

CONTENTS

CONTENTS

	Page
Corporate Directory	2
Report to Shareholders	3
Prospect Locations	4
Review of Operations	5-10
Corporate Governance Statement	11-12
Tenement Schedule	13
Directors' Report	14-17
Directors' Declaration	18
Statement of Financial Position	19
Statement of Financial Performance	20
Notes to and Forming Part of the Accounts	21-27
Statement of Cash Flows	28-29
Auditors' Report	30
Shareholder Information	31-32

CORPORATE DIRECTORY

COMPANY DIRECTORY

DIRECTORS

Gary James Roper (Managing Director)

Leith Beal

David Ian Chalmers

SECRETARY

Peter Reynold Ironside

REGISTERED AND PRINCIPAL OFFICE

125 Edward Street

Perth WA 6000

Telephone: (08) 9328 4622

Facsimile: (08) 9328 2869

Web Page: www.audax.com.au

email: audax@iinet.com.au

SHARE REGISTRY

Computershare Investor Services Pty Ltd

45 St George's Terrace

Perth WA 6000

Telephone: (08) 9323 2001

SOLICITORS

BHK Legal

19th Floor

109 St George's Terrace

Perth WA 6000

BANKERS

National Australia Bank

50 St Georges Tce

Perth WA 6000

HOME STOCK EXCHANGE

Australian Stock Exchange Ltd

2 The Esplanade

Perth WA 6000

ASX Code: ADX

AUDITORS

Rothsay Chartered Accountants

Level 1

2 Barrack Street

Sydney NSW 2000

REPORT TO SHAREHOLDERS

Finally after 10 years before the courts, the title to the Bronzewing South was awarded to Hot Holdings Pty Ltd on 6 December 2002.

On 4 February 2003 your Directors reached an agreement with Hot Holdings Pty Ltd and Newmont Australia Ltd which provided significant exploration funds to AuDAX and enabled immediate intense exploration of the area immediately south of the Bronzewing Mine.

The Company placed 6,315,000 shares with Newmont at a price of 79 cents thus raising \$5,000,000 and at the same time negotiated a package which requires Newmont to spend \$10,000,000 on exploration to earn 31% interest from AuDAX in 20 sq km's (approximately 18%) of the licence adjacent to the Bronzewing Mine. AuDAX retains approximately 100 sq km's of the licence to explore in its own right on the terms of the original agreement with Hot Holdings.

In keeping with its obligations Newmont has carried out significant exploration of the first 10 sq km's and is currently testing the second 10 sq km block.

Ongoing exploration is producing significant anomalies which will require follow up work, however, to date the project has not delivered the type of results or extensions of the Bronzewing Mine which were widely anticipated.

Bronzewing itself proved to be a very allusive ore body and it would appear that any deposit on Bronzewing South is going to be just as difficult to locate.

The Directors are satisfied that the systematic exploration and testing of the area by your Company's technical staff and Newmont will unearth any deposits which exist on the Bronzewing South project and hopefully this will be achieved before the end of the year.

Other projects in the Company's portfolio including West Yandal and Millrose have not been subject to extensive exploration this year, however, with Bronzewing South settled and cash in the bank, your Directors propose expanding the exploration budget so that these and other opportunities can be pursued.

To oversee this expansion we welcome geologist Glen Edwards to the AuDAX team. Glen was formerly with Normandy/Newmont and has wide ranging geological experience around Australia including two valuable years working in the Yandal belt, in particular the Bronzewing area.

The Company is now in a position to remove the stigma associated with 10 years of litigation and by concentrating all its efforts on exploration to find that elusive gold mine.

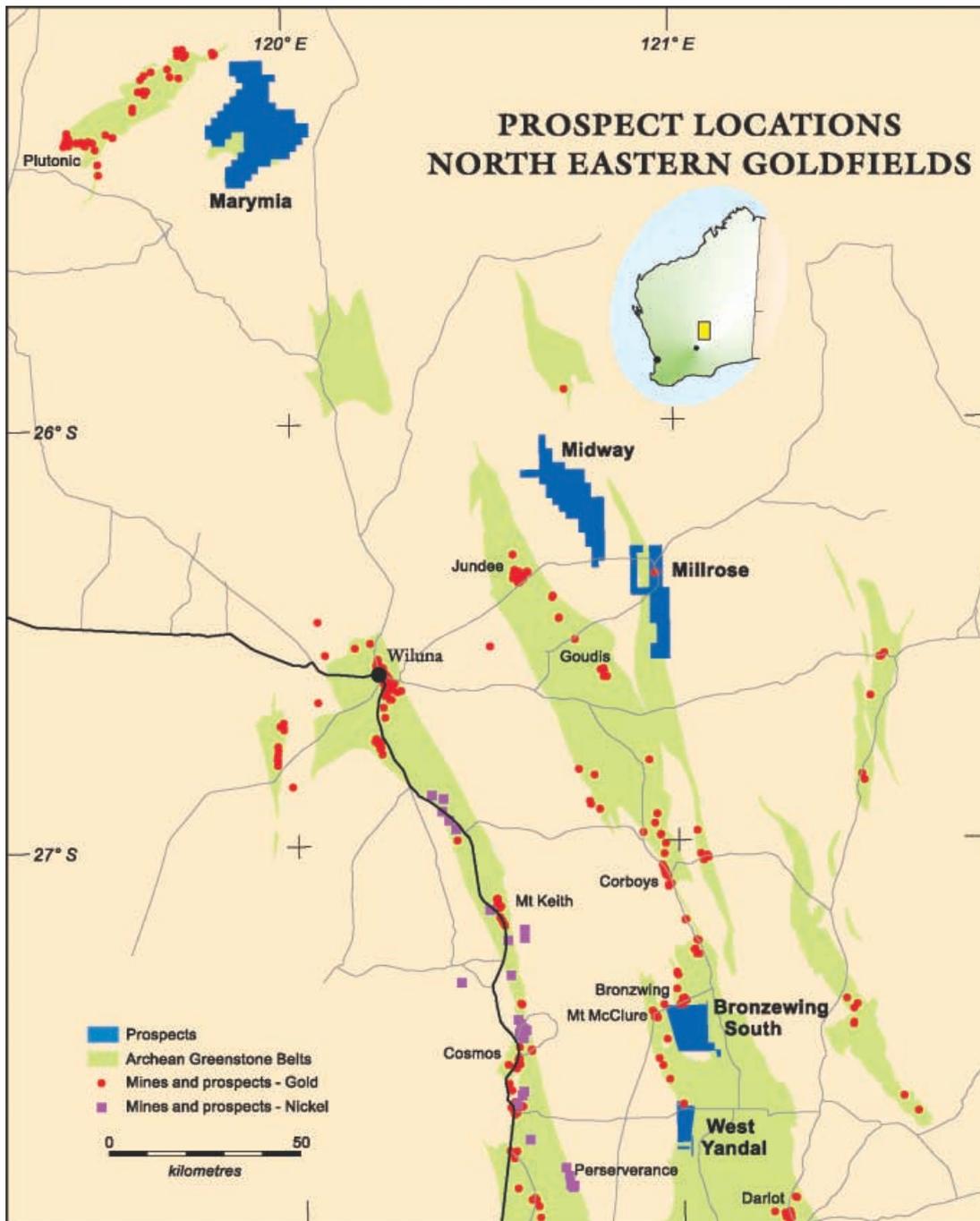
I wish to thank everyone involved directly and indirectly for the support that the Company received over those years and look forward to your continued support in the future as we seek to uncover the secrets of Bronzewing South and expand our horizons to other exciting exploration opportunities.



Gary J. Roper
Managing Director

PROSPECT LOCATIONS

PROSPECT LOCATIONS



REVIEW OF OPERATIONS

Bronzewing South Project
E36/215, M36/602 M36/613
AuDAX Resources Ltd
(option to acquire 80%)
Hot Holdings Pty Ltd (20%)
Newmont Australia Ltd (option
to earn 31% in M36/602 and M36/613)

The Bronzewing South Project area is located within the Yandal Greenstone Belt approximately 65km north-east of Leinster and immediately south of Newmont's Bronzewing Operation.

