OROPA LIMITED
ABN 77 009 241 374

2004 ANNUAL REPORT

CONTENTS

CORPORATE DIRECTORY

Directors	Brian J Hurley *AWASM, MAusIMM* (Chairman)
	Philip C J Christie (Chief Executive Officer)
	Roderick G Murchison (Non Executive Director)
	Bruce N V Tomich *B.Sc(Hons)* (Non Executive Director)
Secretary	Dean W Calder *B.Bus CA*
Registered Office and Business Address	25 Charles Street South Perth WA 6151
	Telephone: (08) 9368 4544 Facsimile: (08) 9368 4522 E-mail: oropa@oropa.com.au Web: www.oropa.com.au
Share Registry	Security Transfer Share Registry Pty Ltd Alexandria House 770 Canning Highway Applecross WA 6000
	Telephone: (08) 9315 0933 Facsimile: (08) 9315 2233
Home Exchange	Australian Stock Exchange (Perth) Limited Exchange Plaza 2 The Esplanade Perth WA 6000
Auditors	PricewaterhouseCoopers Chartered Accountants QV1 Building 250 St Georges Terrace Perth WA 6000
Solicitors	Blakiston and Crabb 1202 Hay Street West Perth WA 6005
Bankers	National Australia Bank 50 St Georges Terrace Perth WA 6000

Oropa Limited is a company limited by shares, incorporated and domiciled in Australia.

CHAIRMAN'S REVIEW

Dear Shareholder,

The year under review has been very positive with respect to our Indonesian exploration venture but unchanged in India. However, as outlined in the Review of Operations, we are encouraged by the positive events in India and remain optimistic that our current situation will be resolved soon – only time will tell.

At our Pungkut project in Indonesia we have;

- Doubled the inferred ore resource at Sihayo 1 North to 610,000 ounces of gold
- Exercised the Option and acquired a 75% interest in the Pungkut Contract of Work ("CoW") from the vendors, Western Metals Limited and Pacmin Mining Corporation Limited
- Completed a major geological structural review of the whole CoW area
- Commenced detailed exploration on the high grade Tarutung epithermal gold vein in the southern portion of the Pungkut CoW. Tarutung is just one of many exciting targets within the CoW yet to be properly assessed and is analogous to Newcrest Mining Ltd's Gossowong mineralisation on Halmahera Island, Indonesia.

We believe the exploration credentials of the Pungkut CoW are exceptional and will pursue the Tarutung vein target and the significant resource upside potential at Sihayo 1 North with vigour this coming year.

In the meantime, we maintain a watching brief on the scene in India and at the same time remain open to investigating other opportunities that are presented to us.

On an unrelated issue, in April 2004 Dr. John Bristow resigned as a director of the Company. On your behalf, I would like to record our thanks and appreciation for his contribution to the Company's endeavours over the past four years.

In July, we were saddened by the passing of our chief geologist, Mark Small, after his year long battle with non-Hodgkin's Lymphoma. Mark had been with the Company for seven years and was an integral part of our involvement in diamond exploration in India and gold exploration in Australia and South East Asia. Our heartfelt sympathies go out to all Mark's family, colleagues and all who knew and respected him.

In conclusion, on your behalf, I extend our collective thanks to the Company's office staff and the team of consultants and contractors in Indonesia, ably led by our Managing Director Mr. Phil Christie, for their efforts and enthusiasm during the past twelve months.

Brian J Hurley

REVIEW OF OPERATIONS

OVERVIEW

Year 2003/04 was a more positive year, insofar that Oropa Limited ("Oropa or the Company") made significant progress with advancing the Pungkut gold project ("Pungkut") in Northern Sumatra, Indonesia. To date, Oropa has completed three drilling programs (40 holes for 5,625 metres) at the Sihayo 1 North, Sihayo 2 and Sambung prospects and in doing so, doubled the inferred gold resource at Sihayo 1 North previously outlined by Pacmin Mining Corporation Limited ("Pacmin").

Encouraged by the results from the first year's field activities, on 27 August 2004 Oropa finalised settlement with Pacmin and Western Metals Copper Limited ("WMCL") collectively ("the Vendors") for Oropa to purchase a 100% equity interest in Aberfoyle Pungkut Investments Pte Ltd ("API") to acquire its 75% beneficial interest in the Pungkut Contract of Work ("Pungkut CoW"). PT Aneka Tambang ("ANTAM"), Indonesia's government mining corporation holds the remaining 25% interest. The Vendors had over a period of time and during a sequence of corporate takeovers, undertaken systematic regional reconnaissance and a follow-up drilling program at Pungkut from 1995 to 1999 at a cost of approximately US$2.5 million. These regional programs over most of the original Pungkut CoW led to an eighteen hole diamond drilling program being completed at Sihayo 1 North which outlined a resource of approximately 304,000 oz Au (3.5Mt @ 2.7g/t Au), with a 1.0 g/t Au lower cut-off. Results obtained since the commencement of Oropa's drilling programs until now have increased this inferred resource to 609,000 oz Au contained within 7.1Mt grading @ 2.7 g/t Au, using the same lower cut off at 1.0g/t Au. As at 31 July, Oropa spent $2.26 million on the project. Oropa's interpretation of the drill results obtained to date suggest that there is considerable upside mineral potential along strike and at depth at Sihayo 1 North.

The current Punkgut CoW covering an area of 66,200ha and has recently had its exploration period extended to 6 October 2005. At the end of the exploratoin period, the CoW moves into a Feasibility Study phase of tenure.

As reported in last year's Annual Report, Oropa's other key project, the Block D-7 diamond project in India has been a source of prolonged frustration. Some shareholders may recall that the Company enjoyed considerable success from the field results obtained from exploration conducted throughout most of 2000 and during the first quarter of 2001, at which time access to the project area was inexplicably stopped by Chhattisgarh's inaugural state government. Chhattisgarh was formerly part of Madhya Pradesh and was promulgated by the Indian central government in November 2000. After failing to reach an acceptable solution through dialogue with the state government, the Indian operating company and holder of the Block D-7 Prospecting License ("P/L"), B.Vijaykumar Chhattisgarh Exploration Pvt Ltd ("BVCE") initiated legal proceedings against the state in the high court of Chhattisgarh in January 2002. Although the judicial process was considered to be the best method to expedite a settlement to this bizarre situation, little or no progress was achieved through the judicial system until very recently.

Subsequent to the end of the financial year, BVCE has made a number of positive steps towards having the Block D-7 P/L resurrected via negotiations with the newly elected state government, while at the same time applying jointly with the state government to have the case dismissed by the court. At the time of writing, negotiations are at an advanced stage but no decision has been handed down by the court. However, given recent encouragement from Oropa's Indian joint venture partners, it is becoming more likely that this protracted case may be resolved during the fourth quarter. Should this occur, other mineral projects that have been indentified by Oropa's geologists and applied for in the name of our Indian joint venture company, B.Vijaykumar Technical Services Pvt Ltd ("BVTS") in Chhattisgarh and Andhra Pradesh are also likely to be approved by the respective state governments for endorsement and ratification by the Indian central government.

In order to remain focussed on Pungkut, a number of Australian projects were relinquished and the Company is presently only carrying values forward on two Western Australian prospects. Although Oropa holds minority interests in a number of others, these interests are free carried, or other parties are responsible for maintaining them in good standing. Owing to the protracted legal issues associated with resurrecting the Block D-7 P/L which was suspended in early 2001, Oropa has been obliged to write down the carrying value of $1,302,749 on this project, until the P/L is reinstated and BVCE is granted legal title to the project area, at which time the carrying value will be taken up in the Company's accounts. This is an accounting procedure and one that is adopted with projects where exploration and mining companies are prevented from accessing the ground.

On 13 February 2004, the Company announced that its securities had been listed on the Frankfurt stock exchange in Germany, arising from increased interest by European investors in Oropa's securities. At the time that Oropa undertook its last placement in mid-2003 to raise up to $2.5 million, European investors subscribed for shares and options to a value of $700,000.

In April this year, Dr John Bristow, an eminent South African geoscientist with over 20 years experience in the South African diamond industry, resigned as a director of the Company to pursue his professional interests in Botswana and added workload as chief executive officer of Kalahari Diamond Limited. However, Dr Bristow will be available periodically to undertake future consultancy services to Oropa, if required.

INTERNATIONAL PROJECTS

INDONESIA

Pungkut Gold Project, Sumatra; (75%)

Pungkut is located near the west coast of North Sumatra, approximately 200km northeast of Padang city which has international and domestic air links. Access to the project area is via the sealed Trans Sumatran Highway from Padang. The Pungkut CoW covers an area of 66,200ha and abuts the southern margin of Newmont's Martabe CoW, which contains the 3.2 million ounce (December 2003) Purnama high sulphidation epithermal gold deposit.

The original Pungkut CoW comprised an area of 201,600ha, which was reduced in stages by former operator Pacmin and divided into two blocks covering a total of 66,200ha. Although most exploration programs completed to date have focussed on the Sihayo prospects in the northern block, Oropa has recently initiated a first-pass exploration program at the Tarutung prospect, located in the centre of the southern block some 65km south of Sihayo. This exploration phase is targeting an exposed high grade epithermal vein system.

Pungkut Acquisition

The Pungkut CoW is the result of an agreement entered into between API and ANTAM in October 1997. API holds a 75% beneficial interest through its shareholding in the Indonesian joint venture company, PT Sorikmas Mining ("Sorikmas"), with ANTAM holding the remaining 25%. The equity structure of Sorikmas remains unaltered, with Oropa acquiring all of the issued capital in API from the Vendors.

In mid 2002 Oropa, through its wholly owned subsidiary Excelsior Resources Limited ("Excelsior"), agreed to acquire all of the shares in API by initially paying an Option Fee of $50,000 to the Vendors and subsequently spending a minimum $900,000 on the project on or before 31 May 2004, at which time Excelsior could elect to purchase a 100% equity interest in API. On 13 April 2004, Excelsior gave notice to the Vendors that it was assigning its rights to Oropa under the terms of the Option Agreement. Oropa subsequently exercised the option to acquire all of the Vendors' shares in API on 20 April 2004 by agreeing to issue the Vendors 27,777,778 ordinary fully paid shares in Oropa at a deemed issue price of AUD$0.036, calculated over the weighted average of trading for five consecutive days prior to the exercise of the option. In return, the Vendors were required to transfer all of their issued shares in API to Oropa for $1.00. All prior loan advances made by the Vendors to API were to be assigned to Oropa for a nominal fee, or be capitalized in API. Settlement was initially scheduled to be completed by 29 April 2004, subject to the Vendors fulfilling all of their respective settlement obligations, but owing to ongoing delays with obtaining all of these criteria, settlement was delayed until 27 August 2004.

Project Background

The Pungkut CoW covers Tertiary to Recent Sumatran volcanic arc lithologies overlying a Paleozoic basement on the edge of the Sunda Continental Plate that are transected by the crustal-scale, deep-seated Great Sumatran Fault. The area is highly prospective for large epithermal gold, porphyry copper-gold and SedEx-MVT type lead-zinc deposits. PT Aberfoyle Indonesia commenced exploration in the CoW area in March 1995 under the management of Melbourne-based Aberfoyle Resources Limited ("Aberfoyle"). Systematic regional geochemical sampling of some 2,700 sample sites was completed over the original area (201,600ha), defining numerous anomalies. On Aberfoyle's takeover by Western Metals in 1998, Pacmin joint ventured into the Pungkut CoW and completed initial drill testing of the Sihayo 1 North prospect. Pacmin was acquired by Sons of Gwalia Ltd ("SOG") in 2001.

Exploration identified a 5km zone of anomalous gold values in the northern portion of the CoW around the Sihayo area. Detailed exploration later revealed a number of substantial gold and geophysical anomalies within this zone, including the Sihayo 1 North prospect. Sihayo 1 North was drill tested by Pacmin (18 diamond drill holes for 2,077 metres) defining an Inferred Resource of 304,000 ounces.

Insert figure – Map of Prospect Locations

The Sambung propsect is located at the southern end of the Sihayo trend, where outcrop channel sampling over a 400m strike length returned excellent gold values, including an interval of 36m @ 3.56 g/t Au. Mineralised subcrop was traced over approximately 1.3km of strike length and appears to dip under younger sediments.

Excellent rock chip values (maximum 35.8 g/t Au) from approximately 120 samples collected from the Sihayo 3, 4 and 5 prospects some 2-3km west of the main Sihayo/Sambung strike were also recorded.

The Pungkut CoW was reduced to 151,000ha in February 1999, with a further reduction to 66,200ha in November 2000. No fieldwork was undertaken from mid-1999 to mid-2003, owing to the financial collapse of Western Metals Ltd, SOG's takeover of Pacmin and their subsequent withdrawal from Indonesia.

