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REPORT FOR THE QUARTER ENDING 31st DECEMBER 2004

COMPANY HIGHLIGHTS

MOUNT IDA – WESTERN AUSTRALIA

- A significant increase in the Meteor inferred gold resource from 31,900 to 42,500 ounces.
- Upgraded global gold resource for the Baldock, Meteor and Whinnen lodes to 143,700t @ 24g/t for 110,650 ounces.
- A Farm In and Joint Venture Agreement with Mines & Resources Australia Pty Ltd ("MRA"), a wholly owned subsidiary of French mining company Cogema Group was concluded on the 12th January 2005. As part of this agreement MRA will:
  - spend $7.5M over the next five years on gold exploration, and, in return will earn an interest of 51 percent of all gold found, and
  - MRA must spend a minimum of $1M on exploration expenditure before it can withdraw.

  International Goldfields Ltd ("IGL") will retain the JORC compliant Baldock, Whinnen and Meteor resources and the historical Timoni mine.

  The agreement will ensure a well-funded and aggressive exploration program at the Mt Ida project.
- In light of this agreement IGL has decided to postpone its mining operations at the historical Timoni shaft, which commenced in April 2004, for at least the next six months. The Company is of the belief that should the forthcoming exploration program increase the size of the current resource or uncover new and additional resource(s), mining of such may require a substantive change to the current mine plan in order to maximise the extraction of the resources, and provide a best return to IGL's shareholders.

EVANSTON – WESTERN AUSTRALIA

- A number of key exploration tenements were granted in the reporting period, including E77/1117 and E77/1127, which provides all necessary title to re-commence exploration after a wait of over two years.

- A preliminary interpretation of the northern half of an extensive gravity survey over an area of 100 sq km of the Evanston Shear Zone, has identified a number of major structures, and possible alteration and/or intrusive bodies which are important controls to gold mineralisation in this area.
- RC drilling is planned to target a number of these anomalies, including the Red Boomerang prospect, where historic RAB drilling returned **11m @ 4.7g/t Au** (EVB246 from 65m), **15m @ 2.9g/t Au including 6m @ 6.2g/t Au** (EVB152 from 8m), and **16m @ 1.8g/t Au** (EVB116 from 26m).
- RAB drilling commenced along the northern extent of the Jackson trend, which hosts the Mt Jackson Mining Centre, follow-up air core drilling is planned for the next quarter.
- A number of Native Title matters were resolved which will now permit the early grant of three mining leases, two of which contain the King Brown and Golden Orb prospects. It is expected that RC drilling will commence early in the next quarter to upgrade the classification and potentially extend the known gold mineralisation.

ROMANIA

- A 6-hole RC and diamond tail drilling program for an advancement of 965m tested three zones at the Gladna prospect. The discrete multi-phase intrusive plug displays zones of apparent magnetite destruction and post emplacement faulting, within an area measuring 2km x 1km.

  Drilling intersected strongly altered and fractured diorite and andesite rocks, containing up to 5% pyrite with strongly elevated copper values.

  Mineralogical examination of various drill cutting material and core samples has identified propylitic, potassic and phyllic alteration within the rock assemblage(s) of, principally, monzodiorites and andesites intruded into basement schists.

  Early mineralogical work may suggest that the copper-bearing samples intersected to date are similar to mafic mineralised systems (such as those at Porgera, although that deposit is mostly gold-rich rather than copper-rich). There seems to be an association of copper with potassic alteration, which may suggest a variant on the kinds of fluids seen in more typical porphyry copper systems.

CANADA (NFX Gold Inc)

- An exploration program over the Cheminis properties targeted near surface gold mineralisation amenable to low cost shallow mining techniques.

  The program consisted of a comprehensive data compilation and review, surface mapping and sampling, ground magnetics and a 2,500m diamond drilling program.