Exploration Licence 36/215 was granted to Hot Holdings Pty Ltd on the 6th December 2002 following 10 years of litigation. AuDAX Resources Ltd has agreed to acquire 80 per cent of Hot Holdings' interest in this Exploration Licence at the expiration of 12 months from the grant of the title. As a consequence AuDAX was able to reach agreement with Newmont Australia Ltd to enable the immediate commencement of exploration on that portion of the land immediately adjacent to the Bronzewing mine and comprised in ML's 36/602 and 36/613. The Heads of Agreement between Newmont Australia Ltd and AuDAX in relation to that portion of Bronzewing South was signed in February and resulted in AuDAX placing 6,315,000 shares to Newmont at a 20% premium to the market at that time i.e. \$0.79. Newmont also agreed to spend \$10m to earn 31% interest in the area covered by Mining Leases 36/602 and 36/613 which were granted by the Minister for State Development on 30 May 2003.

Up to August 2003 Newmont completed a heritage survey, an orientation soil sampling programme and acquired, processed and interpreted high-resolution airborne magnetic and radiometric data. Newmont also completed a reconnaissance geochemical drilling program

on ML36/602. The program consisted of two phases of RAB/aircore drilling for a total of 562 holes for 34,418m.

While not locating a significant oxide resource, results are viewed as encouraging both in terms of geology and geochemistry and exhibited many features similar to those seen at Bronzewing.

Favourable characteristics include:-

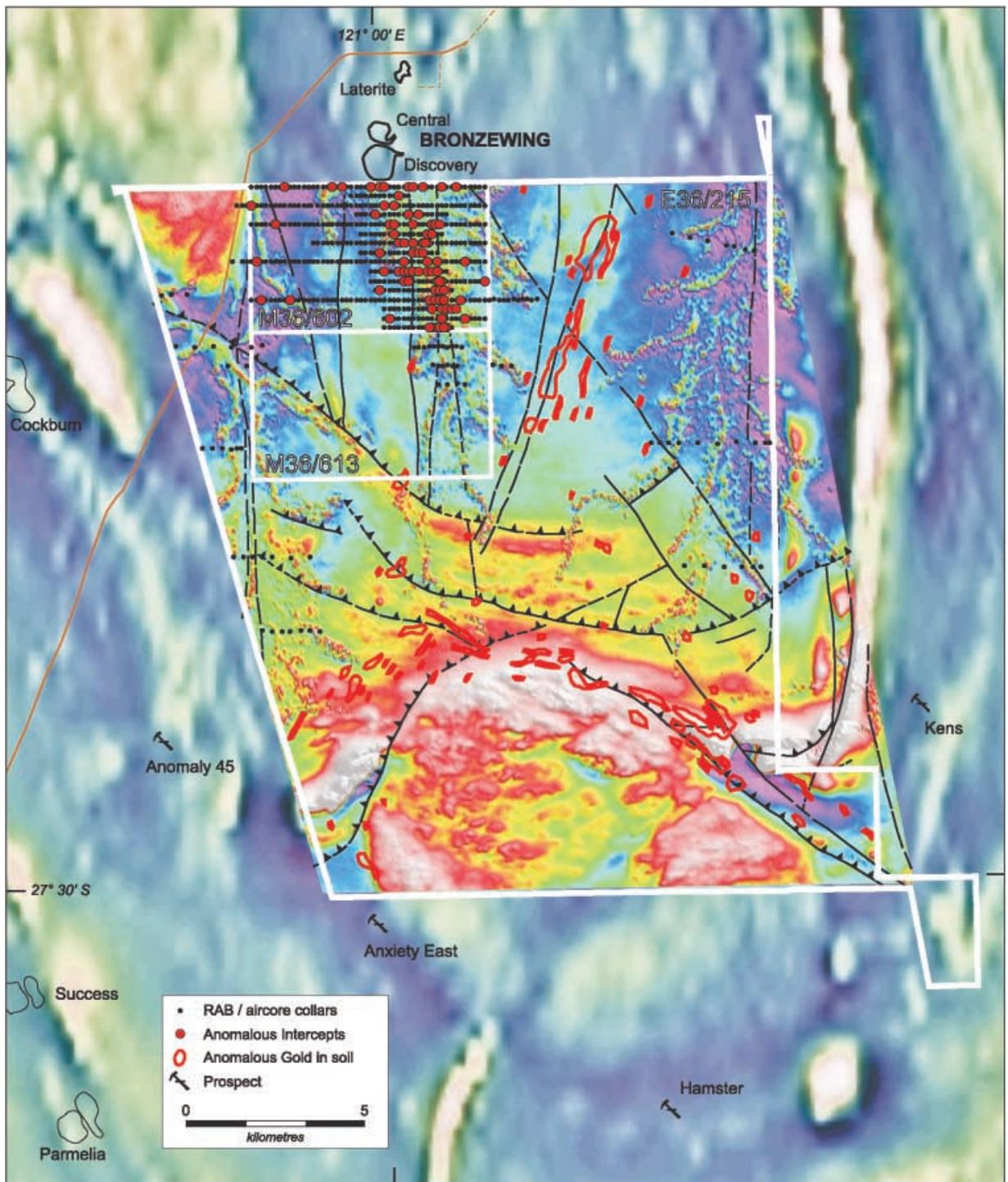
1. the continuation of the Bapinmarra Sill, Bronzewing Basalt and Discovery Granodiorite to the south,
2. the presence of a wide corridor of partitioned shearing and deformation located within and to the east of the Bapinmarra Sill, and,
3. intense deformation, alteration and quartz veining associated with anomalous gold and multi-element geochemistry.

This drilling defined a number of discrete targets, the most significant being the Central East and South Eastern Zone Anomalies. Newmont subsequently drilled one further underground and three surface RC/diamond holes (450m RC and 1477m core) in order to evaluate and obtain structural information from higher priority conceptual and geological/geochemical targets.



REVIEW OF OPERATIONS

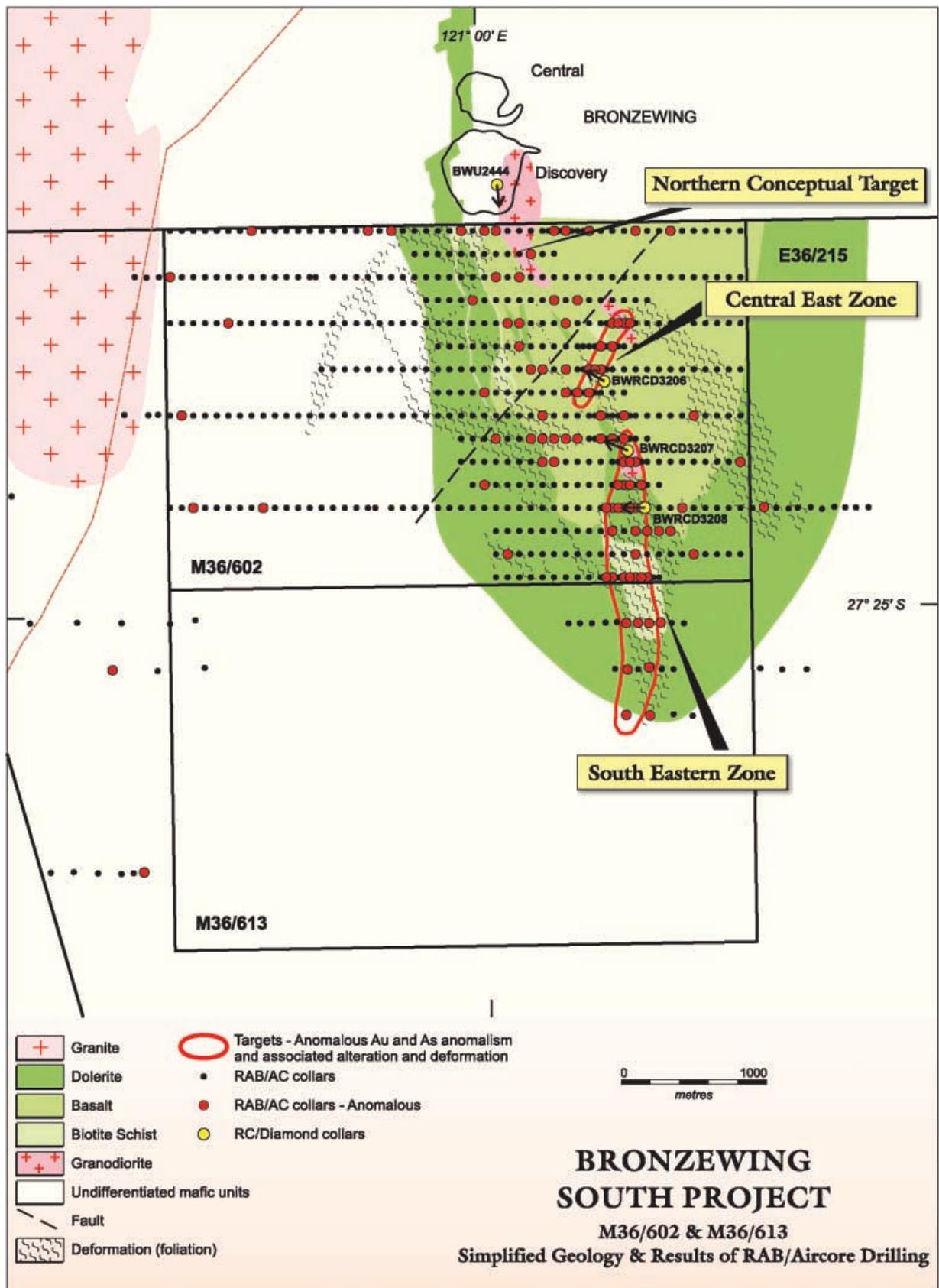
REVIEW OF OPERATIONS



BRONZEWING SOUTH PROJECT

Results of Phase 1 RAB/aircore Drilling and Soil Sampling
on Total Magnetic Intensity Image