Table 1: Regional Prospects - Pungkut Project

PROSPECT	SAMPLE TYPE	RESULTS
A. Rotap	Float	634 g/t Au; 2,653 g/t Ag
Tarutung	Float	169 g/t Au; 636 g/t Ag
Pionggu-TB.Ubi	Rock	39.4 g/t Au; 88 g/t Ag
Sihayo 5	Float	35.8 g/t Au
Tb.Hitam	Float Trenching	21.3 g/t Au; 438 g/t Ag 18m @ 7.45 g/t Au
Nalanjulu	Float	29.6 g/t Au; 369 g/t Ag
Hutabargot Julu	Float	13.1 g/t Au

Project Geology

A sequence of Permian limestone and tuffaceous siltstones with intercalated andesitic to dacitic volcanics is unconformably overlain predominantly by Oligocene felspathic sandstone, siltstone and mudstone. Andesite volcaniclastic occurs locally above the Permian limestone sequence; with older andesitic volcaniclastics underlying and interbedded with lower limestone sequences. All units generally dip shallowly towards the northeast. Intrusive lithologies include andesite dykes and chlorite-illite-magnetite altered monzodiorite. Karst dissolution textures, tectonic and hydrothermal breccias types are noted within Sihayo 1 North drilling.

Exploration Activities

Oropa commenced diamond drilling in late June 2003 on the Sihayo trend and continued through until May of 2004, focussing on the Sihayo 1 North resource, with additional holes drilled at Sihayo 1, Sihayo 2 and Sambung prospects. Drill holes were generally centred on 100m spaced sections and angled at -60º towards grid west (224º magnetic). A breakdown of drill metres is presented as table 2

Table 2: Pungkut Drilling Summary

Prospect Area	No. Holes	Metres Drilled
Sihayo 1 North	18	2,077.10
Sihayo 1 North	28	4,160.85
Sihayo 2	7	947.45
Sambung	5	517.15
All Prospects	**58**	**7,702.55**

Sihayo 1 North

Drilling at Sihayo 1 North outlined a zone of lithologically confined but structurally controlled gold mineralisation. Gold mineralisation occurs in regolith and silicified breccias at or near the top of the Permian limestone sequence, in interbedded silicified tuffaceous siltstones exhibiting soft sediment deformation textures, in association with more ubiquitous intensely silicified jasperoid generally located at the hanging wall contact of upper Permian limestone and lower silicified tuffaceous siltstones and within complex hydrothermal breccias.

Several phases of hydrothermal alteration and silicification are apparent, with gold mineralisation associated with a late phase (post Oligocene sediment emplacement) event, during which gold has precipitated out along permeable interbedded tuffaceous siltstones deposited in karst features possibly formed by earlier hydrothermal fluid-induced dissolution of limestone at the contact between lower recrystallised limestone and upper Permian limestone.

Due to the broad-spaced nature of drilling at Sihayo 1 North, significant potential exists to expand the resource to the south and at depth in structurally controlled feeder zones. Low temperature epithermal textures noted in outcrop give further encouragement to explore at depth for "bonanza" zones of gold mineralisation which, if present, should be preserved below current topography.

Table 3: Pungkut Drill Intercept Table (2003/04 Reporting Period)

Prospect	Hole	Easting	Northing	Depth	Dip	Azimuth	Down Hole Interval (m)	Grade g/t Au	From (m)
Sihayo 1 North	SHDD026	55,200	10,350	164.60	-66	219	1.00	1.77	94.10
							9.40	7.52	98.30
							0.55	2.84	141.75
							2.35	2.63	145.00
	SHDD027	55,200	10,250	176.00	-65	215	17.90	6.10	115.80
	SHDD028	55,100	10,210	152.60	-65	215	1.50	5.28	60.55
							3.00	7.33	84.60
	SHDD029	54,950	10,275	204.30	-61	215	2.50	1.24	21.40
							0.85	2.74	27.95
							6.70	1.76	32.05
							6.70	1.41	52.70
							0.70	3.74	103.70
							4.00	1.28	108.70
							0.75	1.77	116.65
	SHDD031	55,300	10,250	170.60	-67	197	7.80	4.52	121.25
	SHDD032	55,297	10,353	186.35	-65	218	9.65	1.52	154.80
							2.30	1.44	170.85
							8.30	1.90	176.55
	SHDD034	54,296	10,346	141.30	-65	219	0.95	1.00	15.30
							3.60	0.88	83.10
							6.80	1.43	92.70
	SHDD036	54,100	10,250	100.70	-68	225	**2.00**	**2.13**	36.65
	SHDD037	54,400	10,350	120.30	-67	220	1.95	1.35	71.30
							2.45	1.77	88.80
	SHDD039	54,500	10,450	168.00	-65	220	3.55	0.66	85.50
	SHDD040	54,600	10,450	153.35	-65	220	**1.05**	**2.22**	40.65
							0.60	1.25	45.70
							3.20	0.59	50.70
							1.08	0.74	58.62
	SHDD041	54,700	10,450	167.00	-65	220	0.50	2.66	37.60
							0.50	0.85	48.85
							4.15	1.98	55.55
							1.10	0.58	77.25
							2.00	0.67	132.20
	SHDD042	54,800	10,450	156.50	-65	220	2.45	2.85	50.55
							0.45	0.65	96.05
	SHDD043	54,900	10,450	147.50	-65	220	**1.55**	**2.42**	8.50
							1.55	**4.65**	42.40
							1.10	**5.81**	60.00
							5.20	**2.74**	**98.00**
							0.65	0.88	105.05
							1.80	0.95	108.95
							1.40	0.52	112.85
	SHDD044	55,100	10,550	157.8	-65	220	1.40	1.28	49.15

NOTES:
1. All assays Fire Assay 50gm
2. 0.5g/t Au lower cut off
3. Maximum 2 metres of consecutive internal waste
4. Upper cut of 50g/t Au
5. All interval grades calculated as a weighted average

An in-house resource calculation for Sihayo 1 North defined an **Inferred Resource of 7.1 million tonnes @ 2.7g.t Au for 609,000** of contained gold at a 1g/t lower cut-off, effectively doubling the initial Inferred Resource at a discovery cost of under US$5/oz.

The deposit remains completely open along strike to the south and at depth, with the potential to significantly expand the resource base evident.

Sihayo 1

Two drill holes were completed at Sihayo 1 approximately 400m south of Sihayo 1 North, testing broad zones of pervasively gold mineralised jasperoid outcrop.

Drilling intersected broad zones of lower tenor gold mineralisation with alteration mineralogy suggesting that outcropping jasperoid reflects a low temperature, distal outflow zone proximal to a focused hydrothermal centre. Exploration will focus on further defining alteration zonation at Sihayo 1 to determine fluid flow vectors and more prospective localised exploration targets.

Table 4: Sihayo 1 Drill Intercept Table

Prospect	Hole	Easting	Northing	Depth	Dip	Azimuth	Down Hole Interval (m)	Grade g/t Au	From (m)
Sihayo 1	SHDD024	55,400	9,875	107.70	-60	220	0.70	1.21	6.70
							8.95	0.97	9.45
							1.45	1.73	21.85
							2.15	2.21	25.65
	SHDD025	55,590	9,882	87.30	-61	217	14.50	1.17	33.50

NOTES:
1. All assays Fire Assay 50gm
2. 0.5g/t Au lower cut off
3. Maximum 2 metres of consecutive internal waste
4. Upper cut of 50g/t Au
5. All interval grades calculated as a weighted average

Sihayo2

Sihayo 2 is an area of extensive jasperoid outcrop 1km north of the Sihayo 1 North resource, 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 seven diamond holes for 947.45m of drilling were completed. This drilling intersected mineralisation contained within broken strongly silicified limestone (jasperoid) and silicified volcaniclastic breccia and silicified siltstone analogous to the Sihayo 1 North prospect.

A reinterpretation of geology suggests that jasperoid dips sub parallel to topography and may not have been drill tested optimally due to difficult site access. Sihayo 2 remains largely untested and retains significant exploration upside.

Table 5: Sihayo 2 Drill Intercept Table

Prospect	Hole	Easting	Northing	Depth	Dip	Azimuth	Down Hole Interval (m)	Grade g/t Au	From (m)
Sihayo 2	SH2DD001	53,400	10,366	136.50	-81	39	14.70	0.66	21.30
	SH2DD002	53,579	10,382	141.50	-71	39	13.35	1.30	68.80
	SH2DD004	53,320	10,385	138.10	-67	39	0.30	1.78	1.60

NOTES:
1. All assays Fire Assay 50gm
2. 0.5g/t Au cut off
3. Maximum 2 metres of consecutive internal waste
4. Upper cut of 50g/t Au
5. All interval grades calculated as a weighted average

Concept – diagrammatic representation

Sambung

The Sambung prospect is located 1.5km southeast of the Sihayo 1 North deposit and is defined by a broad soil gold geochemical anomaly and highly anomalous rock chip samples, with values to 101.5 g/t Au.
Structural interpretation indicates a splay off the main Sihayo fault trend, with jasperoid limestone and broad argillic clay alteration a dominant feature. Five drill holes were completed at Sambung, intersecting alteration and gold mineralisation in all holes. Best intercepts were in holes SAMDD003 20cm @ 443g/t Au from 22.55m, SAMDD004 13.8m @ 2.69g/t Au from surface and SAMDD005 5.2m @ 3.79 g/t Au from surface. Drilling has confirmed the presence of bonanza gold grades and the prospectivity of the Sambung zone. Sambung represents a very exciting high grade exploration target with excellent potential to host a significant gold deposit. Additional surface geochemistry, geophysics and drilling is required.

Map

Tarutung
Map – location – mag – rock chip -stmseds - altn
Photos
Mag

The Tarutung epithermal vein system is located in the southern portion of the CoW and was identified by reconnaissance stream sediment sampling by Aberfoyle, with only minimal follow up work. Oropa commenced exploration at Tarutung this year, with activities including geological mapping, sampling, grid preparation and high resolution ground magnetics.

Previous exploration at Tarutung demonstrated the presence of high gold values in quartz vein sub-crop, with 18 channel samples returning an average grade of 18g/t Au (maximum 167g/t Au) & 111g/t Ag (maximum 635g/t Ag). Oropa has identified a north striking steeply dipping banded epithermal quartz vein with an apparent width of 1 – 5 metres. Sampling of outcrop and float material has confirmed mineralisation over 350m of interpreted strike length, with mineralisation open along strike to the north and south. Mapping, ground magnetics and limited grab sampling of subcrop epithermal vein material indicates that the Tarutung vein system occurs within a regional structural feature that persists over 1.3km of strike length. The Tarutung vein system is a high priority target, with exploration progressing towards drill testing before the end of this calendar year.

Structural Interpretation

Oropa commissioned a consultant in structural geology to compile a litho-structural remote sensing interpretation of the Pungkut CoW region. The study placed known gold mineralisation and resources in a regional structural context and identified numerous favourable structural targets, most with associated first–pass reconnaissance geochemical anomalies. These targets will be assessed over the coming year.

INDIA

Block D-7 Diamond Project, Chhattisgarh; (18%)

Oropa continues to hold its interest in the Block D-7 diamond project in southeast Chhattisgarh, central India, adjacent to the state border with Orissa. This 4,600km² block which contains the Raipur kimberlite field, was previously the most advanced diamond exploration project in India at the time that field activities were suspended by the Chhattisgarh state government in early 2001. During 2000 and early 2001 Oropa's geologists collected 4,469 stream sediment and follow up samples and two mini-bulk samples from the Behradih and Kodomali kimberlites. Most of these samples have been analysed and entered into Oropa's GIS data base in Perth at a cost of approximately US$1.7million. Oropa holds its interest in this project via its 20% equity in BVTS, which in turn holds an 89% controlling interest in BVCE, with the Chhattisgarh state government holding the remaining 11%.

Very little progress has been made by BVTS and BVCE with having Block D-7 reinstated since it took court action against the Chhattisgarh state government in early 2002. However, some positive steps have recently been made between BVTS and the new state government elected in December 2003. The current Chief Minister has adopted the position that the former Congress state government should have accepted the assignment from the Government of Madhya Pradesh at the time that the new state's first government was elected. The present BJP government is intent on having the P/L along with its associated access permits, etc. reinstated and the first process is to remove the stay order imposed by the Chhattisgarh high court in early 2002. An application has been made to the high court to have the case dismissed and returned to the state government for it to execute the assignment documents, appoint members to the board of BVCE and grant access permits to allow BVCE to resume work in Block D-7. Indications are that this may occur during the last quarter of 2004, which would facilitate a resumption of work in the coming field season.

During the past couple of years there has been a considerable amount of exploration activity in Chhattisgarh and neighbouring Orissa state where a number of new kimberlites have been discovered. Most of the major mining companies are now extremely active in India, including Chhattisgarh. Oropa and BVCE are well placed to move ahead quickly in the event that the P/L is reinstated, and high on the agenda will be a bulk sampling program of the weathered kimberlite at Behradih, where a program to trench and remove approximately 1000 tonnes has been submitted for approval. Behradih is located nearby to the village of Mainpur, where BVCE has established its base camp, laboratory and bulk sampling facilities. A mini bulk sampling program undertaken by Oropa in August 2000 yielded 497 micro and macro diamonds from 8 samples collected at various locations at Behradih with a combined weight of only 318kgs. High concentrations of G9 and G10 pyrope garnets and chromites were also recovered from those samples.