  Results confirmed the existence of significant gold mineralisation close to surface at the Cheminis mine site, Fernland, Fernland East and Barber Larder prospects with best results of:

Prospect	Drill Hole	From (m)	To (m)	Intersection Au
Cheminis C Zone	NFX-08-04	16	20	4m @ 9.46 g/t
Cheminis C Zone	NFX-09-04	23	30	7m @ 3.60 g/t
Fernland	NFX-18-04	68	80	12m @ 2.54 g/t
	includes	*69*	*76*	*7m @ 3.82 g/t*
Fernland	NFX-32-04	54	69	15m @ 2.12 g/t
	includes	*55*	*62*	*7m @ 3.55 g/t*
Fernland East	NFX-21-04	38	45	7m @ 2.17 g/t
	includes	*40*	*44*	*4m @ 3.26 g/t*
Fernland East	NFX-26-04	32	35	3m @ 5.41 g/t
Fernland East	NFX-27-04	*35*	*38*	3m @ 3.59 g/t
Fernland East	FL87-10	*35*	*42.5*	7.5m @ 3.00 g/t

Drilling at the Bear Lake prospect intersected highly altered volcanics and sediments with anomalous gold values over a very broad area. Also, a review of historical drilling east of Barber Larder has revealed a new highly prospective horizon north of the main mineralised zone that is completely untested. These two areas are high priority targets for future exploration.

QUARTERLY REPORT FOR THE PERIOD ENDING 31st DECEMBER 2004

MOUNT IDA PROJECT – WESTERN AUSTRALIA

During the reporting period work focussed on:

- Continuation of development at the Baldock underground mining operation,
- Independent mining review to include the mining of all resources along the Dave Line,
- Revised mineral estimate for the Meteor lode, and
- Complete a joint venture arrangement with Mines and Resources Australia.

1. Mining Operations

Mining operations at Mt Ida continued during the quarter, key activities included:

- Dewatering of the Timoni shaft was achieved to between the 7 and 8 Level, some 230 vertical metres beneath surface. At these depths water inflow remains low and easily managed; while dam storage for run-of-mine water remains substantial.
- The Timoni shaft was refurbished to the 7 Level.
- Headframe modified to production status.
- Over 31m of rising was achieved to establish the ore handling system between the 6 and 7 Level. The system included the construction of an ore pass (6-7 Level) and a brow shoot on the 7 Level.
- Over 35m of development crosscut drive to the Baldock Lode was completed.
- An independent mine feasibility study, incorporating the Meteor and Whinnen resources into the current Baldock Mining Plan, was completed.
  - The study concluded that, because of the recent discovery of the Meteor resource, a substantive change to the current mine plan was necessary in order to maximise the extraction of the resources, and provide a best return to the Company's shareholders.
  - It was recommended that mining be placed on hold to allow for the better definition of the existing resources, and to complete the exploration of the near mine environs for 'new' gold resources.

2. Resource Summary

Resource modelling and an up-dated mineral estimate were undertaken on the Meteor lode by the Company's geologists, in accordance with the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC 1999). The relevant parameters used in the Mineral Resource estimate are listed in Appendix 1.

The estimated Mineral Resource for the Meteor lode of **75,200t @ 17.6g/t Au for 42,500 ounces** is classed under the JORC Code (1999) as Inferred, based on drill sample spacing, geological continuity and confidence of the interpretations.

The revised global resource for the Meteor, Whinnen and Baldock Lodes is reported in Table 1 below. The Lodes are positioned within close proximity to each other and extend some 100m to 300m below the surface over a combined strike length of 600m.

The system remains open at depth and the regional shear structure, which hosts the gold mineralisation, also remains open both north and south along strike. Step out drilling has the potential to further upgrade the mineral resource estimate.

Table 1. Global Mineral Resource at 6.00g/t Au Cut-Off:

Category	Tonnes	Grade (g/t)	Ounces
Measured	54,500	32.8	57,500
Indicated	5,800	33.8	6,300
Inferred	83,400	17.5	46,850
Total	***143,700***	***24.0***	***110,650***

EVANSTON PROJECT – WESTERN AUSTRALIA

Fieldwork focussed on the completion and finalisation of Aboriginal Heritage Surveys. No sensitive areas of cultural significance were identified which may have adversely impacted upon our field activities.

As a consequence a number of Exploration tenements were granted, including E77/1117 and E77/1127 (October 27th 2004) which provide title to a large part of the highly prospective Evanston Shear Zone, and the Deception Hill and Red Boomerang prospects where the Company has not been able to explore since mid 2002, in excess of some two years.