REVIEW OF OPERATIONS



REVIEW OF OPERATIONS

Table 1. Significant intercepts RC/DD Holes

Hole No	Northing	Easting	Dip	Azimuth	Interval (m)	From - To (m)	Grade Au g/t
BWRCD3206	6967408	303105	-55	300	0.9	197.9-199	0.53
BWRCD3207	6966929	303265	-55	300	1.0	165-166	0.88
					1.0	258-259	0.36
BWRCD3208	6966531	6966531	-55	270	2.0	161-163	3.45
					6.0	184-190	0.59
					incl. 1.0	188-189	2.54
					8.0	223-231	0.68
					incl. 1.0	230-231	4.42
					1.0	242-243	3.27

*Gold was determined by Fire Assay

A sub-horizontal 802m diamond hole drilled from 350m below surface to test a conceptual target and possible repetition of the Bronzewing lodes failed to return any significant intercepts.

Holes BWRC3206 and 3207 designed to evaluate the central eastern and extreme northern portion of the South Eastern Zone anomaly while returning a number of anomalous results, failed to return significant economic intercepts. Drilling indicated the mineralised shear zones and quartz-carbonate veins were west-north-west striking and gently north dipping. Drilling directions were probably not optimal and both anomalies remain open at depth and along strike.

Hole BWRC3208, drilled into the northern portion of the South Eastern Zone Anomaly was particularly encouraging. The hole intersected an extensive zone of veining and alteration in deformed dolerite and basalt from 155 metres to 259 metres. A number of significant intercepts were returned including 2m @ 3.45g/t from 161m, 6m @ 0.59g/t from 184 and 8m @ 0.68g/t from 223m. Mineralisation is associated with quartz veins, strong carbonate, moderate white mica alteration and finely disseminated sulphides in vein selvages. The anomaly remains open along strike and at depth.

This and a number of other RAB/aircore anomalies remain only partially tested or totally untested and further RC/diamond drilling will be needed to evaluate these targets.

AuDAX has also conducted an exploration programme following the completion of a heritage survey. The Company undertook regional regolith mapping and soil (4446), lag



REVIEW OF OPERATIONS

(207) and rock chip (154) sampling programs on M36/612 and portion of E36/215. Soil and rock chip sampling returned a number of interesting anomalies. The most significant of these is the Thompsons Well grid anomaly, a robust north-north-east striking gold in soil anomaly ~100-440m wide with a strike length of 3.8km. The anomaly is located to the east of the Bronzewing structural corridor and appears to be associated with a north-north-east striking shear zone located on the eastern flank of the Bronzewing anticline.

Reconnaissance geochemical RAB/aircore drilling (86 holes for 7281m) of structural/magnetic targets on M36/613 and E36/215 by AuDAX returned a number of interesting geological and geochemical anomalies. The most significant of these anomalies was the southern extension of the South Eastern Zone Anomaly defined by Newmont. Three widely spaced reconnaissance traverses extended this zone for a further 900m to the south of the previous Newmont drilling. Gold anomalies appear to be associated with quartz-carbonate veining, sulphides and white mica.

RAB/aircore, soil, rock chip and conceptual magnetic/structural targets will be evaluated with RAB/aircore drilling.

Millrose Project

E53/600, M(A)53/788, M(A)53/882-886

AuDAX Resources Ltd 47.38%

Mines & Resources Australia Pty Ltd 52.62%

E(A)53/904 AuDAX Resources 100%

The Millrose Project is located within the Yandal/Millrose Greenstone Belt approximately 80km south-east of Wiluna and 30km east of Newmont's Jundee Operations. The project is currently managed by Mines & Resources Australia Pty Ltd and although relatively little work has been done during the year a detailed review of the area is currently being undertaken by AuDAX in an attempt to advance the project. Initial indications are that there is still potential to upgrade the existing resource, to further test partly drilled areas immediately along strike from the resource and to test more regional targets.

Sufficient drilling has been completed to enable a preliminary assessment of the resource potential of the northern portion of the Old Camp Bore Prospect.

The Identified Mineral Resources, quoted at the appropriate levels of precision, are shown in the table below.

MILLROSE RESOURCES at 1.0g/t Gold Cut off Grade

	INDICATED			INFERRED			TOTAL		
	Tonnes	Grade	Metal (oz)	Tonnes	Grade	Metal (oz)	Tonnes	Grade	Metal (oz)
Transported	104,000	1.81	6,000	75,000	1.60	4,000	179,000	1.72	10,000
Supergene	542,000	3.59	63,000	36,000	4.43	5,000	578,000	3.64	68,000
Oxide	464,000	2.02	30,000	29,000	2.38	2,000	493,000	2.04	32,000
Fresh	1,305,000	1.88	79,000	1,106,000	1.74	62,000	2,411,000	1.82	141,000
TOTAL	2,415,000	2.29	178,000	1,246,000	1.83	73,000	3,661,000	2.13	251,000

The resources estimate was conducted and classified in accordance with the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves, JORC, 1999 by Andrew Grove, a Senior Resource Geologist for Mines and Resources Australia Pty Ltd, who is a Member of the Australian Institute of Geoscientists.

REVIEW OF OPERATIONS

REVIEW OF OPERATIONS

Mineralisation is located within a steep east dipping, north south striking shear zone developed within intermediate to felsic volcanoclastic, tuffs and epiclastic sediments. Narrow BIF units to the west of the main mineralised zone provide useful geological markers.

This resource estimate was compiled over the northern 700m of the Old Camp Bore Prospect only as drill hole spacing is inadequate elsewhere. A further 900m of mineralised strike length remains to be tested by RC/diamond drilling. There is therefore significant potential to upgrade these resources in the future. Also the structure hosting the mineralisation, the Celia Lineament, is present throughout the length of the project area but remains untested for the majority of its length. Further testing of this structure is considered necessary and is proposed once a complete review of existing data has been completed.

West Yandal Project

E36/404

AuDAX Resources Ltd 49%

Newmont Yandal Ltd 51%

The West Yandal Project area is located within the Yandal Greenstone Belt approximately 50km north-east of Leinster and 30km south of Newmont's Bronzewing Operation. The project is currently managed by Newmont Yandal Ltd which currently has 51% equity and may earn an additional 29% for the expenditure of \$400,000 on exploration.

Previous soil sampling, mapping, RAB, aircore, RC and diamond drilling had defined a number of prospects along a regional north-north-west striking moderately east dipping mineralized structure known locally as the South West Trend. Prospects defined to date within E36/404 include Venus, Vulcan and Apollo, all lying to the south of the Dragon Opencut, one of four such open cuts along this

trend. Mineralisation is typically associated with north south trending shears within and on the contact of talc-chlorite-tremolite schist and meta basalts and dolerites.

RAB/aircore drilling (3391m) of subtle soil anomalies and conceptual structural/magnetic targets by Newmont failed to return any significant anomalies. However RC drilling at Venus (7 RC holes for 470 metres) returned a number of significant high-grade intercepts that suggest the presence of south-east plunging high-grade shoots within an overall north-south striking, moderately east dipping mineralized shear zone. Better results include:

- 8m @ 16.2g/t gold from 37m, and
- 3m @ 6.76g/t gold from 100m.

Further RC/diamond drilling is proposed for later this year.

Marymia Project

E(A)52/1687, E(A)52/1688

AuDAX Resources Ltd 100%

The Marymia Project is located approximately 180km north east of Meekathara and lies within the Marymia Dome, an Archean basement high, situated within the major Proterozoic Capricorn Orogenic Belt.

