



QUARTERLY REPORT TO THE AUSTRALIAN STOCK EXCHANGE FOR THE PERIOD ENDING 30 JUNE 2005

The Board of OmegaCorp Limited (“the Company”) is pleased to present the quarterly report for the period ending 30 June 2005. During the quarter the Company continued its assessment of several advanced uranium projects in Southern Africa. The Company now holds an extensive portfolio of uranium projects that includes the historical Mavuzi Uranium Mine and Zambezi Valley Project – Mozambique (“ZVP - Mozambique”) in Mozambique; an advanced project in Zambia – the Kariba Uranium Project (“KUP”) and an advanced exploration project in Tanzania with defined drill targets.

The Company intends to quickly move to assess the economic parameters of Mavuzi and the Kariba Uranium Project in the coming months through a number of work and drilling programs with a view to ultimately advancing the projects to production.

*Fieldwork has commenced on the Mavuzi Project with mapping and sampling of the mine workings and surrounding licence area. This work has resulted in an extension of almost 1.5 kilometres of strike for the original mine area. These extensions to the south and mapping and sampling to the north of the Mavuzi Mine have also defined another two uranium prospects being the **Airport and Kaboazi Creek Prospects** respectively. Mapping and preliminary ground radiometric survey work has also defined a sub-parallel zone of interest – **Mavuzi East**, one kilometre southeast of the principal zone.*

The Mavuzi Mine, Airport and Kaboazi Creek Prospects have highlighted a corridor of prospectivity approximately four kilometres in strike length in a ten kilometre zone and will be an immediate focus for drill testing by the Company in the September quarter, with a view to define both high-grade vein and disseminated uranium mineralisation.

A considerable amount of the AGIP and Zambian Geological Survey data has now been acquired on the Kariba Uranium Project. Work has commenced to compile this as a prelude to fieldwork commencing in August. Work will initially focus on the three known areas of mineralisation – Bungua, Mutanga and Dibwe, with a view to generating JORC compliant resources as soon as possible from existing data. An extensive field program will be conducted over the next two quarters.

The Company has raised \$5.1 million subject to shareholder approval through a placement of 6.0 million ordinary shares at 85 cents each, plus a one for two attached unlisted option exercisable at \$1.20 expiring 30 September 2007. The funds raised will enable the Company to accelerate its exploration programs on the uranium projects above.

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Introduction

On March 10 2005 the Company announced that it had signed an MOU with the vendors of several uranium projects in Southern Africa and Tanzania. Under the terms of the MOU, the Company will issue to the vendors of the projects up to 1,750,000 fully paid shares. The projects include the historical Mavuzi uranium mine and Zambezi Valley Project – Mozambique (“ZVP - Mozambique”) in Mozambique; an advanced project in Zambia – the Kariba Uranium Project (“KUP”), an advanced exploration project in Tanzania with defined drill targets and the Zambezi Valley Project in Zimbabwe (ZVP – Zimbabwe).

Work completed this quarter has focussed on accessing available data on the projects, data collation and a field program comprising mapping, sampling and ground radiometrics at Mavuzi in Mozambique. This work has allowed the Company now to implement a strategy for the coming year that will involve considerable fieldwork at Mavuzi and the KUP, with a view to assessing the economic potential of both projects.

Figure 1



Mavuzi Project

The project comprises a Prospecting Licence (PL) covering the historic Mavuzi Mine which has been granted for a five year term and covering 208 square kilometres. Two additional licences have been applied for covering a further 358 square kilometres to the east, south and west of the key licence. A further application to the south has also been lodged, with the project area now covering approximately 700 square kilometres (Figure 2).

Work has already commenced on the project, with a focus on the historic Mavuzi Mine, adjacent areas and the regional geological framework. Work completed has included data compilation, mapping, and preliminary ground radiometric surveys and limited

rock chip sampling as a prelude to further work including drill program planning.