Upon grant the Company immediately commenced a detailed geophysical gravity survey over the Evanston Shear Zone, the most prospective structural corridor in the district, where porphyry hosted gold mineralisation and encouraging alteration halos are associated with sub-parallel structures related to the Evanston Shear. While this work remains on-going through to February 2005, a preliminary review of the northern half of the gravity dataset is very encouraging and a number of structural and intrusive style targets have been identified for immediate follow-up RC drilling.

One of these targets is the Red Boomerang prospect where gold mineralisation is hosted within a NE trending quartz porphyry which averages 500m wide, but tapers off towards the NE and SW extremities, over a strike length of at least 1.5km. Within the margins of this porphyry, gold mineralisation has been outlined over a strike length of 1km along a 350m wide, NE trending zone, sub parallel to the Evanston Shear, with best results from previous RAB drilling of **11m @ 4.7g/t Au** (EVB246 from 65m), **15m @ 2.9g/t Au including 6m @ 6.2g/t Au** (EVB152 from 8m), and **16m @ 1.8g/t Au** (EVB116 from

26m). An immediate program of Air Core and RC drilling is planned to infill and potentially extend the known gold mineralisation.

SACU PROJECT – ROMANIA

The Romanian Sacu exploration concession is located approximately 30km southwest of the highly prospective 'Golden Quadrilateral' region in Romania. The concession area covers approximately 250 km^2 and represents one of the largest mineral concessions granted to any company currently operating in Romania.

The Golden Quadrilateral represents one of the more highly mineralised provinces in the Carpathian Mountain Arc and is proximal to several emerging precious metal and porphyry copper deposits. The Company's tenement area is characterised by a complex and well-preserved tectonic and magmatic history that is readily comparable with major prospective arc-related terranes.

A structural interpretation of the regional aeromagnetic and ground magnetic data at the Gladna prospect was completed, and an exploratory drilling program planned to determine if the prospect area contained rocks similar to those observed at the nearby Certej and Rosia Montana deposits. It targeted three zones within the discrete multi-phase intrusive plug measuring 2km x 1km; the strongly magnetic intrusive located to the west, the central structural corridor, and the non-magnetic intrusive or alteration zone to the east.

Only two of the six drill holes, GDH1B and GDH3A, effectively tested the target zones.

Nevertheless, drilling intersected strongly altered and fractured diorite and andesite rocks, containing up to 5% pyrite with strongly elevated copper values. The salient features of a subsequent mineralogical examination of the principal rock types and alteration encountered are:

- Basement metasediments are mostly micaceous and locally carbonaceous and dominate two drill holes: GDH1A and GDH2A. One sample exhibits evidence of high-grade metamorphism and partial melting by the adjacent intrusion, and also contains iron sulphides. The melting suggests metamorphism at >700°C.
- Andesite, tuff, trachyte and quartz microdiorite are represented in drill hole GDH2B.
- Complex gabbro/diorite to monzogabbro/monzodiorite intrusions occur in GDH1B and GDH3A, and seem to represent high-K calcalkaline magmas.
- The andesites have (secondary) albite, sericite, chlorite, biotite and pyrite variously developed, with pyrite in biotite-rich areas in some samples (which may be interpreted as potassic alteration).
- The quartz microdiorite in GDH2B has variously propylitic to phyllic alteration but no sulphide. Oxides are lacking or have been altered to leucoxene in the andesites and quartz microdiorite, however, so that these lithologies would not be magnetic. This may be from a different volcanic structure to that containing the more mafic lithologies and may have inherently different magnetic characteristics. There is little evidence that these lithologies are demagnetised equivalents of the more magnetic lithologies.

- The more mafic rocks in GDH1B and GDH3A are, or were, plagioclase-rich with abundant clinopyroxene, biotite and interstitial K-spar as well as orthopyroxene, minor magnetite, apatite and mostly minor quartz.
- Propylitic alteration and albite ± quartz alteration of the K-spar in GDH3A is followed by potassic alteration (biotite-quartz ± chlorite ex-pyroxene) in sulphide-bearing samples at 141.6 and 159.5m. The sample at 141.6m has only chalcopyrite, with pyrite > chalcopyrite at 159.5m. The sulphide is partly disseminated and partly in veins and fractures with chlorite or with quartz and biotite.