Exploration carried out during the 1990's consisting of acquisition, processing and interpretation of remote sensing data, mapping, soil, lag, rock chip, RAB and limited RC and diamond drilling, resulted in the definition of a number of significant anomalies. Geology, structure and mineralisation encountered to date are considered encouraging.

A detailed assessment of the available data will be undertaken with a view to advancing the project either through self funding or by means of a joint venture with a major.

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE

The Board of Directors of AuDAX Resources Ltd is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company, on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Directors have the authority to delegate any of their powers to committees consisting of such Directors as they think fit. However, as a result of the Company's current position in respect to the composition of the Board, the size of the Company and the minimal complexities involved in its financial activities, the Company is not in a position to justify the establishment of a nomination, remuneration or audit committee, which would consist entirely of non-Executive Directors.

To ensure the Board is equipped to discharge its responsibilities, it has established guidelines for the operation of the Board. Set out below are the Company's main corporate governance practices as they currently operate, as well as its long term objectives for when the need and opportunity arises to implement further practices.

Unless otherwise stated, all these practices were in place for the entire year.

BOARD OF DIRECTORS

The names of the Directors of the Company in office at the date of this statement are set out in the Directors' Report.

- The Board of Directors operates in accordance with the following broad principles:
the board should comprise at least 3 directors, but no more than 9. The number of directors may be increased where it is felt that additional expertise is required in specific areas, or where an outstanding candidate is identified;

- the board should comprise of Directors with an appropriate range of qualifications, expertise and a broad range of experience;
- at every Annual General Meeting, one third (1/3) of the Directors (except a Managing Director) shall retire from office, so that no Director shall retain office for more than three years. At the time of rotation a Director may submit himself for re-election;
- the Board should meet regularly, and have available all necessary information to participate in an informed discussion of agenda items;

The Board appreciates the current trend towards more non-executive Directors and as a consequence the Company's objectives in terms of the composition of the Board for the future are, in addition to the above, as follows:

- the maximum age for Directors of 70;
- on appointment, Directors should desirably be able to serve a minimum of 3 years before retirement;
- non-executive Directors should agree not to seek re-election after 15 years service.

The composition of the Board is reviewed at least annually by Directors, to ensure that the Board has the approximate mix of expertise, experience and non-executives to meet the requirements of the Company.

INDEPENDENT PROFESSIONAL ADVICE

Under the Articles of Association, the Directors are entitled to be paid expenses incurred in connection with the execution of their duties as Directors. As a result of this, each Director is able to seek independent professional advice at the Company's expense, where it is in connection with his duties and responsibilities as a Director. The Company policy is for the Director to obtain written approval of the Chairman, which will not be unreasonably withheld.

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE

NOMINATION

In the event a vacancy exists, or where it is considered that the Company would benefit from the services of a new Director with particular skills, the Board will appoint a Director from a panel of candidates with the appropriate expertise and experience.

The potential candidates will be identified by the Board (or committee of Directors, if delegated) and advice may be obtained from an external consultant. The Board then appoints the most suitable candidate, who shall hold office until the next Annual General Meeting, where the appointee is required to stand for re-election.

REMUNERATION

The Board is responsible for determining and reviewing compensation arrangements for the Directors and the Executive team. The role also includes responsibility for share option schemes, superannuation entitlements, retirement and termination entitlements, fringe benefits policies, liability insurance and other terms of employment.

The Board will review the arrangements having regard to performance, relevant comparative information and may at its discretion obtain independent expert advice on the appropriateness of remuneration packages. Remuneration packages are set at levels that are intended to attract and retain Executives capable of managing the Company's activities.

In the event that share options are allotted to a Director, the allotment will be ratified at a General Meeting of Shareholders. Further details of Directors and Executives remuneration are set out in the notes to the accounts.

AUDIT

Due to the size of the Company and the minimal complexities involved in its financial activities, the Company is not in a position to justify the establishment of an audit committee. In addition, the composition of the Board

would not allow for such a committee to consist entirely of non-executive Directors. All matters which might be properly dealt with by such a committee are the subject of scrutiny at Board meetings. Matters that are considered, include:

- reviewing the annual report, financial statements and other information distributed externally
- reviewing audit reports and letters to the Board from the external auditors;
- liaising with external auditors and ensuring the annual and half year audits are conducted in an effective manner;
- nomination of the external auditor and reviewing the adequacy of the scope and quality of annual and half year audits;
- monitoring the establishment of an appropriate internal control framework;
- improving the quality of the accounting function; and
- monitoring compliance with the Corporations Law, Stock Exchange Listing Rules, and any matters outstanding with other regulatory and financial authorities.

ETHICAL STANDARDS

All Directors, Executives, Managers and Employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

RISK ASSESSMENT AND MANAGEMENT

The Board of Directors has identified that as the Company awaits a final resolution to the Bronzewing dispute, there are issues and risks that arise which need to be addressed promptly. Consequently, a management committee was established on 5 July 1996 comprising Mr Gary Roper (Managing Director) and Mr Peter Ironside (Company Secretary) to monitor the management of issues and risks previously identified, and to identify new risks or issues, and implement appropriate action to manage them. The committee is expected to meet in person or by phone at least fortnightly.

TENEMENT SCHEDULE

TENEMENT SCHEDULE

AS AT 30 JUNE 2003

Prospect	Tenement	Interest
Bronzewing South	E36/215	Option over 80% (Agreement with Leith Beal - Hot Holdings Pty Ltd)
	M36/602	Option over 80% (Agreement with Leith Beal - Hot Holdings Pty Ltd)
	M36/613	Option over 80% Agreement with Leith Beal - Hot Holdings Pty Ltd)
Dulcie	E77/351	Sons of Gwalia Ltd 80%
Eucalyptus	E39/480	50% Enterprise Gold Mines NL 50%
	E(A)39/815	50% Enterprise Gold Mines NL 50% <i>Not Yet Approved</i>
	M(A)39/464	50% Enterprise Gold Mines NL 50% <i>Not Yet Approved</i>
	M(A)39/465	50% Enterprise Gold Mines NL 50% <i>Not Yet Approved</i>
	M(A)39/466	50% Enterprise Gold Mines NL 50% <i>Not Yet Approved</i>
Gindalbie	E(A)31/491	100% <i>Not Yet Approved</i>
	E(A)31/492	100% <i>Not Yet Approved</i>
Marymia	E(A)52/1687	100% <i>Not Yet Approved</i>
	E(A)52/1688	100% <i>Not Yet Approved</i>
Midway	E(A)53/835	100% <i>Not Yet Approved</i>
	E(A)53/836	100% <i>Not Yet Approved</i>
Millrose	E(A)53/904	100% <i>Not Yet Approved</i>
	E53/600	47.38% Mines & Resources Aust Pty Ltd 52.62%
	M(A)53/788	47.38% Mines & Resources Aust Pty Ltd 52.62% <i>Not Yet Approved</i>
	M(A)53/882	47.38% Mines & Resources Aust Pty Ltd 52.62% <i>Not Yet Approved</i>
	M(A)53/883	47.38% Mines & Resources Aust Pty Ltd 52.62% <i>Not Yet Approved</i>
	M(A)53/884	47.38% Mines & Resources Aust Pty Ltd 52.62% <i>Not Yet Approved</i>
	M(A)53/885	47.38% Mines & Resources Aust Pty Ltd 52.62% <i>Not Yet Approved</i>
M(A)53/886	47.38% Mines & Resources Aust Pty Ltd 52.62% <i>Not Yet Approved</i>	
Mt Barnicoat	M(A)38/406	80% BD Richardson 20% <i>Not Yet Approved</i>
	M(A)38/713	80% BD Richardson 20% <i>Not Yet Approved</i>
	M(A)38/714	80% BD Richardson 20% <i>Not Yet Approved</i>
	M(A)38/715	80% BD Richardson 20% <i>Not Yet Approved</i>
West Yandal	E36/404	49% Normandy Yandal 51% (right to earn up to 80%)

DIRECTORS' REPORT

DIRECTORS' REPORT

The Directors present their report on the results of the Company for the year ended 30 June, 2003 and the state of affairs at that date.

DIRECTORS

The names of the Directors in office at the date of this report are:

Mr Gary James Roper
Mr Leith Beal
Mr David Ian Chalmers

PRINCIPAL ACTIVITY

The principal activities of the Company in the course of the year were the acquisition of mineral tenements, mineral exploration and investment.

