



**FOR IMMEDIATE RELEASE:** February 25, 2004

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**Cadence Resources Announces First Quarter Results;  
Acquires 18,000 Acres in Anadarko Basin, Kansas**

**Walla Walla, WA:** Cadence Resources Corporation (CDNR), an energy exploration and development company, today announced its financial results for the quarter ended December 31, 2003.

Revenues from oil and gas sales rose to \$559,000 in the first fiscal quarter ended December 31, 2003, compared with \$33,000 for the same period prior year. Net loss for the quarter was \$375,000, or \$0.03 per fully diluted share, compared to a net loss of \$244,000, or \$0.03 per fully diluted share, in the same quarter of 2002.

Howard M. Crosby, president of Cadence Resources, said, "We are very pleased with the increase in revenues that we achieved this quarter, as it is indicative of the great progress we are making. We received our first substantial revenues from our gas production in De Soto Parish, Louisiana, during the quarter ended December 31, 2003, which accounts for a the year-on-year increase as the prior year showed only revenue generated by our Texas operations."

He pointed out, "We now have five producing wells in De Soto Parish, Louisiana, all of which are at depths in excess of 10,000 feet. These wells are completed only in the Cotton Valley formation, and we expect to focus now on drilling and completing the shallower Upper and Lower Hosston formations. This accelerates our drilling schedule as these shallower wells take less time to drill. At the same time, we expect our drilling costs to drop because the new wells scheduled for development will not need to be as deep as those just brought into production."

He concluded, "We anticipate revenue from our Louisiana gas production to be sufficient to cover our operating and administrative overhead. Meanwhile, our Texas and Michigan sites continue to generate revenue. Our oil revenues were based on an average price of \$29.96 per barrel and gas revenues were based on an average price of \$5.05 per mcf."

		Number of Gas Wells Drilled	Number of Gas Wells Producing	Monthly Production (mcf)
2003	Sept.	1	1	5,342
	Oct.	1	2	8,520
	Nov.	1	3	12,614
	Dec.	1	4	28,420
2004	Jan.	1	4	21,083
	Feb.	2	5	32,000 (est.)

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Cadence also, has leased approximately 18,000 acres of land in the Anadarko Basin in West Central Kansas. The Company holds a 100% working interest in this project, and further geology and engineering will commence during fiscal 2004.

*This release contains forward-looking statements that involve substantial risks and uncertainties. Investors and prospective investors in our common stock can identify these statements by forward-looking words such as "may," "will," "expect," "intend," "anticipate," "believe," "estimate," "continue" and other similar words. Statements that contain these words should be read carefully because they discuss our future expectations, make projections of our future results of operations or of our financial condition or state other "forward-looking" information.*

CADENCE RESOURCES CORPORATION STATEMENT OF OPERATIONS

	Three Months Ended December 31,	
	2003	2002
	(Unaudited)	(Unaudited)
REVENUES		
Oil and gas sales	\$ 559,384	\$ 33,376
TOTAL EXPENSES	936,664	232,971
OPERATING LOSS	(377,280)	(199,595)
OTHER INCOME (EXPENSES)		
Interest income	3,980	80
Interest expense	(2,181)	(1,239)
Partnership loss	-	(8,309)
Gain on debt forgiveness	-	-
Loss on disposition and impairment of assets	-	(34,623)
TOTAL OTHER INCOME (EXPENSES)	1,799	(44,091)
LOSS BEFORE TAXES	(375,481)	(243,686)
INCOME TAX BENEFIT	-	-
LOSS FROM CONTINUING OPERATIONS	(375,481)	(243,686)
GAIN FROM DISCONTINUED OPERATIONS		
Gain from mining operations (net of income tax benefit of \$66,040)	-	-
NET INCOME (LOSS)	(375,481)	(243,686)
OTHER COMPREHENSIVE INCOME (LOSS)		
Unrealized gain (loss) on market value of investments	(107,293)	8,677
COMPREHENSIVE INCOME (LOSS)	(482,774)	(235,009)
NET INCOME (LOSS) PER COMMON SHARE BASIC AND DILUTED		
Net loss from continuing operations	\$ (0.03)	\$ (0.03)
Net gain (loss) from discontinued operations	\$ -	\$ -
NET INCOME (LOSS) PER COMMON SHARE	\$ (0.03)	\$ (0.03)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED	12,602,175	8,411,936

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