

MAGNUM GOLD N.L.
ABN 70 003 170 376

MINING EXPLORATION ENTITY QUARTERLY REPORT
FOR THE THREE MONTHS ENDED
30 SEPTEMBER 2005

The Directors submit herewith the Mining Exploration Entity Quarterly Report in respect of the quarter ended 30 September 2005, furnished pursuant to Chapter 5 of the Australian Stock Exchange Limited Listing Rules.

J.B. Rodger
Director

**MINING EXPLORATION ENTITY QUARTERLY REPORT
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REVIEW OF OPERATIONS

Bunawan Project, Philippines

The Bunawan Project is a joint venture between Magnum Gold N.L. (Magnum) and Philsaga Mining Corporation (“Philsaga”), and Philsaga manages all exploration work. Magnum can earn 50% equity in the project from Philsaga by the expenditure of US\$1.5 million. The Bunawan Project is located only 5 km to 10 km south of Philsaga’s operating Co-O gold mine.

An aeromagnetic survey covering the Bunawan Project has been completed. The survey is part of a larger survey being conducted by Philsaga, over approximately 70 km strike extent of the Diwata Range which hosts many gold occurrences and is also considered prospective for porphyry copper-gold style mineralisation. Data interpretation has commenced with a view to generating exploration targets for ground follow up.

Field work continued on the Bunawan project and also on nearby areas that are being negotiated for addition to the project.

In the northern central and southeastern central portions of the project low value gold and northeasterly trending copper drainage anomalies were outlined, respectively. The main anomalies are bounded between two northerly trending structures possibly related to the structures known in the Co-O Mine to the north as the Oriental Fault and the Agsao Fault. Within the outlined northern anomalous zone, a hematite-magnetite vein and boulder distribution of hematite and magnetite were outlined and considered as surface expression of potential gold in skarn mineralisation or mineralisation associated with a massive sulphide body. It is hoped that the aeromagnetic survey will assist in defining the subsurface distribution of the hematite-magnetite, and possibly an intrusive body that may be associated with the copper anomalous zone.

Follow-up exploration included traverses within sixteen (16) blocks of the Bunawan Project area covering 1,353 ha. A total of 68m of trenches and 102 m³ overburden was removed. Ten trenches in the Mayboyo Dako and Mayboyo Gamay areas were designed to trace silicified structural extensions and better expose outcrops of interest.

In the southeastern area of the project (the Cabaohan Prospect) and also the southeastern area of the project, detailed and semi-detailed traverses designed to check relatively anomalous stream sediments corroborated earlier reconnaissance mapping observations that the areas have low potential for precious metal mineralisation as exhibited at the surface. These areas are characterized by relatively fresh basaltic to andesitic flows and dikes, and volcanoclastic rocks that are generally cut by < 1cm barren veinlets.

Way Linggo Project, Indonesia

On 24 August 2005 Magnum announced that, following completion of its due diligence studies, it had withdrawn from the purchase of the Way Linggo Project, located in southeastern Sumatra.

Other Activities

The company continues to monitor opportunities to expand its activities.

**MINING EXPLORATION ENTITY QUARTERLY REPORT
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30 SEPTEMBER 2005**

REVIEW OF OPERATIONS (Continued)

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr. Jeffrey Christopher Schiller BSc (Hons), PhD, who is a Member of The Australasian Institute of Mining and Metallurgy.

Dr. Schiller is a self-employed consultant.

Dr. Schiller has sufficient experience which is relevant to the style of mineralisation and type of deposit 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'. Dr. Schiller consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration Expenditure Incurred

Exploration expenditure incurred during the quarter ended 30 September 2005 on the company's various projects is set out below:-

Project	Amount Incurred
Philippines Bunawan Gold Prospect	60,666
Indonesia Way Linggo	<u>59,807</u>
	\$120,473
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Mining Exploration Entity Quarterly Report

Name of Entity

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Quarter Ended ("Current Quarter")

30 SEPTEMBER 2005

CONSOLIDATED STATEMENT OF CASH FLOWS

		Current Quarter \$A	Year to Date (9 Months) \$A
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	3,720	3,720
1.2	Payments for: (a) exploration and evaluation (b) development (c) production (d) administration	(125,625)	(165,902)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	7,275	22,325
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other – GST	(5,644)	(7,262)
	Net operating cash flows	(177,441)	(282,267)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	--	(33,000)
1.9	Proceeds from sales of: (a) prospects (b) equity investments (c) other fixed assets		
1.10	Loans to other entities	(30,088)	(30,088)
1.11	Loans repaid by other entities		
1.12	Other – cash acquired on acquisition of subsidiaries	61,792	61,792
	Net investing cash flows	31,723	(1,277)
Cash flows related to financing activities			
1.13	Proceeds from issue of shares, options, etc.	--	60,000
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 – deposits reclassified as non-cash & share issue costs	(30,000)	(54,773)
	Net financing cash flows	(30,000)	5,227
	Net increase (decrease) in cash held	(175,718)	(278,317)
1.19	Cash at beginning of quarter/year to date	749,345	851,944
1.20	Exchange rate adjustments to Item 1.19 above	(9)	(9)
1.21	Cash at end of quarter	573,618	573,618

Mining Exploration Entity Quarterly Report
Continued . . .

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Quarter Ended ("Current Quarter")

30 SEPTEMBER 2005

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	5,000
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 directors fees paid of \$5,000		

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.

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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.

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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	90,000
4.2	Development	
Total		90,000

**Mining Exploration Entity Quarterly Report
Continued . . .**

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Quarter Ended ("Current Quarter")

30 SEPTEMBER 2005

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	573,618	719,345
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other – Security Deposits	--	30,000
Total: cash at end of quarter (item 1.21)	573,618	749,345

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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Quarter Ended ("Current Quarter")

30 SEPTEMBER 2005

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	81,165,617	81,165,612	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 . . .**

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30 SEPTEMBER 2005

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 _____
John Brian Rodger – Director

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.