OPERATING RESULTS

The net loss of the Company for the year, after provision for income tax amounted to \$570,867 [2002: \$624,758]

DIVIDENDS

No dividends were paid during the year and no recommendation is made as to dividends.

REVIEW OF OPERATIONS

A review of the operations of the Company for the year together with future prospects which form part of this report are set out in the exploration review.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in financial years subsequent to the financial year ended 30 June, 2003.

LIKELY DEVELOPMENTS

The Company intends to continue its exploration programme on its existing tenements, and to acquire further suitable tenements for exploration.

MEETINGS OF DIRECTORS

During the financial year, 13 meetings of directors were held. The number of meetings attended by each director during the year is as follows:

Mr Gary James Roper	13
Mr Leith Beal	12
Mr David Ian Chalmers	13

DIRECTORS' QUALIFICATIONS AND EXPERIENCE

DIRECTORS' QUALIFICATIONS

ROPER, GARY JAMES.

(Executive Managing Director)

Mr Roper has had extensive administrative experience in both government and commerce, principally in the areas of tenement management and co-ordination of exploration staff and programmes. He was a founding Director of AuDAX and has been Managing Director since 1987.

BEAL, LEITH

(Non-Executive Director)

Mr Beal is a Mining Tenement Consultant with many years experience in the mining industry. He spent 12 years with the Western Australia Department of Minerals and Energy and has been an independent tenement management consultant for various companies.

CHALMERS, DAVID IAN

MSc, FAusIMM, FIMM, FSEG, FAIG, FAICD, MGSA

(Non-Executive Director)

Mr Chalmers is a geologist with a Master of Science degree. He has worked in the mining and exploration industry for over 33 years, many with international corporations, during which time he has had experience in all facets of exploration from grass roots through feasibility and development up to the production phase. He is currently a principal of Multi Metal Consultants Pty Ltd and is a director of Alkane Exploration Ltd.

AUDIT COMMITTEE

No audit committee has been established due to the small size of the Company, the number of Directors, and the fact that the auditor has full access to the Board throughout the year.

ENVIRONMENTAL ISSUES

The Company would be subject to performance bonds for the rehabilitation of a mining tenement. These performance bonds are required by the Mines Department to cover environmental regulation rehabilitation.

DIRECTORS' INTERESTS AND BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts or received as the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest other than:

- a) consulting fees paid to Runyon Pty Ltd, an entity of which Mr Leith Beal is a director and shareholder; and
- b) consulting fees and disbursements paid to Multi Metal Consultants Pty Ltd of which Mr Ian Chalmers is a director and shareholder.

This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors and shown in the Company's accounts, prepared in accordance with the Corporations Regulations, or the fixed salary of a full-time employee.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

The following ordinary shares were issued during the financial year on the exercise of options:

Date options granted	Issue price of shares	Number of shares issued
14 November 2000	\$0.2500	1,000,000
28 August 2001	\$0.3000	96,382

DIRECTORS' QUALIFICATIONS AND EXPERIENCE

DIRECTORS' QUALIFICATIONS

EMPLOYEE OPTION SCHEME

300,000 Options exercisable at 40 cents each on or before 31 December 2005 were issued under the Company's Employee Option Scheme during the financial year.

DIRECTORS' AND EXECUTIVES' EMOLUMENTS

The Board decides on remuneration policies and practices generally.

Executive remuneration and other terms of employment are reviewed annually by the directors having regard to performance against goals set at the start of the year, and take into account relevant comparative information. As well as a base salary, remuneration packages include superannuation, retirement and termination entitlements, performance-related bonuses and fringe benefits.

Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the consolidated entity's diverse operations.

Remuneration of non-executive directors is determined by the Board within the maximum amount approved by the shareholders from time to time. Non-executive directors are also entitled to retirement benefits in accordance with a shareholder-approved scheme.

Details of the nature and amount of each element of each director and each of the officers of the company receiving the highest emoluments are set out in the following tables.

EXECUTIVE DIRECTOR OF AUDAX RESOURCES LTD

Name	Director's Base Salary	Consulting Fee	Superannuation	Total
	\$	\$	\$	\$
Gary Roper	130,000	-	11,700	141,700

NON-EXECUTIVE DIRECTORS OF AUDAX RESOURCES LTD

Name	Director's Base Fee	Fees for Services	Superannuation	Total
	\$	\$	\$	\$
Leith Beal	19,500	59,860	1,755	81,115
Ian Chalmers	19,500	15,341	1,755	36,596

OTHER EXECUTIVES OF AUDAX RESOURCES LTD

Name	Base Salary	Superannuation	Total
	\$	\$	\$
Peter Ironside (Company Secretary)	19,800	-	19,800

There are no other executives of AuDAX Resources Ltd.

DIRECTORS' INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

AS AT 30 JUNE 2003

Name of Director	Shares Held Directly	Shares Held Indirectly	Options Held Directly	Options Held Indirectly
Gary James Roper	1,875,390		2,210,194	
Leith Beal	2,062,302	2,108,500	2,581,151	1,024,250
David Ian Chalmers		87,334		1,038,667

Signed at Perth in accordance with a resolution of Directors.



Gary J Roper

Managing Director



Leith Beal

Director

Dated this 26th day of September 2003

DIRECTORS' DECLARATION

DIRECTORS' DECLARATION

In the opinion of the Directors of AuDAX Resources Ltd:

- (a) the financial statements and notes, set out on the following pages are in accordance with the Corporations Law including:
 - i. giving a true and fair view of the financial position of the Company as at 30 June 2003 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date, and
 - ii complying with Accounting Standards, other mandatory professional reporting requirements and the Corporations Regulations; 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.

Signed at Perth in accordance with a resolution of the Directors:



Gary J. Roper
Managing Director

Dated this 26th day of September 2003

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL AS AT 30 JUNE, 2003

	NOTES	2003 \$	2002 \$
CURRENT ASSETS			
Cash		85,653	35,635
Receivables	4	26,238	2,118
Investments	5	288,056	210,938
Other	6	4,719,315	-
TOTAL CURRENT ASSETS		5,119,262	248,691
NON-CURRENT ASSETS			
Property, Plant & Equipment	7	189,351	106,388
Other	8	4,368,741	4,067,618
TOTAL NON-CURRENT ASSETS		4,558,092	4,174,006
TOTAL ASSETS		9,677,354	4,422,697
CURRENT LIABILITIES			
Payables	9	42,165	48,224
Provisions	10	8,542	6,540
TOTAL CURRENT LIABILITIES		50,707	54,764
TOTAL LIABILITIES		50,707	54,764
NET ASSETS		9,626,647	4,367,933
SHAREHOLDERS' EQUITY			
Contributed Equity	2	21,868,298	16,038,717
Reserves	3	3,165,542	3,165,542
Accumulated Losses		(15,407,193)	(14,836,326)
TOTAL SHAREHOLDERS' EQUITY		9,626,647	4,367,933

The accompanying notes form part of these accounts.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE, 2003

	NOTES	2003 \$	2002 \$
Revenue from ordinary activities	11	35,111	69,285
Depreciation expense		(15,555)	(12,708)
Employee expenses		(219,545)	(212,619)
Exploration written-off		(79,876)	-
Unrealised gain on investments		61,739	(44,577)
Other expenses from ordinary activities		(352,741)	(424,139)
(Loss) from ordinary activities before related income tax expense	12	<u>(570,867)</u>	<u>(624,758)</u>
Income tax expense relating to ordinary activities	13	<u>-</u>	<u>-</u>
(Loss) from ordinary activities after related income tax expense		(570,867)	(624,758)
Accumulated (Losses) at the beginning of the financial year		<u>(14,836,326)</u>	<u>(14,211,568)</u>
Accumulated (Losses) at the end of the financial year		<u>(15,407,193)</u>	<u>(14,836,326)</u>

The accompanying notes form part of these accounts.

NOTES TO AND FORMING PART OF THE ACCOUNTS

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2003

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES

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

It has been prepared on the basis of historical costs and except where stated does not take into account changing money values or current valuation of non-current assets. The following specific accounting policies have been consistently applied, unless otherwise stated.

A. INCOME TAX

The Company adopts the liability method of tax effect accounting whereby the income tax expense shown in the profit and loss account is based on the operating profit before tax, adjusted for permanent differences. Timing differences which arise due to the different accounting years in which items of revenue and expense are included in the determination of operating profit and taxable income are brought to account as either provision for deferred income tax or an asset described as future income tax benefit. Future income tax benefits are not brought to account unless realisation of the asset is assured beyond any reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit. The amount of these benefits is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the Company will derive sufficient future assessable income and comply with the conditions of deductibility imposed by the law to permit a future income tax benefit to be obtained.

