserves and resources are sufficient to support a mine life in excess of 100 years. Uley is located 23km from Port Lincoln and is well served by existing infrastructure including an established deep water port.

During the early 1990's, approximately \$14 million was spent by Pittston Mineral Ventures, our previous North American joint venture partner, on the construction and commissioning of a 14,000 tonnes per annum capacity processing plant.

The closure of a Norweigan graphite mine has restricted the supply of high grade graphite. Further closures in Madagascar, Canada and Sri Lanka are expected soon.

3.2 Fuel Cells and Farmines Current Due Diligence Program

One of the worlds major graphite producers is currently conducting due diligence on the Uley project, hoping to use the graphite in fuel cell technology.

Each of their Proton Exchange Membrane (PEM) fuel cells uses hundreds of square feet of graphite as flow field plate which dramatically reduce the size weight and cost of fuel cells as well as significantly increasing their performance.

Fuel cells which may eventually replace the conventional automobile engine as they offer pollution free power. The fuel cell market is predicted to reach US \$3 Billion by 2005. (October 2002 Issue "Industrial Minerals").

4) CORPORATE

An underwritten Prospectus to issue up to 39.3 million shares @ 2 cents was lodged on 25 March 2003. The closing date of the issue is 30 April 2003

The information contained in this Quarterly Report as it relates to mineralisation is based on information compiled by Mr A Rechner who is a Director of the Company and a competent person as described in Appendix 5A to the ASX Listing Rules. The report accurately reflects the information compiled by Mr Rechner. Mr Rechner has been involved in several oil discoveries in his 30 years as a geologist including as operations manager for West Australian Petroleum and Chevron Oil in North Africa.

Anthony Rechner
Director

For Further Information Please Contact

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97.

Name of entity

Eagle Bay Resources NL

ACN or ARBN

051 212 429

Quarter ended ("current quarter")

31 March 2003

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 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	(145)	(304)
(b) development	(13)	(103)
(c) production	-	-
(d) administration	(39)	(275)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	13
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Reallocation to financing	-	-
1.8 Net GST Refund/(Paid)	6	2
Net Operating Cash Flows	(187)	(667)
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 entitles	-	-
1.11 Loans repaid by other entitles	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(187)	(667)

1.13	Total operating and investing cash flows (brought forward)	(187)	(667)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	–	332
1.15	Proceeds from sale of forfeited shares	–	–
1.16	Proceeds from borrowings	–	–
1.17	Repayment of borrowings	–	–
1.18	Dividends paid	–	–
1.19	Capital raising costs	(13)	(13)
	Net financing cash flows	(13)	319
	Net increase (decrease) in cash held	(200)	(348)
1.20	Cash at beginning of quarter/year to date	444	592
1.21	Exchange rate adjustments to item 1.20	–	–
1.22	Cash at end of quarter	244	244

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	63
1.24	Aggregate amount of loans to the parties included in item 1.10	–

1.25 Explanation necessary for an understanding of the transactions

Fees for Technical and management services

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

None

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

None

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	–	–
3.2 Credit standby arrangements	–	–

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	15
Total	65

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	(8)	31
5.2 Deposits at call	252	413
5.3 Bank overdraft	–	–
5.4 Other (provide details)	–	–
Total: cash at end of quarter (item 1.22)	244	444

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	–		

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	Par value (cents)	Paid-up value (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Issued during quarter				
7.3 +Ordinary securities	78,608,635	78,608,635		
7.4 Issued during quarter				
7.5 +Convertible debt securities <i>(description and conversion factor)</i>				
7.6 Issued during quarter				
7.7 Options <i>(description and conversion factor)</i>	100,000	–	<i>Exercise price</i> 39c	<i>Expiry date</i> 24/11/2005
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>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 29 April 2003
(Company Secretary)

Print name: Paul Fromson

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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