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ANNOUNCEMENT TO NSX

Directors of the Company are very pleased to advise shareholders and the market generally that the large diameter (10 inch clear) bore hole on MIN 5391 has:

- been positioned in secure ground
- has broken into open water-filled workings at depth 53 metres
- has been successfully cased off and completed for use as industrial-quality water for the intended gold recovery plant
- on trials, showed easily sustainable water flows well in excess of 50 litres per second
- has been secured near surface, and closed for security reasons, and
- involved less cost than anticipated.

In due course, this water will be sampled for metals in the same manner as for the former CSIRO water sampling program Tourello, to provide comparative information.

The follow-on steps (towards plant development) will now proceed.

F.L. Hunt
Director