

MAGNUM GOLD N.L.
ABN 70 003 170 376

**MINING EXPLORATION ENTITY QUARTERLY REPORT
FOR THE THREE MONTHS ENDED
31 DECEMBER 2004**

The Directors submit herewith the Mining Exploration Entity Quarterly Report in respect of the quarter ended 31 December 2004, furnished pursuant to Chapter 5 of the Australian Stock Exchange Limited Listing Rules.

S.J. DANIELSON – SECRETARY

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**MINING EXPLORATION ENTITY QUARTERLY REPORT
FOR THE THREE MONTHS ENDED
31 DECEMBER 2004**

REVIEW OF OPERATIONS

(This document summarising the company's exploration activities for the reporting period has been prepared by M.R. Bunny BSc (Hons); FAusIMM (CP Geo); MMICA; MAIG, Principal Consultant of Earth Resources Australia Pty Limited, consultants to Magnum Gold NL. Mr. Bunny is a "competent person" as defined in Appendix 5A of the ASX Listing Rules, and has consented in writing to the inclusion of this document - in the form and context in which it appears - with the company's report.)

PHILIPPINES

Bunawan Gold Prospect

As advised in an announcement to the ASX on November 23, 2004, the company has agreed in principle with Philsaga Mining Corporation ("Philsaga") of the Philippines to enter into a joint venture with that company to explore the Bunawan Prospect for gold, silver and other minerals. Philsaga is a Philippine based company that is producing gold 5km north of the Bunawan Prospect area. Magnum Gold will have guaranteed access to Philsaga's CIP treatment plant for any ore that may be discovered on the prospect, and the use of Philsaga's management and local exploration base. Philsaga is the manager of exploration activities at Bunawan.

The Bunawan Prospect is located in central eastern Mindanao. It is an epithermal gold exploration project situated between two known gold areas: the Co-O Mine (approximately 5km to the north) and the First Hit gold vein (approximately 5km to the south).

Little previous exploration appears to have been done at Bunawan and Philsaga and Magnum Gold have commenced reconnaissance style field work. A program of stream sediment sampling over the bulk of the Bunawan area was completed in December and January. Assay results for all samples are expected to be available by late February. Teams have also carried out geological mapping, outcrop excavation, trenching and soil sampling in several prospective areas. All results are being compiled.

NEW SOUTH WALES

Murray Basin Coalbed Methane Project

(PEL 440. This tenement is subject to a joint venture agreement with associated company, Carbon Minerals NL which is the project operator.)

No work was undertaken on this tenement during the reporting period

WESTERN AUSTRALIA

Kalgoorlie Tenements (ML M26/497 and ML M26/498 - "Corsair North")

No work was undertaken on these tenements during the reporting period.

Other Activities

The company continues to monitor opportunities to expand its activities.

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**MINING EXPLORATION ENTITY QUARTERLY REPORT
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REVIEW OF OPERATIONS (Continued)

Qualifications and Consent

I, Malcolm Robert Bunny, Consulting Geologist, hereby consent to the inclusion of the attached document entitled "Review of Operations" (in the form and context in which it appears) with the Quarterly ASX Report for the period ending December 31, 2004 of Magnum Gold NL. I declare that I am a qualified geologist with more than 30 years' experience, and that I am a "competent person" as defined in Appendix 5A of the ASX Listing Rules.

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(M.R. Bunny, BSc(Hons); FAusIMM (CP Geo), MMICA; MAIG)
Principal Consultant
EARTH RESOURCES AUSTRALIA PTY LIMITED
January, 2005

DECLARATION OF INTEREST

A company controlled by Mr Bunny holds shares in Magnum Gold N.L.

Mining Exploration Entity Quarterly Report

Name of Entity

MAGNUM GOLD N.L.