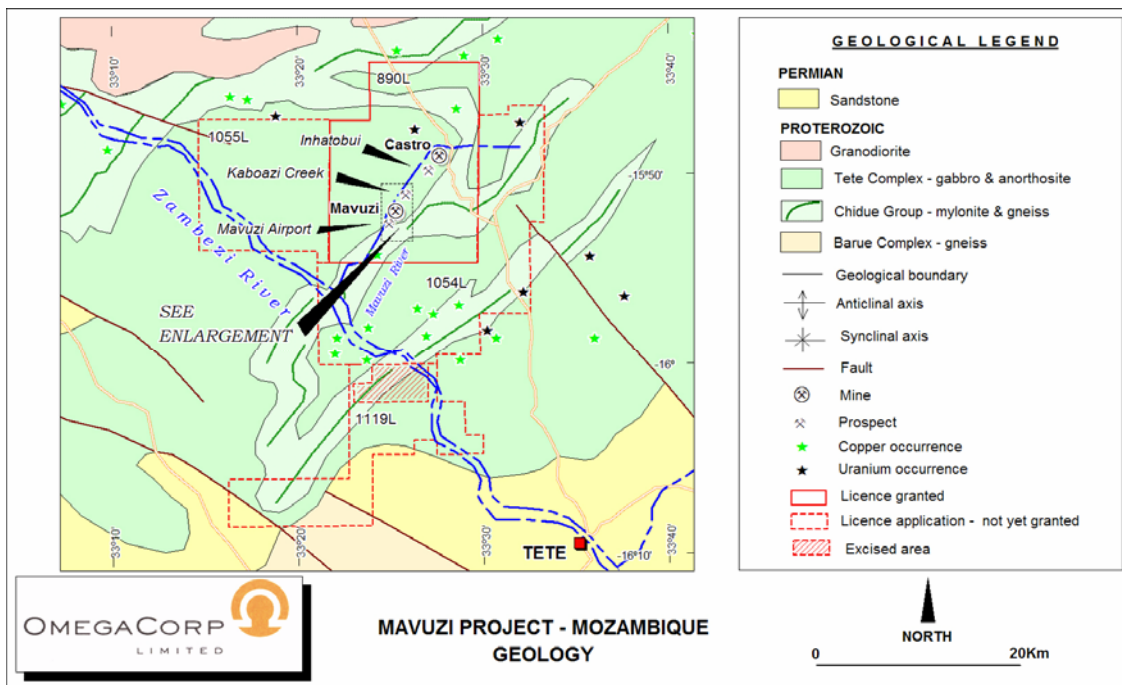


Figure 2

Prospect Geology/Mineralisation

The lithologies dominating the Mavuzi Valley in the area of mineralisation are gabbros and anorthosite (Figure 2). There is also a considerable amount of basement gneisses and carbonate lithologies that maybe of sedimentary or metasomatic origin that make up the Chidue Group.

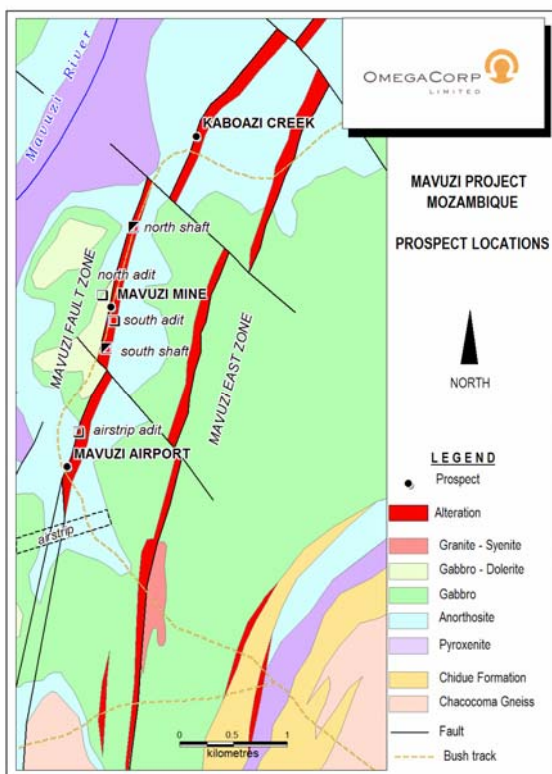


Figure 3 (Enlargement)

Uranium mineralisation in the Mavuzi project area is structurally controlled within a corridor that comprises two sub-parallel structures that occur approximately one kilometre apart. The western fault (Mavuzi Fault Zone – MFZ) is the main uranium controlling structure, whilst the eastern fault (Mavuzi East) is characterised by intermittent, granite and syenitic intrusions along its length accompanied by moderate to low radiometric responses associated with K-feldspar-potassic alteration.