B. EXPLORATION EXPENSES

Exploration, evaluation and development costs are accumulated in respect of each separate area of interest. Such costs are carried forward where they are expected to be recouped through successful development and exploitation of the area of interest or alternatively, by its sale; or where activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves, and active and significant operations in, or in relation to, the area are continuing.

The ultimate recoument of costs related to areas of interest in the exploration and/or evaluation phase is dependent on the successful development and commercial exploitation or sale of the relevant areas. A provision is charged to the profit and loss account until the expenditure results in the development of a mining operation. Costs related to areas of interest in the development stage are amortised upon the commencement of production.

Each area of interest is reviewed annually to determine whether costs should continue to be carried forward in respect of that area of interest. Where it is decided to abandon an area of interest, costs carried forward in respect of that area are written off in full in the year in which the decision is taken. Otherwise, such costs are amortised over the life of the area of interest based on the rate of depletion of the economically recoverable reserves. Provision for the cost of restoration of sites is made at the various relevant stages and included in the cost of that stage.

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2003

C. PROPERTY, PLANT & EQUIPMENT

These are included at cost. Buildings, plant and equipment are depreciated using the straight line method over their estimated useful life commencing from the time the asset is first used or held ready for use. The depreciation rates used for each class of asset are as follows:

Buildings	5%
Plant & Equipment	22.5%

D. JOINT VENTURES

The Company's interest in joint ventures is brought to account by including the appropriate proportions of the relevant assets, liabilities, and costs of the joint venture into the respective categories in the accounts of the Company.

E. MARKETABLE SECURITIES

Shares in listed companies held as current assets are valued at market value at balance date. The gains or losses, whether realised or unrealised, are included in operating profit before income tax.

F. MINERAL TENEMENTS

The Company's activities in the mining industry are subject to regulations and approvals including mining heritage, environmental regulation, the implications of the High Court of Australia decision in what is known generally as the "Mabo" case and any State or Federal legislation regarding native and mining titles. Approvals, although granted in most cases, are discretionary. The question of native title has yet to be determined and could effect any mining title area whether granted by the State or not.

G. EMPLOYEE BENEFITS

Provision is made in respect of the Company's liability for annual leave at balance date.

NOTE 2 - CONTRIBUTED EQUITY

	2003	2002
	\$	\$
A. ISSUED CAPITAL		
66,837,153 ordinary shares fully paid		
(2002 - 57,592,442 ordinary shares fully paid)	21,868,298	16,038,717

During the year 1,000,000 ordinary shares were issued at 25 cents pursuant to the exercise of options, 96,382 ordinary shares were issued at 30 cents pursuant to the exercise of options, 1,833,329 ordinary shares were issued at 30 cents pursuant to the Share Purchase Plan and 6,315,000 ordinary shares were issued at 79 cents pursuant to a placement.

B. SHARE OPTIONS

As of 30 June, there were 30,311,410 options outstanding exercisable at 30 cents each until 31 December 2003

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2003

	2003	2002
	\$	\$
NOTE 3 - RESERVES		
Option Premium	2,915,542	2,915,542
Asset Revaluation	250,000	250,000
	<u>3,165,542</u>	<u>3,165,542</u>

NOTE 4 - CURRENT ASSETS - RECEIVABLES

Trade Debtors	-	-
GST Receivable	26,238	2,118
	<u>26,238</u>	<u>2,118</u>

NOTE 5 - CURRENT ASSETS - INVESTMENTS

Shares in Corporations listed on a prescribed stock exchange at market value	288,056	210,938
	<u>288,056</u>	<u>210,938</u>

NOTE 6 - CURRENT ASSETS - OTHER

Short Term Deposits	4,719,315	-
	<u>4,719,315</u>	<u>-</u>

NOTE 7 - NON-CURRENT ASSETS - PROPERTY, PLANT & EQUIPMENT

Land & Buildings - at cost	251,517	251,517
Less: Accumulated Depreciation	(157,705)	(145,129)
	<u>93,812</u>	<u>106,388</u>
Equipment and Motor Vehicles - at cost	146,108	407,245
Less: Accumulated Depreciation	(50,569)	(407,245)
	<u>95,539</u>	<u>-</u>
Total Property, Plant & Equipment	<u>189,351</u>	<u>106,388</u>

NOTE 8 - NON-CURRENT ASSETS - OTHER

Exploration & Evaluation expenditure costs carried forward in respect of areas of interest	4,368,741	4,067,618
	<u>4,368,741</u>	<u>4,067,618</u>

During the year ended 30 June 2003 the Directors reviewed the valuation of the Company's interests in mining tenements to reflect the future exploration and income potential of the areas.

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2003

	2003	2002
NOTE 9 - CURRENT LIABILITIES - PAYABLES	\$	\$
Accounts payable	42,165	48,224

NOTE 10 - CURRENT LIABILITIES - PROVISIONS

Employee entitlements	8,542	6,540
-----------------------	-------	-------

NOTE 11 - OPERATING REVENUE

Interest received - other persons	29,610	7,211
Dividends received	1,931	546
Profit on sale of shares	-	57,868
Other revenues from ordinary activities	3,570	3,660
	<u>35,111</u>	<u>69,285</u>

NOTE 12 - OPERATING LOSS

The operating loss from ordinary activities has been determined after including as charges:

Auditors' remuneration		
- auditing the accounts	11,000	11,000
- other services	1,000	1,000
(the auditors received no other benefits)		
Provision for employee entitlements	2,002	771

NOTE 13 - INCOME TAX EXPENSE

Estimated future income tax benefits attributable to tax losses and timing differences available to be carried forward amount to \$6,265,936 (2002: \$6,094,676)

This benefit which has not been brought to account, will only be obtained if the Company:

- derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised;
- continues to comply with the conditions for deductibility imposed by the law; and
- there are no changes in the tax legislation affecting the Company in realising the benefit.

NOTE 14 - EARNINGS PER SHARE

Basic earnings per share (cents per share)	Nil	Nil
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	66,837,153	57,592,442

Diluted earnings per share are not disclosed as they are not materially different to basic earnings per share.

NOTES TO AND FORMING PART OF THE ACCOUNTS

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2003

NOTE 15 - CAPITAL COMMITMENTS

In order to maintain current rights of tenure to exploration tenements the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the WA State Government. The estimated exploration and joint venture expenditure commitments for the ensuing year amount to \$500,000 (2002: \$150,000). This expenditure will only be incurred should the Company retain its existing level of interest in its various exploration areas and provided access to mining tenements is not restricted.

The Company has potential commitments in accordance with the acquisition agreement for EL53/600 as follows:

- payment of \$500,000 and the issue of 5 million shares (credited as fully paid) on the tenement being found to contain at least 400,000 proven ounces of gold; and
- payment of \$1 million and the issue of 5 million shares (credited as fully paid) on the tenement being found to contain at least 600,000 proven ounces of gold.

NOTE 16 - SEGMENTAL INFORMATION

The Company derives income from investments and the exploration and exploitation of mining tenements predominantly in Western Australia.

NOTE 17 - INTEREST IN JOINT VENTURES

	2003 %	2002 %
Joint Venture:		
i) Millrose	47.38	47.5
ii) Dulcie	20	20
iii) Eucalyptus	50	50
i) AuDAX is diluting its interest.		
ii) AuDAX is contributing to maintain its 20% interest.		
iii) Equally contributing Joint Venture with Enterprise Gold Mines NL.		

The Joint Ventures are not separate legal entities. They are contractual arrangements between the participants for the sharing of costs and output and do not in themselves generate revenue and profit.

NOTE 18 - REMUNERATION OF DIRECTORS

	2003 \$	2002 \$
Directors' income paid or payable or otherwise made available to Directors of the Company	169,000	169,000

Number of Directors whose remuneration was within the following bands:

\$10,000 - \$19,999	2	2
\$130,000 - \$139,999	1	1

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2003

NOTE 19 - EXECUTIVES' REMUNERATION	2003 \$	2002 \$
Total income received, or due and receivable by executives of the Company	130,000	130,000
Number of executives whose remuneration was within the following bands:		
\$130,000 - \$139,999	1	1

NOTE 20 - RELATED PARTY TRANSACTIONS

Mr Beal is a director and shareholder of Runyon Pty Ltd a company that was paid \$59,860 for tenement consulting services in the normal course of business at commercial rates.

