

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

Anaconda Nickel Limited

ABN

23 060 370 783

Quarter ended ("current quarter")

30 June 2003

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	53,148	248,488
1.2 Payments for:		
(a) staff costs	(7,845)	(30,092)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	(1,854)	(7,416)
(e) other working capital	(55,632)	(200,921)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1,629	2,482
1.5 Interest and other costs of finance paid	(1)	(5,343)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(10,555)	7,198

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	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(10,555)	7,198
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(7,312)	(27,691)
(e) other non-current assets	-	-
(f) acquisition of tenements	-	(800)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	2,500
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
(f) exploration, evaluation and development	79	439
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)		
(a) payments for exploration, evaluation and development	10	(192)
(b) payments to term deposits	-	(20,726)
(c) proceeds from term deposits	9,760	11,586
(d) proceeds from insurance settlement	2,520	2,520
Net investing cash flows	5,057	(32,364)
1.14 Total operating and investing cash flows	(5,498)	(25,166)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	323,050
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings		
(a) Senior Secured Priming Loan Facility – Glencore	-	10,189
1.18 Repayment of borrowings		
(a) Senior Secured Priming Loan Facility – Glencore	-	(9,418)
(b) Continuing Obligations Agreement – Glencore	-	(13,048)
(c) Working Capital Facility - Glencore	(15,871)	(15,871)
1.19 Dividends paid	-	-

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1.20	Other (provide details if material)		
	(a) payments to Senior Secured Creditors	-	(188,306)
	(b) payments for debt restructure costs	(222)	(17,418)
	(c) payments for share issue costs	-	(916)
	(e) payments for finance leases	(2,376)	(4,939)
	(f) proceeds from Fluor Daniel Interim Award	1,458	7,011
	Net financing cash flows	(17,011)	90,334
	Net increase (decrease) in cash held	(22,509)	65,168
1.21	Cash at beginning of quarter/year to date	88,699	5,630
1.22	Exchange rate adjustments	(1,260)	(5,868)
1.23	Cash at end of quarter (net of bank overdraft)	64,930	64,930

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in net cash flows	341
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions Anaconda sells a portion of nickel finished product and all cobalt finished product to Glencore International AG ("Glencore") under nickel and cobalt offtake agreements. Glencore receives a 4% discount on the market sale price under the offtake agreements.	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
 N/A
- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest
 N/A

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
	(a) Working Capital Facility – Glencore	52,130	52,130
3.2	Credit standby arrangements	-	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	64,930	88,699
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		64,930	88,699

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	-	-
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net assets	-	-
5.5 Nature of business	-	-

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

Date: 28 July 2003

Print name: Peter Johnston
(Managing Director)

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Additional Notes

It is recommended that this quarterly report be read in conjunction with the 30 June 2002 Annual Financial Report, the 31 December 2002 Half Yearly Financial Report and any public announcements by Anaconda Nickel Limited and its controlled entities since the quarterly report for the period ended 31 March 2003.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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