The reinstatement of the Block D-7 P/L may also trigger the granting of the Reconnaissance Permit ("RP'") for BVTS to prospect and explore for minerals in the Raipur West block. Raipur West, a 2,400km² block located imediately to the west of Block D-7, was approved by the central government in July 2002 and the RP has been placed on hold by the Chhattisgarh state government pending the outcome of the Block D-7 issue. This block is a high interest area as it contains major structural extensions to the Raipur kimberlite field and target areas to the west of Gariaband in the north-west of Block D-7, where several indicator minerals (pyrope garnets and chromites) were recovered. BVTS is also hopeful that two other first-in-time RP applications in the Krishna River valley and delta region in Andhra Pradesh will be approved by the Andhra Pradesh state government as well. Like the Raipur West RP application, these two applications have been held back by the state authorities pending the outcome of the Block D-7 matter. The Krishna and Penner river basins which drain into the Bay of Bengal are famous for their historical alluvial diamond production and have yielded famous stones such as the Korinoor, The Pitt, Orloff and Great Mogul. Golgonda, the ancient fortified township to the west of present day Hyderabad is historically significant for being the principal international diamond marketing centre in India in the 16th century. Stones recovered from the Krishna and Penner river gravels were known as Golgonds diamonds.

AUSTRALIAN PROJECTS

King George Diamond Project; (50%)

Ellendale Resources NL; (50% - Manager)

The King George project ("King George") comprising one Exploration License (E80/1592), is located in the North Kimberley province of Western Australia. The tenement is governed by the terms and conditions of a 50/50 joint venture between Oropa and Ellendale Resources NL ("Ellendale") who manages all exploration.

In August 2001 agreement was reached between Ellendale, Oropa and Striker Resources NL ("Striker") for Striker to undertake exploration over King George under a Farmin Agreement. Striker undertook a series of programs during 2001 and 2002 field seasons and later withdrew from the agreement.

Limited fieldwork has been undertaken by Ellendale and Oropa during the 2003/04 field season.

Mulgabbie Gold Project; (95%)

Civil and International (Aust) Pty Ltd; (5%)

The Mulgabbie gold project ("Mulgabbie") which comprises two contiguous P/Ls (P28/768 and P28/769) is located 130km northeast of Kalgoorlie, immediately to the east of SOG's Carosue Dam gold mine. Mulgabbie was formerly subject to a Joint Venture Agreement ("JVA") with Min-Tech 8 Ltd (renamed Telezon Limited "Telezon"), under which Telezon was earning a 75% interest by managing the project and solely funding the first $200,000 of the exploration costs at Mulgabbie. Telezon failed to fulfill its obligations under the JVA and management and the original equity interest of 70% reverted to Oropa in late August 2001. Civil and International (Aust) Pty Ltd ("Civil"), the third party to the JVA, holds a 5% free carried interest in the joint venture.

In 2002, Oropa reached agreement with a Kalgoorlie based company, Mulgabbie Mining Pty Ltd ("Mulgabbie Mining") for Mulgabbie Mining to farmin into the project. Under the terms of the agreement, Mulgabbie Mining is to spend a minimum $100,000 on joint venture exploration over a 3 year period to acquire a 51% interest in Mulgabbie from Oropa commencing 26 June 2002. Under the terms of the agreement, Oropa has the right to claw-back a 31% interest in the project from Mulgabbie Mining if a proven and probable resource of a minimum 500,000 oz Au is established. Under such circumstances, Oropa is to pay Mulgabbie Mining three times its contribution toward the total costs associated with the exploration and development of this resource.

Since Mulgabbie Mining became involved in the project, Oropa reached settlement with Telezon for Telezon to relinquish its 25% interest in the project as full and final settlement of debt owed to Oropa. As a result, upon Mulgabbie Mining earning its 51% interest in Mulgabbie, Oropa will hold a 44% contributing interest, with Civil holding a 5% free carried interest. To date, Mulgabbie Mining has undertaken a number of geological mapping programs, reassessment of all previous data and limited drilling. A diamond drill program is currently being planned to test the postulated structural locations of ore shoots at the Ironclad workings towards the end of 2004.

Golden Valley Gold Project; (9%)

Polaris Metals NL ("Polaris") and Western Areas NL ("Western") have recently reached agreement to restructure the current joint venture in respect to their Bullfinch North Joint Venture, a portion of which covers the Golden Valley tenements ("GV tenements"), in which Oropa and Polaris were previously contributing towards exploration carried out by Western. The revised agreement also covers other areas aside from the GV tenements and for the package Polaris has agreed to issue 550,000 ordinary shares in Polaris to Western, valued at $100,000. Oropa will be free carried by Polaris for its 5% interest in the GV tenements to the completion of a bankable feaibility study. Oropa has also executed an agreement with Polaris for it to have a one off opportunity to clawback its interest in a portion of the GV tenements to a 15% participating interest by paying Polaris $50,000 cash consideration plus 15% of Polaris' total expenditure on the designated area. Western is to receive a 2.0% NSR royalty on any minerals produced from the GV tenements other than the portion of the tenements in which Oropa has a clawback right. In this portion of the GV tenements, Westerns' royalty reduces to 1.5%.

Mt Keith Gold Project; (10% free carried)
KT Moore; (80%), Murchison Exports Ltd; (10%)

The Mt Keith tenements ("Mt Keith") comprising two mining leases (M53/490 and M53/491), are situated 5km north of WMC Resources Ltd's giant Mt Keith nickel mine and host numerous old gold prospects and old workings. A number of exploration programs were completed by Oropa during the 1990s and other programs were undertaken by Gasgoyne Gold Mines NL and Yandal Resources NL. In November 2003 Oropa reached agreement with vendors, KT Moore and Murchison Exports Ltd for Oropa to reduce its interest to a 10% free carried interest in the two mining leases, and KT Moore is required to maintain the project in good standing. KT Moore has the right to assign an interest in the project to a third party .

Lime Kilns Gold Project; (85%)
Yellowmoon Gold Mines Pty Ltd; (10%), VW Strange; (5%)

The Lime Kilns tenement (M77/559) is located 3km south of Southern Cross, immediately to the north of the Cornishman gold mine. Cornishman, (initial published reserves of 700,000t @ 5.75g/t Au) has been mined in four phases over the past few years under a joint venture agreement between SOG and Troy Resources NL. Oropa drilled 4 reverse circulation drillholes in July 2004 for 200m in the central portion of the block. The best intercept from this drilling returned 4m @ 14.7g/tAu from 36m.

Hakes Find Gold Project; (75%)
Bellriver Pty Ltd; (25%)

The Hakes Find gold project (M77/948) is located 8km south of Southern Cross and lies in a similar structural setting and on the strike extension of SOG's Transvaal mining operation. A small inferred resource of 300,000t @ 1.15g/t Au has previously been outlined within the Devlin's Reward prospect at Hakes Find. This project, along with others currently held by Bellriver Pty Ltd is presently under sale negotiations with a third party.

PROJECT EVALUATION

Owing to Oropa's total involvement towards the development of the Pungkut gold project, less projects were evaluated during 2003/04. A number of gold and diamond prospects were assessed in Tanzania, although no prospects warranted field visits during this financial year. Other projects were appraised in Malaysia and Indonesia, some of which are under current investigation.

NON MINERAL ACTIVITIES

CEPO Systems Pty Ltd; (19.9%)

Oropa continues to hold its interest in CEPO Systems Pty Ltd ("CEPO"), an Internet hosted business to business service company that has made solid progress throughout the course of 2003/04 with promoting its Mobile Ordering and Processing Solutions ("CEPO Mobile") to complement its core e-solutions and e-invoicing products. CEPO Mobile offers consumers a wireless ordering product to facilitate mobile to mobile Internet ordering, or mobile to desktop Internet ordering via hand held devices, with the full support of CEPO's online ordering solutions.

CEPO markets this innovative product through a major national Telstra Dealer, GAP Communications. GAP Communications now offers CEPO Mobile as its preferred mobile ordering solution to its customers through its national sales force.

Last year Oropa reached agreement with the major shareholders of CEPO by granting them an option to purchase Oropa's entire shareholding in CEPO for a cash consideration of $100,000. This option expires on 31 October 2004 but may be extended by the parties under mutual agreement. Oropa retains its interest in CEPO until full settlement of this transaction is completed. Under the terms of the agreement, Oropa also has the right to buy back a 5% interest in CEPO as a going concern within a 2 year period of the settlement date.

DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Oropa Limited ("Oropa, or the Company") and the entities it controlled at the end of, or during the year ended 30 June 2004 ("the reporting period").

DIRECTORS

The following persons were directors of Oropa during the whole of the financial year and up to the date of this report: Brian J Hurley, Philip C Christie, Roderick G Murchison and Bruce N V Tomich.

John W Bristow was a director from the beginning of the year to his resignation on 12 April 2004.

INFORMATION ON DIRECTORS

Details of the directors of the Company in office at the date of this report are:

Brian J HURLEY *AWASM, MAusIMM*
(Chairman – appointed a director on 27 November 1992)

Mr Brian Hurley is a mining engineering graduate from the Western Australian School of Mines and a member of the Australasian Institute of Mining and Metallurgy. He has 40 years experience in open cut and underground gold and nickel mining operations. He currently conducts his own mining consultancy business since retiring as a senior executive with Western Mining Corporation.

Philip C CHRISTIE
(Chief Executive Officer – appointed a irector on 30 November 1992)

Mr Philip Christie offers more than 30 years of technical and management experience and skills relevant to the petroleum and exploration/mining industries. He has spent most of his professional career in the oil and gas industry, providing geological, production testing services and reservoir engineering to many of the world's major oil and gas companies operating in Australia, Asia, India, Pakistan and the Middle East. He has in excess of 20 years experience in providing these specialised services to the oil and gas industry, initially through holding executive positions in two of the industry's largest USA based multinational corporations and subsequently as the managing director of a private exploration and production services consulting group. Since returning to Australia in early 1990, he has provided management and geological consultancy services to the exploration and mining industry in Australia, South East Asia, India and South Africa.

Roderick G MURCHISON
(Non Executive Director – appointed a director on 1 September 1999)

Mr Roderick Murchison was born in Singapore and educated in Western Australia. Upon completion of his education, he returned to Singapore to work in the family business. Subsequently, he held senior management positions with two large retail groups in Singapore before establishing his own food manufacturing and distribution business based in Singapore and Malaysia. This business has achieved steady growth during recent years and today it services large multinational oriental food distributors in UK, Europe, USA and Australia. Mr Murchison has been a substantial Oropa shareholder since 1993 and he has represented the interests of other substantial Singaporean and Malaysian shareholders from time to time at the Company's Annual General Meetings. His many years of international management experience gained from his former associations with Singapore's leading supermarket groups and his current dealings with international food distributors has complemented the Oropa board's ability to negotiate and progress the Company's international projects.

Bruce N V TOMICH *BSc(Hons)*
(Non Executive Directo – appointed a directior on 3 June 2003)

Mr Bruce Tomich has acquired thorough experience in numerous facets of the mining industry. He has worked at senior management levels within financial institutions (including HSBC/Wardley James Capel, Gold Corporation/R&I Bank and AIDC) involved in the provision of project finance and investment banking services to resource companies. In these capacities he has assisted in the development of financial packages for major resource projects including, amongst others, the Granny Smith gold project, the Plutonic gold project, the Girilambone copper project and the Greenbushes tin/tantalum project. Mr Tomich provides technical, corporate and commercial advisory services to the resource industry, and assists companies to progress the development of resource projects in tandem with the procurement of resource finance.

DIRECTORS' SHAREHOLDINGS

The interest in shares and options in the company in which the directors have a relevant interest as at the date of this report were:

	SHARES	OPTIONS
B J Hurley	4,893,519	3,518,000
P C Christie	3,702,060	5,050,280
R G Murchison	5,070,370	3,250,000
B Tomich	-	1,250,000

Shares under option

Unissued ordinary shares of Oropa Limited under option at the date of this report are as follows:

- 115,844,642 options to subscribe for fully paid ordinary shares exercisable at 5 cents at any time on or before the expiry date of 31 December 2007. These options are quoted on the Australian Stock Exchange Limited.

- 16,000,000 options to subscribe for fully paid ordinary shares exercisable at 9 cents at any time on or before the expiry date of 23 December 2004. These options are unlisted.

No person entitled to exercise any of the options has any right, by virtue of the options, to participate in any share issue of any other body corporate.

The names of all persons who currently hold options, granted at any time, are entered in the register kept by the company pursuant to Section 216C of the Corporations Act 2001 and the register may be inspected free of charge.

REMUNERATION REPORT

Prior to 30 June 2004 Oropa Limited did not have a remuneration committee. The full board considered those matters and issues that would usually fall to a remuneration committee. Directors did not participate in any decision which they had a material personal interest.

On 30 June 2004 Oropa Limited established a remuneration committee comprising of Mr BNV Tomich and Mr RG Murchison.

The responsibilities and functions of the Remuneration Committee are as follows:

- review the competitiveness of the Company's executive compensation programs to ensure:

(a) the attraction and retention of corporate officers;

(b) the motivation of corporate officers to achieve the Company's business objectives; and

(c) the alignment of the interests of key leadership with the long-term interests of the Company's shareholders;

- review trends in management compensation, oversee the development of new compensation plans and, when necessary, approve the revision of existing plans;

- review the performance of executive management;

- review and approve Chairperson and chief executive officer goals and objectives, evaluate Chairperson and chief executive officer performance in light of these corporate objectives, and set Chairperson and chief executive officer compensation levels consistent with company philosophy;

- approve the salaries, bonus and other compensation for all senior executives, the committee will recommend appropriate salary, bonus and other compensation to the Board for approval;

- review and approve compensation packages for new corporate officers and termination packages for corporate officers as requested by management;

- review and approve the awards made under any executive officer bonus plan, and provide an appropriate report to the Board;

- review and make recommendations concerning long-term incentive compensation plans, including the use of share options and other equity-based plans. Except as otherwise delegated by the Board, the committee will act on behalf of the Board as the "Committee" established to administer equity-based and employee benefit plans, and as such will discharge any responsibilities imposed on the committee under those plans, including making and authorising grants, in accordance with the terms of those plans; and

- review periodic reports from management on matters relating to the Company's personnel appointments and practices.