Mr Chalmers is a director and shareholder of Multi Metal Consultants Pty Ltd a company that was paid \$15,341 for geological consulting services in the normal course of business at commercial rates.

Bronzewing South EL 36/215

The Company has entered into an option agreement dated 4 March, 1994 with Mr Beal, a director of the Company, to acquire 80% of Exploration Licence 36/215. The Company shall exercise the option within 12 months after the date of grant of the tenement or such further time as the parties may agree. The exercise price will be satisfied by the allotment and issue of a further 10,000,000 ordinary fully paid 25 cent shares.

Millrose E53/600

Mr Beal has an interest in exploration licence 53/600. Further details relating to this Joint Venture are detailed in Note 15.

DIRECTORS AND DIRECTOR RELATED ENTITIES' SHAREHOLDINGS

The interests of Directors and their Director related entities in shares and share options at year end are as follows:

	2003	2002
Ordinary shares	6,133,526	6,158,526
Options over ordinary shares	6,854,262	7,139,262

NOTE 21 - FINANCIAL INSTRUMENTS

Significant Accounting Policies

Details of significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the accounts.

NOTES TO AND FORMING PART OF THE ACCOUNTS

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2003

Interest Rate Risk

The following table details the Company's exposure to interest rate risk as at the reporting date:

2003	Average Interest Rate %	Variable Interest Rate 1 Year \$	Fixed Interest Rate Maturity Less than 1 year \$	Non-interest Bearing \$	Total \$
Cash	-	85,453	-	-	85,453
Receivables	-	-	-	-	-
Deposits	-	-	4,719,315	-	4,719,315
Accounts Payable	-	-	-	42,165	42,165

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair basis.

The Company does not have any significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Company's maximum exposure to credit risk without taking account of the fair value of any collateral or other security obtained.

Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1 to the accounts.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE, 2003

	Inflow/ (Outflow) 2003 \$	Inflow/ (Outflow) 2002 \$
CASH FLOW FROM OPERATING ACTIVITIES		
Payments to Suppliers & Employees	(651,502)	(543,555)
Interest Received	10,294	7,211
Rental Income	3,900	3,660
Dividends Received	1,931	546
	<hr/>	<hr/>
Net Cash Provided (Utilised) by Operating Activities	(635,377)	(532,138)
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Investments	(15,379)	-
Payment for Plant & Equipment	(108,369)	-
Payment for Exploration and Evaluation	(301,123)	(245,473)
Proceeds from Sale of Investments	-	243,941
	<hr/>	<hr/>
	(424,871)	(1,532)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Shares and Options	5,829,581	188,880
Loans repaid	-	-
	<hr/>	<hr/>
	5,829,581	188,880
Net Increase in Cash Held	4,769,333	(344,790)
Cash at 1 July	35,635	380,425
	<hr/>	<hr/>
Cash at 30 June	4,804,968	35,635

NOTES TO THE STATEMENT OF CASH FLOWS

NOTES TO STATEMENT

RECONCILIATION OF CASH

For the purposes of this Statement of Cash Flows, cash includes:

Cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts and investments in money market instruments.

Cash at the end of the year is shown in the balance sheet as:

	2003	2002
	\$	\$
Cash on Hand	200	200
Cash at Bank	85,453	35,435
Cash on Deposit	4,719,315	-
	<u>4,804,968</u>	<u>35,635</u>

RECONCILIATION OF CASH FLOWS FROM OPERATIONS WITH OPERATING PROFIT (LOSS) AFTER INCOME TAX

	Inflow/ (Outflow) 2003 \$	Inflow/ (Outflow) 2002 \$
Operating Profit(Loss) after Income Tax	(570,867)	(624,758)
Non Cash Flows in Operating Profit(Loss)		
Depreciation	15,555	12,708
Movements in Provisions	2,002	771
Diminution in Value of Shares	(61,739)	44,577
Exploration Writedown	79,876	-
Profit on Sale of Shares	-	(57,868)
Other	(94,145)	93,466
Decrease (Increase) in Receivables	-	(10,541)
(Decrease) Increase in Accounts Payable	(6,059)	9,507
Net Cash Provided (Utilised) by Operating Activities	<u>(635,377)</u>	<u>(532,138)</u>

ROTHSAY

Level 12, 220 George St, Sydney NSW 2000 G.P.O Box 2759, Sydney NSW 1043
Phone 8274 3183 Facsimile 9247 2444 E-mail swan2000@bigpond.com.au

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AuDAX RESOURCES LTD ACN 009 058 646

SCOPE

We have audited the accompanying financial report of AuDAX Resources Ltd, for the year ended 30 June 2003, consisting of the statements of financial performance, statements of financial position, statements of cash flows, accompanying notes and the directors' declaration. The Company's Directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with accounting standards and other mandatory professional reporting requirements and statutory requirements in Australia so as to present a view which is consistent with our understanding of the Company's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion, the financial statements of AuDAX Resources Ltd, is in accordance with:

- a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2003 and its performance for the year ended on that date; and
 - (ii) complying with Accounting Standard AASB1029 and Corporations Regulations; and
- b) other mandatory professional reporting requirements.



ROTHSAY



GRAHAM R. SWAN
Partner

Dated this 25th day of September 2003



Chartered Accountants

Liability limited by the Accountants Scheme, approved
under the Professional Standards Act 1994 (NSW).

SHAREHOLDER INFORMATION

AS AT 30 SEPTEMBER 2003

Pursuant of the Listing Rules of Australian Stock Exchange Limited as at 30 September 2003 the following information is provided.

(a) Substantial Shareholders

Shareholder	Shareholding	%
Newmont Exploration Pty Ltd	6,315,000	9.45
Runyon Pty Ltd	2,108,500	3.15
Mr Leith Beal	2,000,277	2.99

(b) Shareholder Distribution Schedule

1 - 1000	132
1001 - 5000	667
5001 - 10000	518
10001 and over	854
Total	2,171

There are 178 shareholders who hold less than a marketable parcel of 1,667 ordinary shares.

(c) Voting Rights

- (i) at meetings of members entitled to vote each member may vote in person or by proxy or attorney, or in the case of a member which is a body corporate, by representative duly appointed under section 250D;
- (ii) on a show of hands every member entitled to vote and present in person or by proxy or attorney or representative duly authorised shall have one (1) vote;
- (iii) on a poll every member entitled to vote and present in person or by proxy or attorney or representative duly authorised shall have one (1) vote for each fully paid share of which he is the holder and in the case of contributing shares until fully paid shall have voting rights pro rata to the amount paid up or credited as paid up on each such share: and
- (iv) a member shall not be entitled to vote at general meeting or be reckoned in a quorum in respect of any shares upon which any call or other sum presently payable by him is unpaid.

(d) Twenty largest holders of quoted entity securities hold 34.33% of the total shares issued:

	Name	Number Held	%
1.	Newmont Exploration Pty Ltd	6,315,000	9.45
2.	Runyon Pty Ltd	2,108,500	3.15
3.	Mr Leith Beal	2,000,277	2.99
4.	Saltbush Nominees Pty Ltd	1,448,584	2.17
5.	Mr Gary J. Roper	1,197,365	1.79
6.	Chanrich Properties Pty Ltd	1,135,000	1.70
7.	Barley Holdings Pty Ltd	1,013,000	1.52
8.	Mr LA & Mrs JA Draper	1,010,000	1.51
9.	HSBC Custody Nominees (Aust.) Ltd	990,300	1.48
10.	Wayne Jones	937,500	1.40
11.	Mr Gary J Roper	610,000	.91
12.	Wogeboy Pty Ltd	537,668	.80
13.	Mr David H Webster	524,000	.78
14.	Mrs Elizabeth A Howard	510,000	.76
15.	Jeam Pty Ltd	510,000	.76
16.	Ship Agencies Australia Pty Ltd	510,000	.76
17.	FH Nominees Pty Ltd	425,958	.64
18.	Mr David E Thompson	400,000	.60
19.	Natnina Pty Ltd	390,000	.58
20.	Lorenz Investments Pty Ltd	388,000	.58
	Total	22,961,152	

SHAREHOLDER INFORMATION

AS AT 30 SEPTEMBER 2003

SHAREHOLDER INFORMATION

- (e) Twenty largest quoted Option Holders expiring 31 December 2003 at 30 cents hold 35.79% of the total quoted options issued.