From the limited work to date, it would appear that the copper-bearing samples are not typical of "porphyry-copper" deposit host rocks, and the minor sulphide is disseminated as well as occurring in fractures and veins, which may suggest similarities with more mafic mineralised systems (such as those at Porgera, although that deposit is mostly gold-rich rather than copper-rich). There seems to be an association of copper with potassic alteration, however, albeit with the formation of biotite and the destruction of K-spar, which may suggest a variant on the kinds of fluids seen in more typical porphyry copper systems.

With the identification of iron and copper sulphides within the zones of interest, the Company has commenced the planning of a gradient array IP program to effectively test the entire prospect area over some 2km x 1km (survey commenced in January 2005), with the intention that the mapping of the 'chargeable zones', which may relate to sulphide mineralisation, will be an effective 'mapping tool' and a mechanism by which to target a more substantial follow-up RC and Diamond drilling program.

LARDER LAKE - CANADA (NFX Gold Inc)

The company's shareholding in NFX Gold has reached over 5 million shares – representing approximately 16% of the issued capital. The Company, through a Technical Services Agreement with NFX, provide advisory and corporate services, and supply all geological, technical and field support.

NFX maintains an interest in a number of mining claims and licenses of occupation, in the heart of the Larder Lake gold mining district in Ontario, Canada. The project area is positioned some 7km west of the world famous Kerr Addison Gold Mine which historically produced 11 million ounces of gold.

During the reporting period the Company in conjunction with NFX and MRB & Associates conducted an exploration program over the Cheminis Project, targeting near surface mineralisation for low cost shallow mining techniques.

The program consisted of a comprehensive data compilation and review, surface mapping and sampling, ground magnetics and a 2,500m diamond drill program.

Results of the program verified the existence of significant gold mineralisation close to surface at the Cheminis mine site, Fernland, Fernland East and Barber Larder prospects, with best results from the drilling program tabulated overleaf.

Prospect	Drill Hole	From (m)	To (m)	Intersection Au
Cheminis C Zone	**NFX-07-04**	23	36	13m @ 1.30 g/t
Cheminis C Zone	**NFX-08-04**	16	20	4m @ 9.46 g/t
Cheminis C Zone	**NFX-09-04**	23	30	7m @ 3.60 g/t
Fernland	**NFX-17-04**	35	38	3m @ 2.12 g/t
	and	63	73	10m @ 1.30 g/t
	includes	*63*	*70*	*7m @ 1.57 g/t*
Fernland	**NFX-18-04**	68	80	12m @ 2.54 g/t
	includes	*69*	*76*	*7m @ 3.82 g/t*
Fernland	**NFX-32-04**	54	69	15m @ 2.12 g/t
	includes	*55*	*62*	*7m @ 3.55 g/t*
Fernland East	**NFX-21-04**	38	45	7m @ 2.17 g/t
	includes	*40*	*44*	*4m @ 3.26 g/t*
Fernland East	**NFX-26-04**	26	38	12m @ 1.70 g/t
	includes	*32*	*35*	*3m @ 5.41 g/t*
Fernland East	**NFX-27-04**	28	39	11m @ 1.39 g/t
	includes	*35*	*38*	*3m @ 3.59 g/t*
Fernland East	**FL87-10**	23	42.5	19.5m @ 1.54 g/t
	includes	*35*	*42.5*	*7.5m @ 3.00 g/t*

Drilling at the Bear Lake prospect intersected highly altered volcanics and sediments with anomalous gold values over a very broad area. Also, a review of historical drilling east of Barber Larder prospect has revealed a new and highly prospective horizon north of the main mineralised zone that is completely untested. These two areas are high priority targets for future exploration.

It is recommended that mineralisation models be created for the Cheminis mine area and Barber Larder and these models optimized for open pit mining potential. Also, further drilling is required on the Fernland and Fernland East shoots, before creating mineralisation models and optimizing studies.

Further exploration should also focus on the Barber Larder and Bear Lake prospects, with a review of the ground between these two areas.