Principles used to determine the nature and amount of remuneration

Non-executive directors receive fees in cash. The fees are fixed and approved by shareholders.

Mr Christie has a contract for services pursuant to which he is paid an hourly rate for hours worked on behalf of the Company.

Where non-executive directors provide services in their area of expertise they receive payment at normal commercial rates.

There are no executives (other than directors) with authority for strategic decision and management

The remuneration of the directors is not linked directly to the performance of the company.

Details of remuneration

Details of the remuneration of each director of Oropa Limited, including their personally related entities are set out below:

2004	**Primary**		**Post Employment**		**Equity**	
Name	**Cash Salary & Fees**	**Non-Monetary Benefits**	**Superannuation**	**Retirement Benefits**	**Shares**	**Total**
PCJ Christie	191,827	3,757	827	-	-	**196,411**
BJ Hurley	71,650	-	488	-	-	**72,138**
RG Murchison	31,089	-	-	-	-	**31,089**
JW Bristow	-	-	-	-	-	**-**
BNV Tomich	5,370	-	-	-	-	**5,370**
Total	**299,936**	**3,757**	**1,315**	**-**	**-**	**305,008**

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the course of the financial year were mineral exploration. There were no significant changes in the nature of those activities during the financial year.

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the company's directors held during the year ended 30 June 2004, and the number of meetings attended by each director.

	Number eligible to attend	Number Attended
B J Hurley	6	6
P C J Christie	6	6
R G Murchison	6	6
J W Bristow (resigned 12 April 2004)	6	6
B Tomich	6	5

DIRECTORS' REPORT

OPERATING RESULTS

During the financial year the consolidated entity incurred a consolidated operating loss after tax of $2,368,319 (2003- $2,867,891).

DIVIDENDS

No dividends have been paid or declared since the end of the previous financial year and no dividend is recommended in respect of this financial year.

NATIVE TITLE

Claims of native title over certain of the company's tenements have been made, and may in the future be made under the Commonwealth Native Title Act. In the event that native title is established by an indigenous community over an area that is subject to the company's mining tenements, the nature of the native title may be such that consent to mining may be required from that community but is withheld.

No determination of native title has yet been made by the Federal Court or any other body with appropriate jurisdiction in respect of any of the land the subject of the company's tenements. It is also possible that some of the existing claims may be removed from the National Native Title Tribunal Register for failure to satisfy the new registration test which became operative upon proclamation of the Native Title Amendment Act 1998. The consequence of removal of a claim from the Register is that those claimants lose the right to negotiate under the Native Title Act in respect of the future grant of mining tenements over their claim area.

Due to uncertainties in the application of the Native Title Act, the effect, if any, of these claims and procedures on Oropa Limited is not clear.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 24 August 2004, Oropa issued 9,259,259 ordinary shares to Western Metals Copper Limited and 18,518,519 shares to Pacmin Mining Corporation Limited pursuant to the Option to Purchase Shares Agreement dated 13 January 2003. An announcement was made on 20 April 2004 advising that Oropa had exercised its option to acquire 100% of the shares in Aberfoyle Pungkut Investments Pte Ltd (API). API holds a 75% interest in the Pungkut Contract of Work in Northern Sumatra, Indonesia, with Indonesian Government mining company, P.T. Aneka Tambang holding the remaining 25%. Settlement of this transaction was initially scheduled to be completed by 29 April 2004, however delays were experienced with settlement.

There has been no other matter or circumstance that has arisen since 30 June 2004 that has significantly affected or may significantly affect:

a) the consolidated entity's operations in future financial years, or
b) the results of those operations in future years, or
c) the consolidated entity's state of affairs in future years.

LIKELY DEVELOPMENTS

Details of important developments occurring in this current financial year have been covered in the review of operations. The consolidated entity will continue to actively explore for minerals and to seek additional investment opportunities.

Further information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

REVIEW OF OPERATIONS

The review of operations are detailed at page 4 of the financial report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the directors there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year.

DIRECTORS' REPORT

ENVIRONMENTAL REGULATION

The consolidated entity has assessed whether there are any particular or significant environmental regulations which apply. It has determined that the risk of non-compliance is low, and has not identified any compliance breaches during the year.

INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, Oropa Limited paid a premium of $19,518.24 to insure the directors and officers of the company.

The liabilities insured are costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity.

AUDITOR

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001.*

This report is made in accordance with a resolution of the directors.

PHILIP C CHRISTIE
Director

30 September 2004

CORPORATE GOVERNANCE STATEMENT

Oropa Limited ("Oropa, or the Company") has adopted systems of control and accountability as the basis for the administration of corporate governance. Some of these policies and procedures are summarised below.

The following additional information about the Company's corporate governance practices is set out on the Company's website at www.oropa.com.au:

- Corporate governance disclosures and explanations;
- Statement of Board and Management Functions;
- Nomination Committee Charter;
- Policy and procedure for selection and appointment of new directors;
- Summary of code of conduct for directors and key executives;
- Summary of policy on securities trading;
- Audit Committee Charter;
- Policy and procedure for selection of external auditor and rotation of audit engagement partners;
- Summary of policy and procedure for compliance with continuous disclosure requirements;
- Summary of arrangements regarding communication with and participation of shareholders;
- Summary of Company's risk management policy and internal compliance and control system;
- Process for performance evaluation of the Board, Board committees, individual directors and key executives;
- Remuneration Committee Charter; and
- Corporate Code of Conduct.

EXPLANATIONS FOR DEPARTURES FROM BEST PRACTICE RECOMMENDATIONS

During the Reporting Period the Company has complied with each of the Ten Essential Corporate Governance Principles[1] and the corresponding Best Practice Recommendations[2] as published by the ASX Corporate Governance Council ("**ASX Principles and Recommendations**"), other than in relation to the matters specified below.

Principle Ref	Recommendation Ref	Notification of Departure	Explanation for Departure
2	2.1	No director of the Company is independent in accordance with the test in box 2.1 ("**Independent Test**") of the best practice recommendations as published by ASX Corporate Governance Council.	The majority of directors are considered independent by the board for the reasons set out below under the heading "Identification of Independent Directors". (see page 19)
2	2.2	The Chairperson does not satisfy paragraph 2 of the Independence Test.	The board considers Mr Hurley to act in an independent manner for the reasons set out under the heading "Identification of Independent Directors". (see page 19)
2	2.4	A nomination committee was established on 30 June 2004.	Prior to 30 June 2004 the full board considered those matters and issues that would usually fall to a nomination committee.

[1] A copy of the Ten Essential Corporate Governance Principles are set out on the Company's website under the Section entitled "Corporate Governance".
[2] A copy of the Best Practice Recommendations are set out on the Company's website under the section entitled "Corporate Governance".

3	3.1	Prior to 30 June 2004 there was no written code of conduct.	Although there was no written policy the board considered the business practices and ethics exercised by individual board members and key executives was of the highest standards. On 30 June 2004 the company certified and disclosed its practices as a code of conduct.
3	3.2	Prior to 30 June 2004 there was no written securities trading policy.	All directors and employees were aware of existing legislative restrictions regarding trading in the companies securities. The Company has now adopted and disclosed a policy and provided further educational information in this regard to employees and directors alike.
4	4.3	The audit committee comprises 2 members, which is less than the minimum 3 member composition recommended under best practice recommendation 4.3.	The members of the audit committee are both independent from management and have experience relevant to carry out the obligations and duties of an audit committee. It is considered no additional benefit would be gained by adding another member to the audit committee. Prior to the audit committee being formed on 30 June 2004, the company did not have a formally constituted Audit Committee. All matters which might have been properly dealt with by such a committee were considered at full board meetings.
5	5.1	Until 30 June 2004 there were no written policies and procedures designed to ensure ASX Listing Rule disclosure requirements were met.	Although there was no written policy or procedure, such policies and procedures did in fact exist and have now been documented and were formally implemented by the board on 30 June 2004.
6	6.1	Until 30 June 2004 there was no formal communication strategy to promote shareholder communication.	Although there were no written policies or procedures the Company had a positive strategy to communicate with and actively promote shareholder involvement in the Company. The strategy included making information about the Company available on its website. The policy has now been documented and disclosed on 30 June 2004.
9	9.2	A remuneration committee was established on 30 June 2004.	Prior to 30 June 2004 the full board considered those matters and issues that would usually fall to a remuneration committee. Directors did not participate in any decision which they had a material personal interest.
10	10.1	A code of conduct was adopted 30 June 2004.	Although until 30 June 2004 there was no code of conduct documented or disclosed the board considered its business practices as led by the example of the board and key executives were the equivalent of a code of conduct, which has now been documented, approved and disclosed.

SKILLS, EXPERIENCE, EXPERTISE AND TERM OF OFFICE OF EACH DIRECTOR

A profile of each director containing the applicable information is set out on page 12 of the Annual Report.

CORPORATE GOVERNANCE STATEMENT

IDENTIFICATION OF INDEPENDENT DIRECTORS

The independent directors of the Company are Brian Hurley, Roderick Murchison and Bruce Tomich, subject to the comments set out below.

Mr Hurley provides mining consulting services to the Company. The fees for his consulting services are material to the Company, but are not the sole source of Mr Hurley's income. The consulting services relate to Mr Hurley's technical management involvement in the Company's projects.

As a result of Mr Hurley providing material consulting services to the Company he does not fit within paragraph 3 of the Independence Test. Mr Hurley passes all other aspects of the Independence Test.

The Board (in absence of Mr Hurley) considers he is capable of and demonstrates he consistently makes decisions and takes actions which are designed to be for the best interest of the Company and therefore consider him to be independent.

Messrs Murchison and Tomich both provide consultancy services to the Company. The fees for their services are not material to the Company. Accordingly the Board considers these directors to be independent.

STATEMENT CONCERNING AVAILABILITY OF INDEPENDENT PROFESSIONAL ADVICE

If a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of his office as a director then, provided the director first obtains approval for incurring such expense from the chairperson, which will not be unreasonably withheld, the Company will pay the reasonable expenses associated with obtaining such advice.

NAMES OF NOMINATION COMMITTEE MEMBERS AND THEIR ATTENDANCE AT COMMITTEE MEETINGS

The following table identifies those directors who are members of the Nomination Committee and shows their attendance at committee meetings:

Name	No. of meetings held	No. of meetings attended
Roderick G Murchison	0	0
Bruce Tomich	0	0

NAMES AND QUALIFICATIONS OF AUDIT COMMITTEE MEMBERS

The following directors are members of the Audit Committee, Roderick Murchison (Chairman) and Bruce Tomich. Both are independent non-executive directors, with experience in finance and mining industries as set out in this Annual Report at page 12.

NUMBER OF AUDIT COMMITTEE MEETINGS AND NAMES OF ATTENDEES

During the Reporting Period the Board considered issues similar to that undertaken by an Audit Committee on at least two occasions. All Board members were in attendance at those meetings.

CONFIRMATION WHETHER PERFORMANCE EVALUATION OF THE BOARD AND ITS MEMBERS HAVE TAKEN PLACE AND HOW CONDUCTED

During the Reporting Period an evaluation of the Board and its members was carried out. The evaluation process comprised an information review by the Chairman.

CORPORATE GOVERNANCE STATEMENT

COMPANY'S REMUNERATION POLICIES

Non-executive directors receive fees in cash. The fees are fixed and approved by shareholders.

Mr Christie has a contract for services pursuant to which he is paid an hourly rate for hours worked on behalf of the Company.

Where non-executive directors provide services in their area of expertise they receive payment at normal commercial rates.

Each of the directors hold options. They have been issued with shareholder approval and are in accordance with thresholds set in plans approved by shareholders.

The remuneration of the directors is not linked directly to the performance of the company.

NAMES OF REMUNERATION COMMITTEE MEMBERS AND THEIR ATTENDANCE AT COMMITTEE MEETINGS.

Name	No of meetings held	No of meetings attended
Roderick G Murchison	0	0
Bruce Tomich	0	0

EXISTENCE AND TERMS OF ANY SCHEMES FOR RETIREMENT BENEFITS FOR NON-EXECUTIVE DIRECTORS

There are no termination or retirement benefits for non-executive directors.