The recent work completed in the licence area has defined two prospects immediately north and south of the Mavuzi Mine – namely the Airport and Kaboazi Creek Prospects to the southwest and northeast respectively.

The work has resulted in an extension of almost 1.5 kilometres of strike for the original mine area. These three prospects extend the current area of interest over four kilometres of strike length and will be the immediate focus of the Company's exploration initiative. Mapping and preliminary ground radiometric survey work has also defined a sub-parallel zone of interest – **Mavuzi East**, approximately one kilometre southeast of the MFZ.

Ground radiometric traverses at Mavuzi Mine clearly delineate both the 800m strike length of the Mine area and Mavuzi East. Responses encountered in the 100m spaced traverses over the Mine area gave individual site counts up to 2300cps. Mineralisation at Mavuzi Airport Prospect occurs as a single zone over 450m in strike length and was mined by shallow underlays and drives along its length which exploited mineralisation 1-3m in width. Ground radiometric counts of up to 1800 cps were recorded over the strike length of the prospect. Mineralisation at Kaboazi Creek occurs within a 700m long by 30m to 180m wide zone where five, north south orientated lenses of visible uranium mineralisation (davudite) were observed. As at Mavuzi, small pods of strong molybdenite mineralisation are also observed.

The Mavuzi Mine, Airport and Kaboazi Creek Prospects have highlighted a corridor of prospectivity approximately four kilometres in strike length in a ten kilometre zone and will be an initial point of focus for drill testing by the Company in the September quarter, with a view to define both high-grade vein and disseminated uranium mineralisation. Drill program planning and further fieldwork is planned for the project area and the details of the proposed drilling program and targeted areas will be released as the program is finalised.

Zambezi Valley Project – Mozambique

The licence area is known to contain outcropping uranium mineralisation and is considered to be an extension to the Zambezi Valley Project (ZVP) in Zimbabwe. The mineralisation is some ten kilometres along strike to the southeast of the defined mineralisation of the ZVP target and provides up to seven kilometres of untested strike potential.

Work completed in the quarter has included data acquisition and collation and the generation of a GIS for the data. Future work in the area will include mapping and sampling as a prelude to drill testing.

Kariba Uranium Project

The Company announced on 26 April 2005 that it had signed a Memorandum of Understanding (MOU) with Okorusu Fluorspar Pty Ltd (“Okorusu”) to earn a 70% interest in the Kariba Uranium Project in Zambia. Under the terms of the MOU, the Company has agreed to expend a minimum of US\$250,000 over two years and US\$750,000 a further over two years to advance to a 70% equity in the KUP. Once the earn-in is complete, a Joint Venture will be established.

The Company has entered into the MOU with Okorusu Fluorspar Pty Ltd, which holds a Prospecting Licence (PL) 237 in the Kariba region of southern Zambia. The licence covers approximately 2521 km² and is held for fuel minerals, precious metals, base metals and industrial minerals and is valid until 21 October 2006. The licence is situated in the Southern Province of Zambia about 200 km south of Lusaka immediately north of Lake Kariba. Under the terms of the agreement the Company will conduct exploration primarily to assess the uranium potential of the area.

Uranium was first identified in the area in 1957 after a car borne survey located five anomalous areas in the vicinity of Bungua Hill, west of Siavonga (**Figure 2**). Follow up by Chartered Exploration in 1958 and 1959 found low-grade uranium mineralisation that could be followed for over 800m of strike extent. Confirmation of this uranium mineralisation was defined in two campaigns, with the investigation (1973 to 1977) by the Geological Survey of Zambia (GSZ) and the second (1974 to 1984) by the Italian oil company AGIP SA (“AGIP”).

The GSZ and AGIP completed extensive field programs on several of the areas within the licence. Three key areas were identified in these campaigns – Mutanga, Dibwe and Bungua.

- Mutanga is located 31 kilometres northwest of Siavonga and is the largest known fracture-controlled target, hosted in northeast/southwest trending Escarpment Grit Formation (EGF).
- Dibwe is located several kilometres to the southwest of Mutanga and is reported to have been a focus of exploration with over 2000m of drilling being completed.
- Bungua comprises seven prospects south of Bungua Hill and from west to east are defined by Chizwabowa East, Kaumpwe A, B, C, D, and Lutele. These prospects cover approximately 7.5 kilometres of strike of the northeast/southwest trending EGF.