SUMMARY

The Company continues its solid growth strategy through:

- Continued exploration success, and
- Alliances with key long-term quality investors, both in Europe and Australia.

The Company owns three large highly prospective projects in well mineralised belts in Western Australia and Romania as well as significant interests in several gold explorers and producers both in Australia and overseas. The company maintains a proven track record of exploration success and mining expertise with the ability to locate, evaluate and develop high-grade narrow mineralised gold systems.

Websites, www.internationalgoldfields.com and www.internationalgoldfields.de in English and German text respectively, are maintained providing all current information relating to

the Company. Furthermore, should you wish to be placed on the electronic mailing list for all announcements please contact head office cher@internationalgoldfields.com.

Tony Sage

Executive Chairman

Information in this report pertaining to mineral resources and exploration results was compiled by Mr. RW Annett who is a Member of the Aus.I.M.M with not less than 5 years experience in the relevant fields, and who consents to the report appearing in the form and context in which it appears.

Rule 5.3

Appendix 1

Global Resource Summary

Category	Tonnes	Grade (g/t)	Ounces
Measured	54,500	32.8	57,500
Indicated	5,800	33.8	6,300
Inferred	83,400	17.5	46,850
Total	***143,700***	***24.0***	***110,650***

The resource estimate(s) were completed using the following parameters:

- The Mineral Resource estimate extends over a strike length of 600m (from 109880mN to 110500mN) and between 1400mRL and 1160mRL.
- Drill holes used in the resource estimate include 10 diamond holes and 52 RC holes. Holes were drilled at a 20mx20m, or better, spacing at the Baldock lode, 50mx25m spacing at the Meteor Lode and 15mx15m spacing at the Whinnen lode.
- Core was NQ size. The core was sampled by cutting half core to geological and mineralisation boundaries. RC holes were sampled using a Davis riffle splitter at 1m intervals and on occasion at the Baldock and Whinnen lodes at 0.5m intervals.
- All samples were fire assayed at Leonora Laverton Assay Laboratories and all mineralised intervals were re-assayed 'umpire sampled' at Genalysis Laboratories. The Genalysis assay result was used in the estimating process.
- Quality control undertaken at the Baldock lode was reviewed by Golder Associates and considered adequate. The same methodology was adopted for the Meteor lode.
- Drill hole collars have been accurately surveyed by contract surveyors or by Differential GPS. Down hole surveys were undertaken on all holes.
- Wireframes were constructed using cross sectional interpretation based on geological, alteration and mineralisation boundaries or a nominal 6g/t cut off grade. A minimum down hole interval of 2m was used to construct the Whinnen wireframe. An undiluted wireframe was constructed for the Meteor lode.
- Samples within the wireframes were composited to 1m intervals. A high grade cut of 150g/t, 45.6g/t and 67g/t was then applied to the composited interval for the Baldock, Meteor and Whinnen lodes respectively.
- For the Baldock lode a block model using Vulcan software was orientated along the mine grid with a block cell size of 5mx5mx5m subblocked to 0.1 in the easting, 5m in the northing and 2.5m in RL.
- For the Meteor lode a block model using Micromine software was orientated along the mine grid with a block cell size of 1mEx10mNx5mRL and subblocked to 0.25 in the easting, 2.5m in the northing and 1.25m in RL.
- For the Whinnen lode a block model using Micromine software was orientated along the mine grid with a block cell size of 1mx7.5mx5m subblocked to 0.25 in the easting, 1.9m in the northing and 1.25m in RL.
- IDW2 or IDW3 grade interpolation used an orientated search ellipse with a first pass radius of:
  - 25m then 50m then 100m to fill the Baldock wireframe;
  - 30m, 60m, 120m, 180m then 240m to fill the Meteor wireframe; and
  - 30m to fill the Whinnen wireframe.
- The ellipse was orientated to match the overall dip, strike and plunge of the mineralised lodes.
- IDW2 and IDW3 grade interpolations, at varying block sizes, were used as a check method for the Meteor lode.
- A bulk density value of 3.06t/m^3 was used for all lodes. This was derived from a number of measurements taken on Baldock core and RC drill cutting material.
- Resource classification was carried out on the basis of continuity of mineralisation and drill hole spacing.