STATEMENTS OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004

	Notes	Consolidated		Parent Entity	
		2004 $	2003 $	2004 $	2003 $
Revenue from ordinary activities	2	56,710	11,357	49,878	11,229
Borrowing costs expense	3(a)	-	(16)	-	(16)
Corporate secretarial expenses		(44,241)	(58,099)	(44,241)	(56,599)
Depreciation and amortisation	3(a)	(14,947)	(14,935)	(14,918)	(14,896)
Employee benefits expense		(146,207)	(91,966)	(146,207)	(91,966)
Exploration expenditure written off	3(a)	(444,609)	(2,231,015)	(385,206)	(2,013,585)
External consultancy expenses		(200,653)	(160,208)	(150,236)	(118,366)
Insurance expenses		(43,802)	(28,171)	(43,802)	(28,171)
Provision for diminution in value of investments	3(a)	(1,054,869)	(100,000)	-	-
Provision for doubtful debts	3(a)	(247,880)	-	(1,627,468)	(365,585)
Rental expenses		(30,687)	(29,719)	(30,687)	(29,719)
Travel and entertainment expenses		(44,583)	(38,749)	(39,368)	(33,889)
Other expenses from ordinary activities		(152,551)	(126,370)	(148,383)	(126,328)
Loss from ordinary activities before income tax expense		(2,368,319)	(2,867,891)	(2,580,638)	(2,867,891)
Income tax expense	3(b)	-	-	-	-
Net Loss		(2,368,319)	(2,867,891)	(2,580,638)	(2,867,891)
Total changes in equity other than those resulting from transactions with owners as owners		(2,368,319)	(2,867,891)	(2,580,638)	(2,867,891)
Basic/diluted earnings per share (cents per share)	20	(0.58)	(0.91)		

The above Statements of Financial Performance should be read in conjunction with the accompanying notes.

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2004

	Note	Consolidated 2004 $	Consolidated 2003 $	Parent Entity 2004 $	Parent Entity 2003 $
CURRENT ASSETS					
Cash	19	776,218	342,863	500,791	342,853
Receivables	4	130,524	49,208	40,950	46,170
Other financial assets	5	10,916	10,916	10,916	10,916
TOTAL CURRENT ASSETS		917,658	402,987	552,657	399,939
NON-CURRENT ASSETS					
Receivables	4	-	247,880	187,645	1,774,111
Other financial assets	5	100,200	1,451,861	2,657,482	1,000
Investments accounted for using the equity method	25	-	-	-	-
Property, plant and equipment	6	69,881	62,860	53,521	62,750
Other	7	3,819,640	469,488	138,983	393,443
TOTAL NON-CURRENT ASSETS		3,989,721	2,232,089	3,037,631	2,231,304
TOTAL ASSETS		4,907,379	2,635,076	3,590,288	2,631,243
CURRENT LIABILITIES					
Payables	8	233,470	42,025	58,719	38,202
Provisions	10	14,583	40,532	14,583	40,532
Deferrred Consideration	9	861,111	-	861,111	-
Other		12,935	12,825	12,925	12,815
TOTAL CURRENT LIABILITIES		1,122,099	95,382	947,338	91,549
NON-CURRENT LIABILITIES					
Payables	8	44,584	-	-	-
TOTAL NON-CURRENT LIABILITIES		44,584	-	-	-
TOTAL LIABILITIES		1,166,683	95,382	947,338	91,549
NET ASSETS		3,740,696	2,539,694	2,642,950	2,539,694
SHAREHOLDERS' EQUITY					
Parent entity interest					
Share capital	11	24,032,599	21,348,705	24,032,599	21,348,705
Reserves	12(a)	486,171	486,171	486,171	486,171
Accumulated losses	12(b)	(21,663,501)	(19,295,182)	(21,875,820)	(19,295,182)
Total parent entity interest		2,855,269	2,539,694	2,642,950	2,539,694
Outside equity interest in controlled entities		885,427	-	-	-
TOTAL SHAREHOLDERS' EQUITY		3,740,696	2,539,694	2,642,950	2,539,694

The above Statements of Financial Position should be read in conjunction with the accompanying notes.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2004

	Notes	Consolidated 2004 $	Consolidated 2003 $	Parent Entity 2004 $	Parent Entity 2003 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments to creditors and suppliers		(746,742)	(620,615)	(663,024)	(562,668)
Receipts from customers		-	-	-	-
GST Input tax credit refunds received		74,244	59,994	59,887	46,614
Interest received		49,878	11,357	49,878	11,229
Interest paid		-	(16)	-	(16)
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES	19(b)	(622,620)	(549,280)	(553,259)	(504,841)
CASH FLOWS FROM INVESTING ACTIVITIES					
Mining exploration and evaluation expenditure		(356,114)	(366,701)	(130,746)	(158,079)
Purchase of property, plant and equipment		(11,596)	(13,210)	(5,689)	(13,210)
Proceeds from sale of investments		-	1,000	-	-
Payments for investments		(200)	(297,192)	(200)	(200)
Advances in loans to controlled entities		-	-	(337,992)	(537,150)
Repayment of loans from controlled entities		-	-	-	4,997
Payment for purchase of controlled entity, net of cash acquired		(1,274,415)	-	(1,498,180)	-
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		(1,642,325)	(676,103)	(1,972,807)	(703,642)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares and options		2,850,000	1,398,782	2,850,000	1,398,772
Share and option issue costs		(166,106)	(12,601)	(166,106)	(12,601)
Repayment of hire purchase liabilities		-	(1,365)	-	(1,365)
NET CASH INFLOW FROM FINANCING ACTIVITIES		2,683,894	1,384,816	2,683,894	1,384,806
Net increase / (decrease) in cash held		418,949	(159,433)	157,828	176,323
Cash at the beginning of the financial year		330,048	170,615	330,038	153,715
Effects of exchange rate changes on cash		14,296	-	-	-
Cash at the end of the financial year	19(a)	763,293	330,048	487,866	330,038

The above Statements of Cash Flows should be read in conjunction with the accompanying notes.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report has been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the *Corporations Act 2001*.

(a) Basis of Accounting

The financial report has been prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at valuation. Unless otherwise stated, the accounting policies are consistent with those of the previous year. Comparative amounts are represented or reclassified where appropriate to ensure comparability with the current reporting period.

Going concern

The consolidated financial statements have been prepared on a going concern basis. As at 30 June 2004, the consolidated entity's current liabilities exceed its current assets by $204,441 and the company's current liabilities exceeded its current assets by $394,681. Included in both the company's and consolidated entity's financial statements as a current liability at 30 June 2004 is deferred consideration of $861,111 on acquisition of Aberfoyle Pungkut Investments Pte Ltd (API) which has been satisfied subsequent to the end of the financial year through the issue of shares in the company (refer note 23).

However, the ability of the company and the consolidated entity to actively explore and continue as a going concern, and to meet their debts and commitments as they fall due, is dependant upon further capital raisings. Accordingly, there is significant uncertainty whether the company and the consolidated entity will continue as a going concern and, therefore, whether they will realise their assets and settle their liabilities and commitments in the normal course of business and at the amounts stated in the financial report.

The Directors are confident that the company will be successful in raising further capital and, accordingly, have prepared the financial report on a going concern basis. At this time, the directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 30 June 2004. Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

(b) Exploration and Evaluation Expenditure

(i) Exploration and evaluation expenditure is accumulated in respect of each identifiable area of interest and carried forward in the balance sheet where rights of tenure are current and:

- it is expected that the expenditure will be recovered through successful development and exploitation of an area of interest or alternatively, by its sale; or
- exploration activities are continuing in an area of interest and have not yet reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves.

(ii) Accumulated expenditure on areas which are abandoned, or considered to be of no value, is written off in the period in which such a decision is made.

(iii) Interests in exploration joint ventures are brought to account based on the actual expenditure incurred by the company or consolidated entity in contributing to the joint venture exploration programs.

(c) Joint Ventures

There are several joint venture arrangements in place. At this stage all of these projects are still in the exploration phase and only the expenditure incurred to date on exploration activities has been capitalised as an asset in the financial statements.

(d) **Property, Plant and Equipment**

Property, plant and equipment are brought to account at cost, less accumulated depreciation. The cost of each asset is written off over its expected economic life using the diminishing value method. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of expected net cash flows, before discounting to present values, which will be received from the asset's employment and subsequent disposal.

The expected useful lives are as follows:

Plant and equipment - 5 – 15 years

(e) **Acquisition of Assets**

The purchase method of accounting is used for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their market price as at the acquisition date, unless the notional price at which they could be placed in the market is a better indicator of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of the acquisition. The discount rate used is the incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(f) **Cash**

For purposes of the statement of cash flows, cash includes deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

(g) **Investments**

Interests in listed and unlisted securities, other than controlled entities and associates in the consolidated financial statements, are brought to account at cost and dividend income is recognised in the statement of financial performance when receivable. Controlled entities and associates are accounted for in the consolidated financial statements as set out in note 1(n). A provision for diminution in value is created for investments where there is a permanent diminution in the net realisable amount.

(h) **Trade and Other Creditors**

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(i) **Interest Bearing Liabilities**

Loans and debentures are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of other creditors.

(j) **Employee Entitlements**

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amounts expected to be paid when the liabilities are settled.

(k) **Options**

No accounting entries are made in relation to directors' options until the options are exercised, at which time the amounts receivable from directors are recognised in the statement of financial position as share capital. No employee expenses have been recognised in the statement of financial performance for options issued to directors and employees.

(l) **Earnings per Share**

(i) Basic Earnings per Share
Basic earnings per share is determined by dividing the net profit after income tax attributable to members of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted Earnings per Share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(m) **Income Tax**

Tax effect accounting procedures are followed whereby the income tax expense in the statement of financial performance is matched with the accounting profit after allowing for permanent differences. The future tax benefit relating to tax losses is not carried forward as an asset unless the benefit is virtually certain of realisation. Income tax on cumulative timing differences is set aside to the deferred income tax or the future income tax benefit accounts at the rates that are expected to apply when those timing differences reverse.

(n) **Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Oropa Limited ("company" or "parent entity") as at 30 June 2004 and the results of all controlled entities for the year then ended. Oropa Limited and its controlled entities together are referred to in this financial report as the consolidated entity. The effects of all transactions between entities in the consolidated entity are eliminated in full. Outside equity interests in the results and equity of controlled entities are shown separately in the consolidated statement of financial performance and statement of financial position respectively.

Where control of an entity is obtained during a financial year, its results are included in the consolidated statement of financial performance from the date on which control commences. Where control of an entity ceases during a financial year its results are included for that part of the year during which control existed.

Investments in associates are accounted for in the consolidated financial statements using the equity method. Under this method, the consolidated entity's share of the post-acquisition profits or losses of associates is recognised in the consolidated statement of financial performance, and its share of post-acquisition movement in reserves is recognised in consolidated reserves. The cumulative post-acquisition movements are adjusted against the cost of investment. Associates are those entities over which the consolidated entity exercises significant influence, but not control.

(o) **Foreign Currency Translation**

(i) Transactions

Foreign currency transactions are initially translated into Australian currency at the rate of exchange at the date of the transaction. At balance date amounts payable and receivable in foreign currencies are translated to Australian currency at rates of exchange current at that date. Resulting exchange differences are brought to account in determining the profit or loss for the year.

(ii) Specific Commitments

The only foreign currency transactions carried out by the consolidated entity involve paying contractors and other suppliers in foreign countries. Australian currency is exchanged into US currency at the date of payment of invoices. No hedging is undertaken in relation to these transactions.

(iii) Foreign Controlled Entity

The activities undertaken in Indonesia are integrated with the activities of the Australian parent entity. The assets, liabilities and equity of the Indonesian operations are consolidated into the Australian parent entity using the temporal method of translation whereby non-monetary assets and liabilities and equity items, including revenue and expenses, are translated using historic rates of exchange, and monetary assets and liabilities are translated at rates of exchange current at the reporting date. Any resultant exchange differences are recorded as revenue or expense.

(p) **Receivables**

CURRENT
All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectibility of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists and in any event when the debt is more than 60 days overdue.

NON-CURRENT
All debtors that are not expected to be received within 12 months of reporting date are included in non-current receivables.

Collectibility of non-current receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

(q) **Recoverable amount of non-current assets**

The recoverable amount of an asset is the net amount expected to be recovered through the cash inflows and outflows arising from its continued use and subsequent disposal. In determining recoverable amount the expected net cash flows have not been discounted to their present value.

When the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. Where net cash inflows are derived from a group of assets working together, recoverable amount is determined on the basis of that relevant group of assets. The decrement in the carrying value is recognised as an expense in net profit or loss in the reporting period in which the recoverable amount write-down occurs.

(r) **Revenue recognition**

Interest is recorded when the right to receive the interest is established.

(s) **Operating Leases**

Operating lease payments are charged to the statement of financial performance in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(t) **International Financial Reporting Standards (IFRS)**

The Australian Accounting Standards Board (AASB) is adopting IFRS for application to reporting periods beginning on or after 1 January 2005. The AASB has issued Australian equivalents to IFRS, and the Urgent Issues Group will issue abstracts corresponding to IASB interpretations originated by the International Financial Reporting Interpretations Committee or the former Standards Interpretations Committee. The adoption of Australian equivalents to IFRS will be first reflected in the consolidated entity's financial statements for the half year ending 31 December 2005 and the year ending 30 June 2006.

Entities complying with Australian equivalents to IFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of IFRS to that comparative period. Most adjustments required on transition to IFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

The consolidated entity has performed a preliminary review to identify some of the impacts of the transition to the Australian Equivalents of IFRS. The company intends to engage consultants to assist with further assessments of the Australian Equivalents to IFRS in the coming year to determine the changes in accounting policies that will be required.