	Name	Number Held	%
1.	Snowy River Trading Store Pty Ltd	1,490,000	4.95
2.	Primary Holdings Pty Ltd	1,079,275	3.59
3.	Runyon Pty Ltd	1,024,250	3.41
4.	HSBC Custody Nominees (Aust.) Ltd	783,500	2.60
5.	Mr Leith Beal	550,138	1.83
6.	AWD Consultants Pty Ltd	550,000	1.83
7.	Ship Agencies Australia Pty Ltd	500,000	1.66
8.	Dreamaster Pty Ltd	482,532	1.60
9.	Chanrich Properties Pty Ltd	470,000	1.56
10.	Peto Pty Ltd	447,979	1.49
11.	Mr LA & Mrs JA Draper	443,500	1.47
12.	Mr Troy White	410,000	1.36
13.	Mr Wayne Jones	406,706	1.35
14.	Saltbush Nominees Pty Ltd	400,000	1.33
15.	Mr Peter Alaric Hayes	325,000	1.08
16.	Primary Holdings Pty Ltd	308,900	1.03
17.	Zelia Nominees Pty Ltd (Super Fund)	300,000	1.00
18.	Synthe Pty Ltd	286,000	.95
19.	Berrastar Pty Ltd	262,000	.87
20.	Jeam Pty Ltd	250,000	.83
	Total	10,769,780	

- (f) Unlisted Options issued under the Employee Option Scheme

300,000 exercisable at 30 cents each until 31 December 2003
 300,000 exercisable at 35 cents each until 31 December 2003
 300,000 exercisable at 40 cents each until 31 December 2005

- (g) Other unlisted Options

2,500,000 exercisable at 30 cents each until 31 December 2003
 2,500,000 exercisable at 35 cents each until 31 December 2003

AuDAX RESOURCES LTD

ABN 50 009 058 646

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of AuDAX Resources Ltd will be held in the Pavilion Room at the Sebel of Perth 37 Pier Street Perth on Friday 21 November 2003 at 10.30am (WST).

AGENDA

Financial Report and Directors' and Audit Reports

1. To receive and consider the financial report, including the directors' declaration, for the year ended 30 June 2003 and the related directors' report and audit report.

Resolution 1 - Election of Mr Leith Beal as a Director

2. To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:
"That Mr Leith Beal, who retires by rotation in accordance with the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-appointed a Director of the Company".

Resolution 2 – Ratification of Allotment and Issue of Shares

3. To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:
"That, for the purpose of Listing Rule 7.4 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, shareholders ratify the allotment and issue of a total of 6,315,000 fully paid ordinary shares in the capital of the Company on the terms and conditions set out in the Explanatory Statement accompanying this Notice".

Short Explanation:

An equity issue can be ratified by shareholders in accordance with the ASX Listing Rules. This allows the Company the flexibility to issue securities in the future up to the threshold of 15% of its total equity securities in any 12 month period. Please refer to the Explanatory Statement for details.

Voting Exclusion:

The Chairman will disregard any votes cast on the resolution by or on behalf of any person who participated in the issue of securities and any associate of those persons except where:

- the vote is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy or,
- it is cast by the Chairman as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Other Business

4. To deal with any other business which may be brought forward in accordance with the Constitution and the *Corporations Act 2001*.

By Order of the Board

Gary James Roper
Managing Director
26 September 2003

Proxies

If you are unable to attend and vote at the meeting and wish to appoint a person who is attending as your proxy, please complete the enclosed proxy form. This form must be received by the company's share registrar, Computershare Investor Services must receive this form, by 10.30am on 19 November 2003.

The completed proxy form may be:

- Mailed to the address on the form, or
- Faxed to AuDAX Resources Ltd on 08 9328 2869 or Computershare Investor Services on 08 9323 2033, or
- Emailed to audax@iinet.com.au. A proxy received by e-mail will be valid only if the original signed proxy form is presented for verification 48 hours before or at the meeting.

A member entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. A proxy need not be a member of the company.

AuDAX RESOURCES LTD

ABN 50 009 058 646

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist shareholders with the consideration of the Resolutions set out in the Notice.

Resolution 1 - Re-election of Mr Leith Beal as a Director of the Company

The present constitution of the Company requires that at each annual general meeting of the Company, one third of the directors for the time being, shall retire from office. A retiring Director is eligible for re-election. Additional Directors appointed since the last annual general meeting are not taken into account in determining the number of Directors who are to retire by rotation. Mr Leith Beal retires by rotation and is eligible for re-election. Mr Beal puts himself forward for re-election at the Meeting.

Resolution 2 – Ratification of the Allotment and Issue of Securities

On 10 March 2003, the Company allotted and issued 6,315,000 AuDAX Resources Ltd Fully Paid Shares to Newmont Exploration Pty Ltd in the capital of the Company on the same terms and conditions set out in this Explanatory Statement.

ASX Listing Rule 7.1 requires that a listed company obtain shareholder approval prior to the issue of shares, or securities convertible into shares (such as an option), representing more than 15% of the issued capital of that company in any 12 month period.

ASX Listing Rule 7.4.2 sets out an exception to ASX Listing Rule 7.1. This rule provides that where a company in general meeting ratifies the previous issue of securities made without approval under ASX Listing Rule 7.1, those securities shall be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Shareholder ratification for the issue of securities is now sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without shareholder approval.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of AuDAX Resources Ltd shares issued was 6,315,000 in the capital of the Company;
- (b) the issue price of the AuDAX Resources Ltd shares was \$0.79 per Share and they were allotted and issued on 10 March 2003;
- (c) the AuDAX Resources Ltd Shares issued rank equally with the Company's existing issued AuDAX Resources Ltd Shares;
- (d) the AuDAX Resources Ltd Shares were allotted and credited as fully paid and rank equally with the existing AuDAX Resources Ltd Shares on issue; and
- (e) the party to whom the AuDAX Resources Ltd Shares were allotted and issued and the number of AuDAX Resources Ltd Shares which they received was Newmont Exploration Pty Ltd for an option to form a joint venture with AuDAX Resources Ltd over a portion of the Bronzewing South exploration licence. The option agreement will enable the commencement of intense exploration of the area immediately south and adjacent to the Bronzewing Mine;
- (f) funds raised from the issue of the securities were used to:
 - (i) undertake further drilling and exploration at the Company's Bronzewing South Project; and
 - (ii) working capital.
- (g) the Company will disregard any votes cast on this resolution by any person who participated in the issue of securities and any associates of those persons.

Enquiries - Shareholders are invited to contact the Managing Director, Mr Gary Roper on (08) 9328 4622 if they have any queries in respect of the matters set out in these documents.

PROXY FORM
AuDAX RESOURCES LTD ABN 50 009 058 646

I/We _____ of _____
(print shareholder(s) name(s)) (print address of shareholder(s))

being a member/members of AuDAX Resources Ltd, hereby appoint:

_____ of _____
(print proxy's name in full)

and (if you wish to appoint two proxies) _____ of _____
(print second proxy's name in full) (print second proxy's address)

or, in the proxy's/proxies' absence or if no other appointee is mentioned, the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the annual general meeting of the company to be held on 21 November 2003 and at any adjournment of that meeting.

If the Chairman of the meeting is your proxy and you have not directed your proxy how to vote, please place a mark in this box. By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of the interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the meeting will not cast your vote and your vote will not be counted in computing the required majority if a poll is called on these items. The Chairman intends to vote undirected proxies in favour of all of the resolutions.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

I/We desire to vote on the resolution as indicated below:

Please indicate with a tick how you wish your vote to be cast. Unless otherwise instructed, the proxy may vote as he/she thinks fit.

	FOR	AGAINST	ABSTAIN
Re-election of Director – Leith Beal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ratification of Allotment and Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signed this _____ day of _____ 2003

Signature(s) of member(s)

Notes: 1. If you have appointed two proxies please indicate what proportion of your voting rights each proxy is to represent.
2. If the appointment of a proxy is signed by the appointor's attorney, this form must be accompanied by the authority under which the appointment was signed, or a certified copy of the authority.

The completed proxy form may be:

- Mailed to AuDAX Resources Ltd 125 Edward Street Perth WA 6000 or Computershare Investor Services Pty Ltd, 45 St Georges Tce Perth WA 6000, or
- Faxed to AuDAX Resources Ltd on 08 9328 2869 or Computershare Investor Services Pty Ltd 08 9323 2033, or
- Emailed to audax@iinet.com.au A proxy received by e-mail will be valid only if the original signed proxy form is presented for verification 48 hours before or at the meeting.