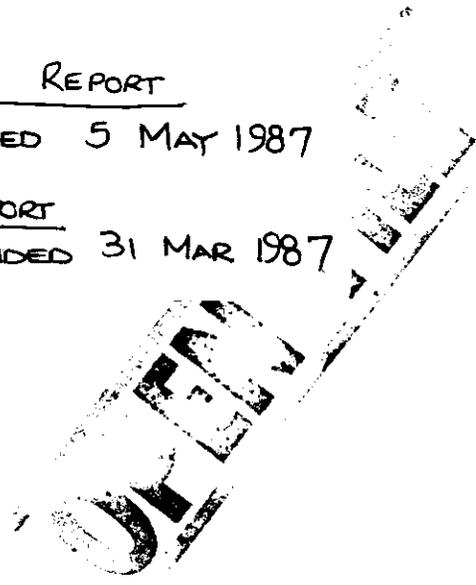


COMBINED ANNUAL REPORT

FOR YEAR ENDED 5 MAY 1987

& QUARTERLY REPORT

FOR PERIOD ENDED 31 MAR 1987



87-2648

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COMBINED ANNUAL REPORT FOR YEAR ENDED 31 MAY 1987

AND QUARTERLY REPORT FOR PERIOD ENDED 31 MARCH 1987

General Statement

The years activities have been mainly directed towards the possible economic utilisation by industry of Tasmanite or its derived products as given in the quarterly reports for previous periods. This research has been conducted in-house and through affiliated companies as well as by Consultant, R.F. Cane, in conjunction with his American associates.

The possible use of kerogen concentrate as a reductant for Greenvale Nickel ores was not found to be economically attractive nor cost competitive as a fuel substitute due to the current low world prices for crude oil.

Proposed 1987/88 Program

Despite the lack of success, the company intends to pursue its objectives in establishing a market for Tasmanite derivatives that can be economically exploited.

As far as utilisation as a fuel is concerned, it is not expected that progress can be made until the world crude price increases sufficiently to make substitute fuels again economically attractive, or alternatively until new uses for kerogen or associated derivatives can be found and economically exploited.

Project Expenditure for Quarter and Annual Periods

Quarterly expenditure for period ended 31 March, 1987. \$ 1,245

Land Renewal Fees - 1987/88	2,200
December '86 Quarter - Expenditure	1,062
September '86 Quarter - Expenditure	2,655
June '86 Quarter - Expenditure	2,777
1986/87 Total Annual Expenditure	\$ 9,939

MINES	
File Ref	
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Doc. Ref. 221	
Action Officer	Initials
Resubmit to	Date

mostly admin.

Endeavour Resources Limited
Perth - April 6th, 1987