Major changes identified to date that will be required to the consolidated entity's existing accounting policies are:

(i) Income Tax
Under AASB 112 "Income Taxes", deferred tax balances are determined using the balance sheet method which calculates temporary differences based on the carrying amounts of an entity's assets and liabilities in the statement of financial position and their associated tax bases. In addition, current and deferred taxes attributable to amounts recognised directly in equity are also recognised directly in equity. This will result in a change to the current accounting policy, under which deferred tax balances are determined using the income statement method, where items are only tax-effected if they are included in the determination of pre-tax accounting profit or loss and/or taxable income or loss and current and deferred taxes can not be reflected directly in equity.

(ii) Accounting for the extractive industries
The IFRS standard on Exploration for and Evaluation of Mineral Resources is not expected to be issued until the fourth quarter of 2004. The impact of changes to the consolidated entity's existing accounting policy, which is in accordance with AASB 1022 "Accounting for the Extractive Industries", is not determinable.

(iii) Financial instruments
Under AASB 139 "Financial Instruments: Recognition and Measurement" there may be may be major impacts as a result of financial assets held by the company being subject to classification as either held for trading, held-to-maturity, available for sale or loans and receivables and depending on classification, measured at fair value or amortised cost. The most likely accounting change is that the investments in some equity securities will be classified as available for sale and measured at fair value, with changes in fair value recognised directly in equity until the underlying asset is derecognised.

(iv) Impairment of non-current assets
AASB 136 "Impairment of Assets", defines recoverable amount as the higher of an asset's (or a cash generating unit's) fair value less cost to sell and its value in use. Value in use is the present value of estimated future cashflows expected to arise from an asset or cash generating unit. The discount rate used must be an asset specific risk adjusted rate. Recoverable amount is determined whenever there is any indication that an asset may be impaired.
This will result in a change to the current accounting policy, under which the estimated future cash flows used to determine recoverable amounts of non current assets on an annual basis are not discounted to their future values.

(v) Equity based compensation benefits
Under AASB 2 "Share-based Payment", equity-based compensation to employees will be recognised as an expense in respect of the services received.
This will result in a change to the current accounting policy, under which no expense is recognised for equity based compensation.

The above should not be regarded as a complete list of changes in accounting policies that will result from the transition to Australian equivalents to IFRS, as not all of the standards have been analysed yet, and some decisions have not yet been made where choices in accounting policies are available. For these reasons it is not yet possible to quantify the impact of the transition to Australian equivalents to IFRS on the consolidated entity's financial position and reported results.

	Consolidated 2004 $	Consolidated 2003 $	Parent Entity 2004 $	Parent Entity 2003 $
2. REVENUE				
Revenue from outside the operating activities				
Interest	49,878	11,357	49,848	11,229
Foreign exchange gain	6,832	-	-	-
Revenue from ordinary activities	56,710	11,357	49,878	11,229
3(a) LOSS FROM ORDINARY ACTIVITIES				
Net Expenses The loss from ordinary activities before income tax includes the following expenses:				
(i) Expenses:				
Exploration expenditure written off	444,609	2,231,015	385,206	2,013,585
Depreciation	14,947	14,935	14,918	14,896
Borrowing Costs	-	16	-	16
Provision for diminution on investments	1,054,869	100,000	-	-
Rental expenses relating to operating leases	30,687	29,719	30,687	29,719
Provision for doubtful debts	247,880	-	1,627,468	365,585
Loss on sale of non-current assets	-	1,504	-	1,504
3(b) INCOME TAX				
(i) The income tax for the financial year differs from the amount calculated on the loss. The differences are reconciled as follows:				
Operating loss before income tax expense	2,368,319	2,867,891	2,580,638	2,867,891
Income tax benefit calculated at 30%	(710,496)	(860,367)	(774,191)	(860,367)
Tax effect of permanent differences:				
Mineral exploration expenditure written off	123,390	528,515	111,358	487,003
Diminution in value of investments	316,461	30,000	-	-
Provision for doubtful debts	74,364	-	488,240	109,676
Loss relating to foreign controlled entity	(1,432)	-	-	-
Other non deductible expenditure	7,238	5,283	7,238	5,283
Other deductible expenditure	(1,722)	(756)	(1,722)	(756)
Income tax benefit after permanent differences	(192,197)	(297,325)	(169,077)	(259,161)
Income tax benefit not brought to account	192,197	297,325	169,077	259,161
Income tax expense	-	-	-	-
(ii) The directors estimate that the potential future income tax benefit relating to tax losses and timing differences which have not been brought to account due to the reason set out in note 1(m) are:	3,603,522	3,411,325	2,862,791	2,693,714

This benefit for tax losses will only be obtained if:

(i) the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised, or
(ii) the losses are transferred to an eligible entity in the consolidated entity, and
(iii) the consolidated entity continues to comply with the conditions for deductibility imposed by tax legislation, and
(iv) no changes in tax legislation adversely affect the consolidated entity in realising the benefit from the deductions for the losses.

Tax consolidation legislation

Oropa Limited and its wholly-owned Australian subsidiaries have currently decided not to implement the tax consolidation legislation as at 1 July 2003.

	Consolidated		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
4. RECEIVABLES				
CURRENT				
Other debtors	130,524	49,208	40,950	46,170
	130,524	49,208	40,950	46,170

Other debtors
These amount generally arise from transactions outside the usual operating activities of the consolidate entity. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

NON-CURRENT				
Other debtors	281,438	267,880	-	-
Less provision for doubtful debts	(281,438)	(20,000)	-	-
Loans to controlled entities	-	-	4,499,530	4,458,529
Less provision for doubtful debts	-	-	(4,311,885)	(2,684,418)
	-	247,880	187,645	1,774,111

Other debtors includes $247,880 (2003 - $247,880) receivable from a related party B Vijaykumar Chhattisgarh Exploration Private Limited which has been fully provided for.

Further information relating to receivables from related parties is set out in Note 16.

	Consolidated		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
5. OTHER FINANCIAL ASSETS				
CURRENT				
Investments listed on a prescribed stock exchange, at cost	10,916	10,916	10,916	10,916
Market value at balance date	7,166	6,916	7,166	6,916
NON-CURRENT				
Investments in controlled entities (Note 18) at cost	-	-	4,303,126	1,646,844
Less provision for diminution	-	-	(1,646,844)	(1,646,844)
Investments in other entities, at cost	1,805,760	2,102,552	1,200	1,000
Less provision for diminution	(1,705,560)	(650,691)	-	-
	100,200	1,451,861	2,657,482	1,000

Shares in controlled entities
The carrying value of the investments in controlled entities is dependent upon the successful development and exploitation of the controlled entities' tenements, or alternatively the sale of those tenements for at least carrying value.

Investments in other entities
Investments in other entities includes the following:

- 19.9% shareholding in CEPO Systems Pty Limited, a company involved in the development of e-commerce business to business software. Oropa Technologies Pty Ltd, Oropa Limited's wholly owned subsidiary, has entered into an option agreement with CEPO Systems Pty Limited to sell its investment in CEPO back to them for $100,000 with $1,000 already received. This is reflected in the remaining carrying value of the investment in CEPO Systems Pty Limited being $99,000.

- 20% interest in B Vijaykumar Technical Services Pvt Limited, a company involved in diamond exploration in India. As Finders Indian Resources Pty Ltd, Oropa Limited's wholly owned subsidiary, no longer has significant influence over B Vijaykumar Technical Services Pvt Limited, the investment was transferred to other investments from investment in associates in the prior year. This investment has been fully provided for.

- At 30 June 2003, investments in other entities included $296,992 in respect of an "Option to Purchase" agreement to acquire Aberfoyle Pungkut Investments Pte Ltd. On 20 April 2004, the option was exercised and API has been accounted for as a controlled entity from this date (refer note 18).

	Consolidated		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
6. PROPERTY, PLANT AND EQUIPMENT				
NON-CURRENT				
Leasehold improvements, at cost	6,003	2,912	6,003	2,912
Less: accumulated amortisation	(380)	(278)	(380)	(278)
	5,623	2,634	5,623	2,634
Plant and equipment, at cost	48,723	21,679	19,805	19,805
Less: accumulated depreciation	(31,088)	(12,266)	(11,715)	(10,502)
	17,635	9,413	8,090	9,303
Motor vehicles, at cost	37,000	37,000	37,000	37,000
Less: accumulated depreciation	(29,039)	(26,728)	(29,039)	(26,728)
	7,961	10,272	7,961	10,272
Office equipment, at cost	151,527	113,081	116,079	113,481
Less: accumulated depreciation	(112,865)	(72,940)	(84,232)	(72,940)
	38,662	40,541	31,847	40,541
Total Property Plant & Equipment	69,881	62,860	53,521	62,750

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant & equipment at the beginning and end of the current financial year are set out below:

	Leasehold Improvements	Plant & Equipment	Motor Vehicles	Office Equipment	Total
Consolidated	$	$	$	$	$
Carrying Amount at 1 July 2003	2,634	9,413	10,272	40,541	62,860
Additions on acquisition of controlled entity	-	5,864	-	5,865	11,729
Additions	3,091	3,600	-	3,548	10,239
Disposals					
Depreciation / amortisation expense	(102)	(1,242)	(2,311)	(11,292)	(14,947)
Carrying Amount at 30 June 2004	5,623	17,635	7,961	38,662	69,881

	Leasehold Improvements	Plant & Equipment	Motor Vehicles	Office Equipment	Total
Parent	$	$	$	$	$
Carrying Amount at 1 July 2003	2,634	9,303	10,272	40,541	62,750
Additions	3,091	-	-	2,598	5,689
Disposals					
Depreciation / amortisation expense	(102)	(1,213)	(2,311)	(11,291)	(14,918)
Carrying Amount at 30 June 2004	5,623	8,090	7,961	31,848	53,521

	Consolidated		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
7. OTHER ASSETS				
NON-CURRENT				
Mining exploration and evaluation expenditure				
Costs brought forward	469,488	2,333,802	393,443	2,248,949
Expenditure incurred during the year	311,170	366,701	130,746	158,079
Acquired on acquisition of subsidiary (Note 18)	3,447,390	-	-	-
Expenditure written off during the year	(444,609)	(2,231,015)	(385,206)	(2,013,585)
Costs carried forward	3,783,439	469,488	138,983	393,443
Deposit	36,201	-	-	-
	3,819,640	469,488	138,983	393,443

7. OTHER ASSETS (CONTINUED)

For those areas of interest which are still in the exploration phase, the ultimate recoupment of the stated costs is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Some of the company's exploration properties are subject to claim(s) under native title. As a result, exploration properties or areas within the tenements maybe subject to exploration and/or mining restrictions.

Deposit
This represents the deposit for mineral preliminary exploration which is deposited at a government bank appointed by the Ministry of Energy and Mineral Resources in Indonesia. This deposit is refundable on the basis that the Company meets certain performance conditions set out in the Contract of Work.

	Consolidated		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
8. PAYABLES				
CURRENT				
Trade creditors	187,315	23,525	37,719	22,202
Other creditors	46,155	18,500	21,000	16,000
	233,470	42,025	58,719	38,202
NON-CURRENT				
Other creditors	44,584	-	-	-
	44,584	-	-	-

Other creditors

This is an amount payable to PT Aberfoyle Indonesia.

9. DEFERRED CONSIDERATION

CURRENT				
Amount due for purchase of controlled entity	861,111	-	861,111	-

Subsequent to the end of the financial year, the deferred consideration has been satisfied through the issue of shares (refer note 23).

10. PROVISIONS

CURRENT				
Employee Entitlements	14,583	40,532	14,583	40,532

Employee numbers	**Number**		**Number**	
Average number of employees during the financial year	53	3	3	3

	Parent Entity 2004 $	Parent Entity 2003 $
11. SHARE CAPITAL		
Issued Capital		
Fully paid – Ordinary shares		
444,300,072 (2003 – 339,485,257)	24,032,599	21,348,705

Movements in ordinary share capital of the company during the past 2 years were as follows:

		Number of shares	$
01-07-2002	Opening Balance	289,485,257	20,448,705
02-09-2002	Share issue	25,000,000	500,000
14-05-2003	Share issue	25,000,000	400,000
15-08-2003	Share issue	6,666,667	200,000
22-10-2003	Share issue	74,074,074	2,000,000
12-11-2003	Share issue	24,074,074	650,000
30-06-2004	Share issue costs		(166,106)
		444,300,072	24,032,599

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

	Consolidated 2004 $	Consolidated 2003 $	Parent Entity 2004 $	Parent Entity 2003 $
12. RESERVES & ACCUMULATED LOSSES				
(a) Option Premium Reserve				
Balance at the beginning of the financial year	486,171	591,829	486,171	591,829
Transfer to accumulated losses	-	(591,829)	-	(591,829)
Issue of options during the year	-	498,772	-	498,772
Cost of option issue	-	(12,601)	-	(12,601)
Balance at the end of the financial year	486,171	486,171	486,171	486,171

The Option Premium Reserve is used to record the net premiums received for issued options. The balance standing to the credit of the reserve will be transferred to share capital as options are exercised or to accumulated losses as options expire unexercised.

Options

At 30 June 2004, the company had the following listed options:

- 115,844,642 options to subscribe for fully paid ordinary shares exercisable at 5 cents at any time on or before the expiry date of 31 December 2007. These options are quoted on the Australian Stock Exchange Limited.