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Quarter Ended ("Current Quarter")

31 DECEMBER 2004

CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Quarter \$A	Year to Date (12 Months) \$A
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for: (a) exploration and evaluation	--	(1,000)
(b) development		
(c) production		
(d) administration	(18,514)	(89,916)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	4,946	10,091
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other – GST & exploration expenditure recouped	2,309	24
Net operating cash flows	(11,259)	(80,801)
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 sales 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		
Net investing cash flows		
Cash flows related to financing activities		
1.13 Proceeds from issue of shares, options, etc. (application monies received)	440,000	836,000
1.14 Proceeds from sale of forfeited shares		
1.15 Proceeds from borrowings		
1.16 Repayments of borrowings		
1.17 Dividends paid		
1.18 Other		
Net financing cash flows	440,000	836,000
Net increase (decrease) in cash held	428,741	755,199
1.19 Cash at beginning of quarter/year to date	423,203	96,745
1.20 Exchange rate adjustments to Item 1.19 above		
1.21 Cash at end of quarter	851,944	851,944

Mining Exploration Entity Quarterly Report
Continued . . .

Name of Entity

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Quarter Ended ("Current Quarter")

31 DECEMBER 2004

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
1.22	Aggregate amount of payments to the parties included in item 1.2	710
1.23	Aggregate amount of loans to the parties included in item 1.10	
1.24	Explanation necessary for an understanding of the transactions	
Item 1.22 represents office representation fees of \$710 paid to a company controlled by a company director.		

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.

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.

FINANCING FACILITIES AVAILABLE

		Amount Available \$A	Amount Used \$A
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

ESTIMATED CASH OUTFLOWS FOR NEXT QUARTER

		\$A
4.1	Exploration and evaluation	42,000
4.2	Development	
Total		42,000

Mining Exploration Entity Quarterly Report
Continued . . .

Name of Entity

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Quarter Ended ("Current Quarter")

31 DECEMBER 2004

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		
5.2 Deposits at call	831,033	394,543
5.3 Bank overdraft	(9,089)	(1,340)
5.4 Other – Security Deposits	30,000	30,000
Total: cash at end of quarter (item 1.21)	851,944	423,203

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		
6.2		Interests in mining tenements acquired or increased		

Mining Exploration Entity Quarterly Report
Continued . . .

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ABN

70 003 170 376

Quarter Ended ("Current Quarter")

31 DECEMBER 2004

ISSUED AND QUOTED SECURITIES AT END OF CURRENT QUARTER

	Total Number	Number Quoted	Issue Price per Security (see note 1) (cents)	Amount paid up per security (see note 1) (cents)
7.1 Preference securities				
7.2 Changes during quarter				
a) Increases through issues				
b) Decreases Through returns of capital, buy-backs, redemptions				
7.3 Ordinary securities	76,165,617	76,165,612	Various	Fully Paid
7.4 Changes during quarter				
a) Increases through issues				
b) Decreases through returns of capital, buy-backs				
7.5 Convertible debt securities				
7.6 Changes during quarter				
a) Increases through issues				
b) Decreases through securities matured, converted				
7.7 Options			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures				
7.12 Unsecured notes				

Mining Exploration Entity Quarterly Report
Continued . . .

Name of Entity

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ABN

70 003 170 376

Quarter Ended ("Current Quarter")

31 DECEMBER 2004

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 the ASX.
2. This statement does give a true and fair view of the matters disclosed.

Signed by

Steven John Danielson – Secretary

Date

Notes

- 1 **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.

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SCHEDULE OF MINERAL TENEMENTS AS AT 31 DECEMBER 2004

LOCATION	TENEMENT	HOLDER	INTEREST	AREA	CURRENT TO
New South Wales: Balranald	PEL 440	Magnum	100%	99 blocks	23/10/07* ¹
Western Australia: Kalgoorlie Area					
Corsair North	PL 26/1965	Magnum	100%	200ha	* ²
Corsair North	PL 26/1966	Magnum	100%	185ha	* ²
Corsair North	PL 26/1967	Magnum	100%	200ha	* ²
Corsair North	PL 26/1968	Magnum	100%	200ha	* ²
Corsair North	PL 26/1969	Magnum	100%	200ha	* ²
Corsair North	PL 26/1970	Magnum	100%	126ha	* ²

*¹ Subject to farmin agreement with associated company, Carbon Minerals N.L.

*² Kalgoorlie Consolidated Gold Mines has withdrawn from the joint venture and Magnum Gold retains 100% interest in these tenements which are subject to pending ML applications M26/497 and M26/498.

Key to Tenement Types

PEL	Petroleum Exploration Licence
PL	Prospecting Licence
ML	Mining Lease

Key to Tenement Holders

Magnum	Magnum Gold N.L.
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