It is also understood that AGIP completed resource estimations for at least two of the prospects within the licence. A considerable amount of data has now been acquired from both the GSZ and AGIP campaigns and work is currently underway compiling the data with a view to planning the future programs on the key prospects and generating JORC compliant resource calculations. As the details of this data compilation are refined, further details will be released as appropriate.

Mkuju River Project - Tanzania

The Mkuju River Project (MRP) is located in southern Tanzania, some 470 kilometres southwest of Dar es Salaam (**Figure 1**). The area was part of a countrywide search for uranium between 1978 and 1982 by a German company Uranerzbergbau GMBH (UEB).

The MRP comprises two granted licence areas covering over 1500 square kilometers. Previous work completed between 1978 and 1981 identified uranium mineralisation in trench and rock chip sampling over a large area, with values exceeding 1% U₃O₈. The Company has acquired rights to all of the original exploration data owned by UEB and is currently compiling the data into a GIS format with a view to refining targets.

Zambezi Valley Project (ZVP) – Zimbabwe

The three licences that comprise the ZVP- Zimbabwe are still under application (Figure 1). The ZVP licence applications cover an area that was extensively explored between 1981 and 1992. Work on the areas included over 37,000 metres of drilling and defined two outcropping areas of uranium mineralisation. An historical feasibility study and pilot test work was also completed. The Company is continuing to procure the data relating to the project with a view to completing its own JORC compliant resource estimation once the licences are granted. The Company's representatives presented the Company and the proposal for the project to the Minister for Mines in Harare and received a warm reception.

Tanzanian Heavy Mineral Sands Project

During the quarter desktop reviews have continued with a view to refine targets ahead of fieldwork commencing after the wet season. A field program is scheduled to commence in August, with a view to testing several of the key areas with auger sampling. Discussions have also continued with a number of parties in relation to their possible involvement in a farmin arrangement on the project.

Corporate Activity

On 14 July 2005, the Company announced that it had raised \$5.1 million through a placement of 6.0 million ordinary shares at 85 cents each, plus a one for two free attaching unlisted option exercisable at \$1.20 expiring 30 September 2007. The funds raised will enable the Company to accelerate its programs on the projects.

The placement has been made primarily to institutional investors in London and Australia including clients of Grange Securities and Foster Stockbroking and will be subject to shareholder approval at a General Meeting to be called shortly.

It is also a condition of the placement that, at the time of the issue of the shares, the Company will lodge a notice pursuant to Section 708A(5)(e) of the Corporations Act.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Matthew Yates, who is a Member of The Australian Institute of Geoscientists (AIG). Mr. Yates is a full-time employee of Beacon Exploration Pty Ltd, a consultant of OmegaCorp Limited. Mr. Yates has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Yates consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

OMEGACORP LIMITED

ABN

60 094 212 307

Quarter ended ("current quarter")

30 June 2005

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	100
1.2 Payments for (a) exploration and evaluation	(428)	(644)
(b) development	-	-
(c) production	-	-
(d) administration	(156)	(351)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	34	141
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – business development	(70)	(234)
Net Operating Cash Flows	(620)	(988)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(10)	(10)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	(10)	(10)
1.13 Total operating and investing cash flows (carried forward)	(630)	(998)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(630)	(998)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	3,500
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(257)
1.18	Dividends paid	-	-
1.19	Other – capital raising expenses	-	(89)
	Net financing cash flows	-	3,154
	Net increase (decrease) in cash held	(630)	2,156
1.20	Cash at beginning of quarter/year to date	2,786	-
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,156	2,156

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
1.23	Aggregate amount of payments to the parties included in item 1.2	94
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments include consulting fees, directors fees, company secretarial services and provision of a fully serviced office.

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

Nil.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not Applicable.

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	-
Total	500

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
5.1 Cash on hand and at bank	288	50
5.2 Deposits at call	1,868	2,736
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,156	2,786

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	RL 889 PL 890		- -	100% 100%
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	17,601,265	17,601,265	Not Applicable	Not Applicable
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options -Options	2,650,000	-	<i>Exercise price</i> \$0.20	<i>Expiry date</i> 30 June 2007
7.8 Issued during quarter -Options				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date: 29 July 2005
(~~Director~~/Company secretary)

Print name: SHANE CRANSWICK

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 "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **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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+ See chapter 19 for defined terms.