At 30 June 2004, the company had the following unlisted options:

- 16,000,000 options to subscribe for fully paid ordinary shares exercisable at 9 cents at any time on or before the expiry date of 23 December 2004.
- 2,500,000 options to subscribe for fully paid ordinary shares exercisable at 5 cents at any time on or before the expiry date of 31 August 2004.

The following options were issued during the year:

- 32,716,050 options to subscribe for fully paid ordinary shares exercisable at 5 cents at any time on or before the expiry date of 31 December 2007. These options are quoted on the Australian Stock Exchange Limited.

The following options expired unexercised during the year:

- 500,000 options to subscribe for fully paid ordinary shares exercisable at 25 cents at any time on or before the expiry date of 7 July 2003.
- 500,000 options to subscribe for fully paid ordinary shares exercisable at 30 cents at any time on or before the expiry date of 14 July 2003.
- 500,000 options to subscribe for fully paid ordinary shares exercisable at 35 cents at any time on or before the expiry date of 21 July 2003.
- 1,000,000 options to subscribe for fully paid ordinary shares exercisable at 50 cents at any time on or before the expiry date of 28 July 2003.

	Consolidated		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
(b) Accumulated Losses				
Balance at the beginning of the financial year	19,295,182	17,019,120	19,295,182	17,019,120
Net losses attributable to members of Oropa Limited	2,368,319	2,867,891	2,580,638	2,867,891
Aggregate amount transferred from option premium reserve	-	(591,829)	-	(591,829)
Balance at the end of the financial year.	21,663,501	19,295,182	21,875,820	19,295,182

13. DIRECTOR & EXECUTIVES DISCLOSURES

Directors
The following persons were directors of Oropa Limited during the financial year:

Chairman – non-executive
Brian J Hurley

Executive directors
Philip C Christie

Non-executive directors
Roderick G Murchison
John W Bristow
Bruce NV Tomich

John W Bristow resigned from the position of non-executive director on 12 April 2004.

There are no specified executives (other than directors) with authority for strategic decision and management.

Remuneration of directors

Non-executive directors receive fees in cash. The fees are fixed and approved by shareholders.

Mr Christie has a contract for services pursuant to which he is paid an hourly rate for hours worked on behalf of the Company.

Where non-executive directors provide services in their area of expertise they receive payment at normal commercial rates.

The remuneration of the directors is not linked directly to the performance of the company.

Details of remuneration
Details of the remuneration of each director of Oropa Limited, including their personally related entities are set out below:

2004	Primary		Post Employment		Equity	
Name	Cash Salary & Fees	Non-Monetary Benefits	Superannuation	Retirement Benefits	Shares	Total
PCJ Christie	191,827	3,757	827	-	-	**196,411**
BJ Hurley	71,650	-	488	-	-	**72,138**
RG Murchison	31,089	-	-	-	-	**31,089**
JW Bristow	-	-	-	-	-	**-**
BNV Tomich	5,370	-	-	-	-	**5,370**
Total	**299,936**	**3,757**	**1,315**	**-**	**-**	**305,008**

13. DIRECTOR & EXECUTIVES DISCLOSURES (CONTINUED)

Service Agreements

Currently there are no service agreements in place with any of the directors.

Shareholdings

The number of shares in the company held by each director of Oropa Limited, including their personally-related entities, are set out below:

Name	Balance at Start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
PCJ Christie	1,875,700	-	1,826,360	3,702,060
BJ Hurley	4,773,519	-	120,000	4,893,519
RG Murchison	5,070,370	-	-	5,070,370
BNV Tomich	-		-	-

Options

The number of options over ordinary shares in the company held during the financial year by each director of Oropa Limited, including their personally-related entities, are set out below.

Name	Balance at Start of the year	Granted during the year as remuneration	Other changes during the year	Balance at end of the year	Vested and exerciseable at the end of the year
PCJ Christie	5,950,280	-	(900,000)	5,050,280	5,050,280
BJ Hurley	3,768,000	-	(250,000)	3,518,000	3,518,000
RG Murchison	3,500,000	-	(250,000)	3,250,000	3,250,000
BNV Tomich	-	-	1,250,000	1,250,000	1,250,000

Other transactions with directors

The amounts receivable from the directors relate to advances made to the directors for expenses.

	Consolidated		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
Amounts receivable from/ payable to parties related to directors:				
- receivable	4,001	2,698	4,001	2,698
- payable	-	-	-	-

14. REMUNERATION OF AUDITORS

Remuneration for audit or review of the financial reports of the parent entity or any entity in the consolidated entity:	30,660	27,150	30,660	22,650
Remuneration for other services	-	-	-	-

15. CONTINGENT LIABILITIES

The parent and consolidated entity did not have any contingent liabilities as at 30 June 2004 or 30 June 2003.

16. RELATED PARTIES

Directors and specified executives

Disclosures relating to directors and specified executives are set out in note 13.

Wholly owned Group

The wholly-owned group consists of Oropa Limited and its wholly-owned subsidiaries Inland Goldmines Pty Limited, Excelsior Resources Limited, Oropa Technologies Pty Limited and Finders Indian Resources Pty Limited.

An announcement was made on 20 April 2004 advising that Oropa had exercised its option to acquire 100% of the shares in Aberfoyle Pungkut Investments Pte Ltd (API). API holds a 75% interest in the Pungkut Contract of Work in Northern Sumatra, Indonesia, with Indonesian Government mining company, P.T. Aneka Tambang holding the remaining 25%. Settlement of this transaction was initially scheduled to be completed by 29 April 2004, however delays were experienced with settlement. This transaction was settled subsequent to year end. API has been accounted for as a controlled entity and a member of the wholly owned group since 20 April 2004.

Transactions between Oropa Limited and related parties in the wholly-owned group during the year 30 June 2004 consisted of loans on an interest free basis with no fixed term and no specific repayment arrangements. Oropa Limited made an additional provision for doubtful debts of $1,627,468 in its accounts for the year ended 30 June 2004 (2003: $365,585) in relation to the loans made to its subsidiaries. No other amounts were included in the determination of operating loss before tax of the parent entity that resulted from transactions with related parties in the wholly-owned group.

Other related parties

Aggregate amounts receivable from related parties in the wholly owned group at balance date were as follows:

	Parent Entity	
	2004	2003
	$	$
Non-current receivables (note 4)	4,499,530	4,458,529
Provision for doubtful debts (note 4)	(4,311,885)	(2,684,418)
	187,645	1,774,111

An amount of $247,880 (2003 - $247,880) is still outstanding from an advance to B Vijaykumar Chhattisgarh Exploration Private Limited, being a subsidiary of a company that the consolidated entity has an investment in. This amount was used to fund diamond exploration activities in India. The loan is interest free. The loan has been fully provided for in the accounts.

17. EXPENDITURE COMMITMENTS

Exploration Commitments

In order to maintain current rights of tenure to exploration tenements, the company and consolidated entity is required to outlay lease rentals and to meet the minimum expenditure requirements of the Mines Departments. These obligations are subject to renegotiation upon expiry of the exploration leases or when application for a mining licence is made. These obligations are not provided for in the accounts and are payable:

	Consolidated		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
Not later than one year	71,283	694,998	61,022	60,992
Later than one year, but not later than 2 years	71,283	91,990	61,022	60,992
Later than two years, but not later than 5 years	213,849	275,970	183,066	182,976
	356,415	1,062,958	305,110	304,960

Operating Leases

Commitments for minimum lease payments in relation to non cancellable operating leases are payable as follows:

Not later than one year	40,400	36,000	40,400	36,000
Later than one year, but not later than 5 years	85,000	39,000	85,000	39,000
	125,400	75,000	125,400	75,000

Capital Commitments

There were no outstanding capital commitments not provided for in the financial statements of the company as at 30 June 2004 or 30 June 2003**.**

18. INVESTMENTS IN CONTROLLED ENTITIES

Controlled Entities:	**Class of Shares**	**Cost of Parent Entity's Investment**		**Equity Holding**	
		2004	**2003**	**2004**	**2003**
		$	**$**		
Inland Goldmines Pty Limited (Incorporated in Australia)	Ordinary	583,942	583,942	100%	100%
Excelsior Resources Limited (Incorporated in Australia)	Ordinary	1,062,900	1,062,900	100%	100%
Oropa Technologies Pty Limited (Incorporated in Australia)	Ordinary	1	1	100%	100%
Finders Indian Resources Pty Limited (Incorporated in Australia)	Ordinary	1	1	100%	100%
Aberfoyle Pungkut Investments Pte Ltd (Incorporated in Singapore)	Ordinary	2,656,282	-	100%	-
		4,303,126	1,646,844		

18. INVESTMENTS IN CONTROLLED ENTITIES (CONTINUED)

Acquistion of controlled entity

An announcement was made on 20 April 2004 advising that Oropa had exercised its option to acquire 100% of the shares in Aberfoyle Pungkut Investments Pte Ltd (API). API holds a 75% interest in the Pungkut Contract of Work in Northern Sumatra, Indonesia, with Indonesian Government mining company, P.T. Aneka Tambang holding the remaining 25%. Settlement of this transaction was initially scheduled to be completed by 29 April 2004, however delays were experienced with settlement. This transaction was settled subsequent to year end. API has been accounted for as a controlled entity from 20 April 2004.

To acquire API, Oropa Limited spent a total of $1,795,171 on exploration expenditure up to the date of acquisition and issued 27,777,778 shares valued at $861,111.

The operating results of this newly controlled entity have been included in the consolidated statement of financial performance since the date of acquisition.

At the date of acquisition, the acquired entity was involved in mineral exploration in Indonesia.

Details of the acquisition are as follows:

Fair value of identifiable net assets of controlled entity acquired:

	$
Cash	223,765
Receivables	69,023
Deposits	33,181
Fixed assets	11,729
Exploration expenditure	3,447,390
Loan payable	(44,584)
Accounts payable	(198,795)
	3,541,709
Less : Outside equity interests	885,427
	2,656,282

Consideration comprised of the following:

Monies spent on exploration expenditure[1]	1,795,171
Deferred consideration[2]	861,111
	2,656,282

[1] Includes $296,992 spent in the year ended 30 June 2003.
[2] This was satisfied subsequent to year end, through the issue of shares. The shares have been valued at market price at the date of acquisition (refer note 23).

19. NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statements of Cash Flows cash includes cash on hand and at call deposits with banks, and investments in money market instruments net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

	Consolidated		Parent Entity	
	2004	2003	2004	2003
	$	$	$	$
Cash at bank	763,293	330,048	487,866	330,038
Restricted cash at bank (not available for use)	12,925	12,815	12,925	12,815
	776,218	342,863	500,791	342,853

(b) Reconciliation of operating loss after income tax to net cash flow from operating activities

Operating (loss) after income tax	(2,368,319)	(2,867,891)	(2,580,638)	(2,867,891)
Non Cash Items				
Depreciation	14,947	14,935	14,918	14,896
Provision for doubtful debts	247,880	-	1,627,468	365,585
Provision for diminution in investments	1,054,869	100,000	-	-
Exploration costs written off	444,609	2,231,015	385,206	2,013,585
Loss on sale of assets	-	1,504	-	1,504
Net exchange differences	(2,227)	-	-	-
Change in operating assets and liabilities, net of effects from purchase of controlled entity				
(Increase) / decrease in receivables	(12,292)	3,140	5,220	1,963
Increase / (decrease) in creditors	23,863	(18,910)	20,517	(21,410)
Increase / (decrease) in provisions	(25,950)	(13,073)	(25,950)	(13,073)
Net cash (outflow) from operating activities	(622,620)	(549,280)	(553,259)	(504,841)

		Consolidated	
		2004	2003
20.	**EARNINGS PER SHARE**	cents	cents
(a)	Basic and diluted earnings per share	(0.58)	(0.91)
(b)	Weighted average number of shares outstanding during the year used in the calculation of basic earnings per share	411,796,530	313,457,860

As disclosed in note 12 the company has on issue 115,844,642 listed options to subscribe for fully paid ordinary shares exercisable at 5 cents at any time on or before the expiry date 31 December 2007. As the exercise price of these options at balance date was greater than the market price of the shares, it is considered the options are unlikely to be exercised and consequently have not been considered dilutive.

All other unlisted options on issue at 30 June 2004 are not considered to be dilutive potential ordinary shares as it is the directors opinion that, based on the conditions existing at balance date, it is unlikely that the options would have been exercised.

None of the options have been included in the determination of basic earnings per share. Details relating to options are set out in Note 12.

Reconciliation of earnings used in calculating basic earnings per share

	Consolidated	
	2004	2003
	$	$
Net Loss	(2,368,319)	(2,867,891)

21. JOINT VENTURES

The consolidated entity has interests in the following unincorporated exploration joint ventures:

Joint Venture	**Principal Activities**	**Interest 2004**	**Interest 2003**
Company:			
Oropa Limited			
Golden Valley	Mineral Exploration	5%	5%
Mt Keith	Mineral Exploration	10%	80%
King George	Mineral Exploration	50%	50%
Lime Kilns	Mineral Exploration	85%	85%
Controlled Entities:			
Inland Goldmines Pty Limited			
Hakes Find	Mineral Exploration	75%	75%
Excelsior Resources Limited			
Mulgabbie	Mineral Exploration	95%	70%
Aberfoyle Pungkut Investments Pte Ltd			
Pungkut	Mineral Exploration	75%	75% (Earning)

At balance date the exploration and evaluation expenditure in respect of areas of interest subject to joint ventures were included in other non-current assets of the consolidated entity and company at $224,263 (2003 - $469,488) and $138,983 (2003 - $393,443) respectively. For details of capital expenditure commitments relating to joint ventures (refer note 17).

22. FINANCIAL INSTRUMENTS

Credit Risk Exposure
Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in a loss to the consolidated entity.

The credit risk exposure on financial assets of the company which have been recognised on the Statement of Financial Position is generally the carrying amount, net of any provisions for doubtful debts. In the case of cash deposits, credit risk is minimised by depositing with recognised financial intermediaries such as banks subject to Australian Prudential Regulation Authority supervision.

Interest Rate Risk Exposures
The company's exposure to interest rate risk is limited to the floating market rate for cash and cash deposits and fixed rate for hire purchase obligations. All other financial assets and liabilities are non interest bearing and the consolidated entity intends to hold fixed rate assets and liabilities to maturity. The weighted average interest rate during the year for cash and cash deposits was 8.91% (2003: 4.42%)

Net Fair Value of Financial Assets and Liabilities
The net fair value of financial assets and financial liabilities of the company approximates their carrying value, except for investments listed on a prescribed stock exchange as disclosed in note 5.

23. EVENTS OCCURRING AFTER REPORTING DATE

On 24 August 2004, Oropa issued 9,259,259 ordinary shares to Western Metals Copper Limited and 18,518,519 shares to Pacmin Mining Corporation Limited pursuant to the Option to Purchase Shares Agreement dated 13 January 2003. An announcement was made on 20 April 2004 advising that Oropa had exercised its option to acquire 100% of the shares in Aberfoyle Pungkut Investments Pte Ltd (API). API holds a 75% interest in the Pungkut Contract of Work in Northern Sumatra, Indonesia, with Indonesian Government mining company, P.T. Aneka Tambang holding the remaining 25%. Settlement of this transaction was initially scheduled to be completed by 29 April 2004, however delays were experienced with settlement.

There has been no other matter or circumstance that has arisen since 30 June 2004 that has significantly affected or may significantly affect:

a. the consolidated entity's operations in future financial years, or
b. the results of those operations in future years, or
c. the consolidated entity's state of affairs in future years.

24. SEGMENT INFORMATION

Primary Reporting – geographical segments

The geographical segments of the consolidated entity are as follows:

2004

	Australia	South East Asia	India	Unallocated	Consolidated
	$	$	$	$	$
Other revenue	-	6,832	-	49,878	56,710
Segment results	(292,998)	(73,875)	(1,350,172)	(38,428)	(1,755,473)
Unallocated revenue less unallocated expenses					(612,846)
Loss from ordinary activities before income tax					(2,368,319)
Income tax expense					-
Net loss					(2,368,319)
Segment assets	433,767	3,697,394	-	776,218	4,907,379
Segment liabilities	87,559	1,079,124	-	-	1,166,683
Investments	12,116	-	-	-	12,116
Acquisition of property, plant and equipment	5,689	15,279	-	-	21,968
Mineral exploration expenditure written off	316,479	80,707	47,423	-	444,609
Depreciation expense	14,947	-	-	-	14,947

24. SEGMENT INFORMATION (CONTINUED)

2003

	Australia	South East Asia	India	Unallocated	Consolidated
	$	$	$	$	$
Other revenue	-	-	-	11,357	11,357
Segment results	(145,209)	(1,921,180)	(72,089)	(107,478)	(2,245,956)
Unallocated revenue less unallocated expenses					(621,935)
Loss from ordinary activities before income tax					(2,867,891)
Income tax expense					-
Net loss					(2,867,891)
Segment assets	692,472	296,992	1,302,749	342,863	2,635,076
Segment liabilities	95,382	-	-	-	95,382
Investments	110,916	296,992	1,054,869	-	1,462,777
Acquisition of property, plant and equipment	13,210	-	-	-	13,210
Mineral exploration expenditure written off	130,268	1,921,180	72,089	107,478	2,231,015
Depreciation expense	14,935	-	-	-	14,935

Notes to and forming part of the segment information

(a) Accounting policies
Segment information is prepared in conformity with the accounting policies of the entity as disclosed in note 1 and the segment reporting accounting standard AASB 1005 *Segment Reporting*.

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by a segment and consist primarily of operating cash, receivables, property, plant and equipment and goodwill and other intangible assets, net of related provisions. Whilst most of these assets can be directly attributable to individual segments, the carrying amounts of certain assets used jointly by segments are allocated based on reasonable estimates of usage. Segment liabilities consist primarily of trade and other creditors and employee benefits. Segment assets and liabilities do not include income taxes.

Secondary Reporting – Business Segments

The consolidated entity operates predominantly in the mineral exploration industry. There are therefore no business segments requiring disclosure.

DIRECTORS' DECLARATION

The directors declare that the financial statements and notes set out on pages 21 to 46:

(a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
(b) give a true and fair view of the company's and consolidated entity's financial position as at 30 June 2004 and of their performance, as represented by the results of their operations and their cashflows, for the financial year ended on that date.

In the directors' opinion:

(a) the financial statements and notes are in accordance with the Corporations Act 2001; and
(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, however attention is drawn to the matters disclosed in note 1(a).

This declaration is made in accordance with the resolution of directors.

PHILIP C CHRISTIE
Director
Perth

30 September 2004

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
ABN 52 780 433 757

QV1
250 St Georges Terrace
PERTH WA 6000
GPO Box D198
PERTH WA 6840
DX 77 Perth
Australia
www.pwc.com/au
Telephone +61 8 9238 3000
Facsimile +61 8 9238 3999

Independent audit report to the members of Oropa Limited

Audit opinion

In our opinion, the financial report of Oropa Limited:

- gives a true and fair view, as required by the *Corporations Act 2001* in Australia, of the financial position of Oropa Limited and the Oropa Group (defined below) as at 30 June 2004, and of their performance for the year ended on that date, and
- is presented in accordance with the *Corporations Act 2001*, Accounting Standards and other mandatory financial reporting requirements in Australia, and the *Corporations Regulations 2001*.

This opinion must be read in conjunction with the rest of our audit report.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 1(a), there is significant uncertainty whether the entity will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for both Oropa Limited (the company) and the Oropa Group (the consolidated entity), for the year ended 30 June 2004. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

PRICEWATERHOUSECOOPERS

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

When this audit report is included in an Annual Report, our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

N Henry

Nick Henry
Partner

Perth
30 September 2004

ADDITIONAL SHAREHOLDER INFORMATION

The following additional information dated 28 September 2004 is provided in compliance with the requirements of the Australian Stock Exchange Limited.

1 DISTRIBUTION OF LISTED ORDINARY SHARES AND OPTIONS

(a) Analysis of numbers of shareholders by size of holding.

Distribution	Numbers of Shareholders	Number of Option Holders
1 - 1,000	50	13
1,001 - 5,000	189	73
5,001 - 10,000	283	64
10,000 - 100,000	1,677	168
100,000 and over	518	123
	2,717	441

(b) There were 1,136 shareholders holding less than a marketable parcel.

(c) The percentage of the total of the twenty largest holders of ordinary shares was 47.84%

2 TWENTY LARGEST SHAREHOLDERS AND OPTION HOLDERS

The names of the twenty largest shareholders of shares are listed below:

Names	Number of Shares Held	%
ANZ Nominees Ltd	63,384,773	13.43
Macquarie Bank Ltd	31,666,667	6.71
Ganesh International Ltd	25,000,000	5.30
Mr B S Patterson	23,723,376	5.03
Pacmin Mining Corporation Ltd	18,518,519	3.92
Western Metals Copper Ltd	9,259,259	1.96
Berne No 132 Nominees Pty Ltd	7,682,340	1.63
Mr R G Murchison	5,070,370	1.07
Mr B J Hurley	4,893,519	1.04
Ms E P Datin	4,812,500	1.02
Wespac Custodian Nominees Ltd	4,530,000	0.96
Mr C A De Nys	4,355,000	0.92
Mr L Yang	4,000,000	0.85
Bintang Sepadan Sdn Bhd	3,062,500	0.65
Nefco Nominees Pty Ltd	2,902,500	0.61
Ron Lees & Associates Pty Ltd	2,854,796	0.60
Dr G & Ms R Cussell	2,780,300	0.59
Waferbell Pty Ltd	2,503,192	0.53
Polly Pty Ltd	2,500,000	0.53
Merimont Nominees Pty Ltd	2,320,000	0.49
TOTAL	225,819,611	47.84

ADDITIONAL SHAREHOLDER INFORMATION

The names of the twenty largest listed option holders are listed below:

Names	Number of Options Held	%
ANZ Nominees Ltd	10,387,659	8.97
Ganesh International Ltd	9,130,000	7.88
Ms S A Coombes	7,000,000	6.04
Berne No 132 Nominees Pty Ltd	6,283,115	5.42
Kizoz Pty Ltd	4,000,000	3.45
Mr KL Manook	3,096,667	2.67
Mr Greg Mackay	3,000,000	2.59
Renwick Nominees Pty Ltd	3,000,000	2.59
Ms M L Fernandes	3,000,000	2.59
Fortis Clearing Nominees	2,750,000	2.37
Mr R H Donley & Mr KT Moore	2,500,000	2.16
Mr S J Anderson	2,500,000	2.16
Waferbell Ltd	2,420,000	2.09
Mr M & Mrs L Jolob	2,260,000	1.95
Ms T M Gubbings	2,000,000	1.73
Westessa Holdings Pty Ltd	1,700,000	1.47
Geijera Pty Ltd	1,637,000	1.41
Dr G & Ms R Cussell	1,554,999	1.34
Mr LV Johnson	1,400,000	1.21
Cuthorp Pty Ltd	1,090,000	0.94
TOTAL	70,709,440	61.03

3 SUBSTANTIAL SHAREHOLDERS

An extract from the company's register of substantial shareholders is set out below:

Name	Ordinary Shares Held Number	Percentage
Macquarie Bank Ltd	31,666,667	6.71
Ganesh International Ltd	25,000,000	5.30
Mr B S Patterson	23,723,376	5.03

4 VOTING RIGHTS

The company's share capital is of one class with the following voting rights:

(a) Ordinary Shares

On a show of hands every shareholder present in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(b) Options

The company's options have no voting rights.

5 RESTRICTED SECURITIES

There are no ordinary shares on issue that have been classified by the Australian Stock Exchange Limited, Perth as restricted securities.

6 STOCK EXCHANGE LISTING

Oropa Limited shares are listed on the Australian Stock Exchange Limited. The home exchange is the Australian Stock Exchange (Perth) Limited.

SUMMARY OF TENEMENTS HELD BY COMPANY
FOR THE YEAR ENDED 30 JUNE 2004

Project Name	Tenement	Approval Date	Expiry Date	Area (ha)	Equity %
INDIA					
Block D-7		22.01.00		$4600km^2$	18 (2)
INDONESIA					
Pungkut	96PK0042	31.05.96		66,300	75
WESTERN AUSTRALIA					
Golden Valley	E77/1010	30.01.02	29.01.07	22*	5 (3)
	E77/1012	14.08.01	13.08.06	1*	5 (3)
	P77/3295	09.10.00	09.10.04	197.0000	5 (3)
	P77/3301	23.02.01	22.02.05	192.0000	5 (3)
	P77/3302	09.08.00	08.08.04 (4)	190.0000	5 (3)
	P77/3303	09.08.00	08.08.04 (5)	39.0000	5 (3)
	PLA77/3304	U/A			5 (3)
	P77/3307	08.02.01	07.02.05	120.0000	5 (3)
	P77/3313	15.02.00	14.02.04 (6)	9.7000	5 (3)
	M77/123	09.12.86	08.12.07	150.4500	5 (3)
	M77/228	06.04.88	05.04.09	137.2500	5 (3)
	MLA77/1064	U/A			5 (3)
	MLA77/1089	U/A			5 (3)
	MLA77/1090	U/A			5 (3)
King George	E80/1592	23.12.93	22.12.04	18.00*	50
Lime Kilns	M77/559	29.07.92	28.07.13	9.73	85
Mt. Keith					
	M53/490	11.06.04	10.06.25	582.00	10 (3)
	M53/491	11.06.04	10.06.25	621.00	10 (3)
INLAND GOLDMINES PTY LIMITED					
Hakes Find	M77/948	07.01.04	06.01.25	9.68	75
EXCELSIOR RESOURCES LTD					
Mulgabbie	P28/768	07.02.92	06.02.96 (1)	185.00	95
	P28/769	07.02.92	06.02.96 (1)	136.50	95
	MLA28/140	U/A			95
Klondyke	ELA45/2396	U/A		16*	100

NOTES

(1)	Prospecting Licences to remain valid until Mining Lease 28/140 is granted
(2)	Option to increase interest to 27%
(3)	Free carried interests
(4)	Prospecting Licence to remain valid until Mining Lease 77/1090 is granted
(5)	Prospecting Licence to remain valid until Mining Lease 77/1089 is granted
(6)	Prospecting Licence to remain valid until Mining Lease 77/1064 is granted
*	Graticular Blocks
U/A	Under Application