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Company Announcements Platform
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Mineralized Zones Intersected in Diamond Drilling **- Update at the Sorpresa Project Fifield NSW**

The diamond drilling program has completed 4 holes (901m), and at the time of writing the 5th hole has been drilled to a depth of 136m and continues. To date the first 4 holes have successfully intersected mineralized zones, however, no core has yet been sampled for assay. Important aspects of the geology appear consistent across the 4 holes, and lead the Company to conclude the mineralized system is likely continuous and large scale.

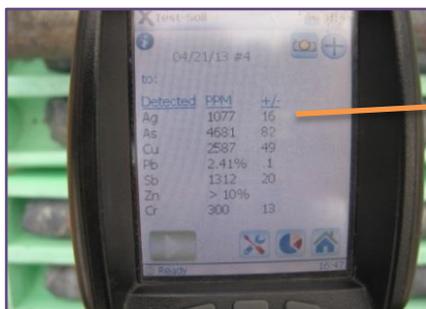
Diamond drilling update – Mineralization observed in core at Sorpresa Project

The diamond core has provided an important advancement in the understanding of the underlying system geology at the Sorpresa district. This is the first core seen on the project and deepest holes drilled to date, including Fi 327 at 325m. For the four holes completed it can be said that:

- The core on each of the holes remains exciting geology, with abundant brecciation, shearing, pervasive silica, sulphides, intrusive features and graphite.
- Based on core inspection in the field, and hand held XRF on core, all the holes have intersected mineralization
 - Spot XRF checks on selected core have provided high base metals, including Silver at 1077g/t
- The drilling has confirmed that the IP response is directly related to the mineralized geology – considered a very significant outcome by the Company.
- Important porphyry zones are seen in each hole, representing likely sills emanating from a large porphyritic volcanic centre. Fracture zones in the volcanic centre are now a major exploration target for mineralization.
- The total diamond program had 5 holes planned for a combined 1,300m, at 3 locations, and may be extended.

The core is being examined for structure, geology and metallurgy perspectives. In selected places, spot XRF analysis is conducted on the core surface, to help determine the core character, however, this is not considered representative sampling. Independent laboratory assay will be conducted in due course.

(See Appendix for location map. More detailed reports will become available after the program completion).



Fi 328 core shown from 90~93m depth – Spot XRF values on core surface include 1077 g/t Silver at 90.7m

The Head of Exploration, Colin Plumridge, reflected:

“The diamond core has been highly enlightening, and we are seeing the individual geological units and structure that make the Sorpresa area so special for mineralization.

We now have strong evidence of an extensive porphyry system. These porphyry units sit amidst the carbonaceous receptive horizon (the horizon is highly brecciated, sheared and silicified in places

containing important sulphides). The diamond core reinforces our previous observations in the percussion drilling and adds to our knowledge significantly.

The diamond core shows that the geology operating is extensive and continuous in the first 4 drill holes, both within a hole and across holes. The core material almost looks interchangeable in parts from one hole to another. We have now confirmed that the IP response is definitely tied to important mineralized geology at each of the first 4 locations, so we will be building on these observations.

The implications are clear, we have a mineralizing system on a very large scale, formed in a rift anaerobic basin setting, with excellent deep geological plumbing for the mineralized fluids. We have focused points of deposition, already known to host high grades for gold and silver. It is likely that the rift has a porphyritic volcanic centre, as evidenced by the newly recognized porphyry sills seen in the diamond core.



Part of the “receptive horizon” in Fi 325

This is a “Christmas wish list” for an exploration setting, as this sort of thing does not come along that often. The porphyry component in the geology raises the potential of the area even further for positive outcomes on discoveries.”

The Executive Chairman, John Kaminsky, stated:

“Seeing the core first hand for the last week has been very satisfying, it is pretty much everything we had hoped it would be. The spot checks on the mineralized areas with the XRF have given us confidence, but we still need to see assays and complete the program. We are now observing “up close” why the Sorpresa area performs so well and how the IP response ties to the geology.

The extent of the consistency in the system and its scale is impressive. The 2 completed diamond drill holes at Boundary Gate location show the mineralization over a distance of 240m NW to SE. The distance between Trench 31 and Roadside locations is 1km apart, and in all cases the mineralized system appears open, and shallow dipping which is a favourable configuration, as best we know.

The scenarios are really compelling now, we need to examine our diamond core and plan our next steps, probably with immediate interest to look at the IP response south east of the Trench 31 area, and consider widening our IP survey, almost immediately.

Our methodical and targeted approach is paying great dividends, there appears to be a very exciting period ahead.”



Diamond Drilling south east of Boundary Gate, core trays returning for examination

RC Percussion Drilling update - 16 holes completed

The RC drill program has paused pending crew changes and maintenance. Drilling recommences 29th April to complete the program.

- In total 16 RC holes (1,700m), with depths of 80m~140m have been completed at 3 locations within Sorpresa

- ❑ Based on handheld XRF, many holes appear mineralized and assays are pending
- ❑ Approx. 13 holes remain to be drilled in the current campaign
- ❑ In total more than 2,500m of RC drilling is due to be completed

RAB Traverse Drilling update at Sorpresa – 52 holes drilled and program to be extended

RAB drilling is being undertaken to the south of the known gold mineralized position at Trench 31 location and the program is to be extended, with new planned holes scoping the same vicinity. A summary of the status is:

- ❑ 52 drill holes to shallow depths (6~12m) are now completed, with 25m to 50m spacings on 6 traverse lines
- ❑ Mineralized bedrock has been identified with handheld XRF and relevant geology appears present
- ❑ Some samples await dispatch for geochemistry assay

Much of the highly prospective Sorpresa Project Area (8km²) has not been explored and is hidden under shallow alluvium. The RAB drilling provides important information to aid targeting for subsequent deeper RC drilling, testing the underlying bedrock potential for gold. This is the first extensive prospecting for gold under the alluvium cover sequence at Sorpresa district.

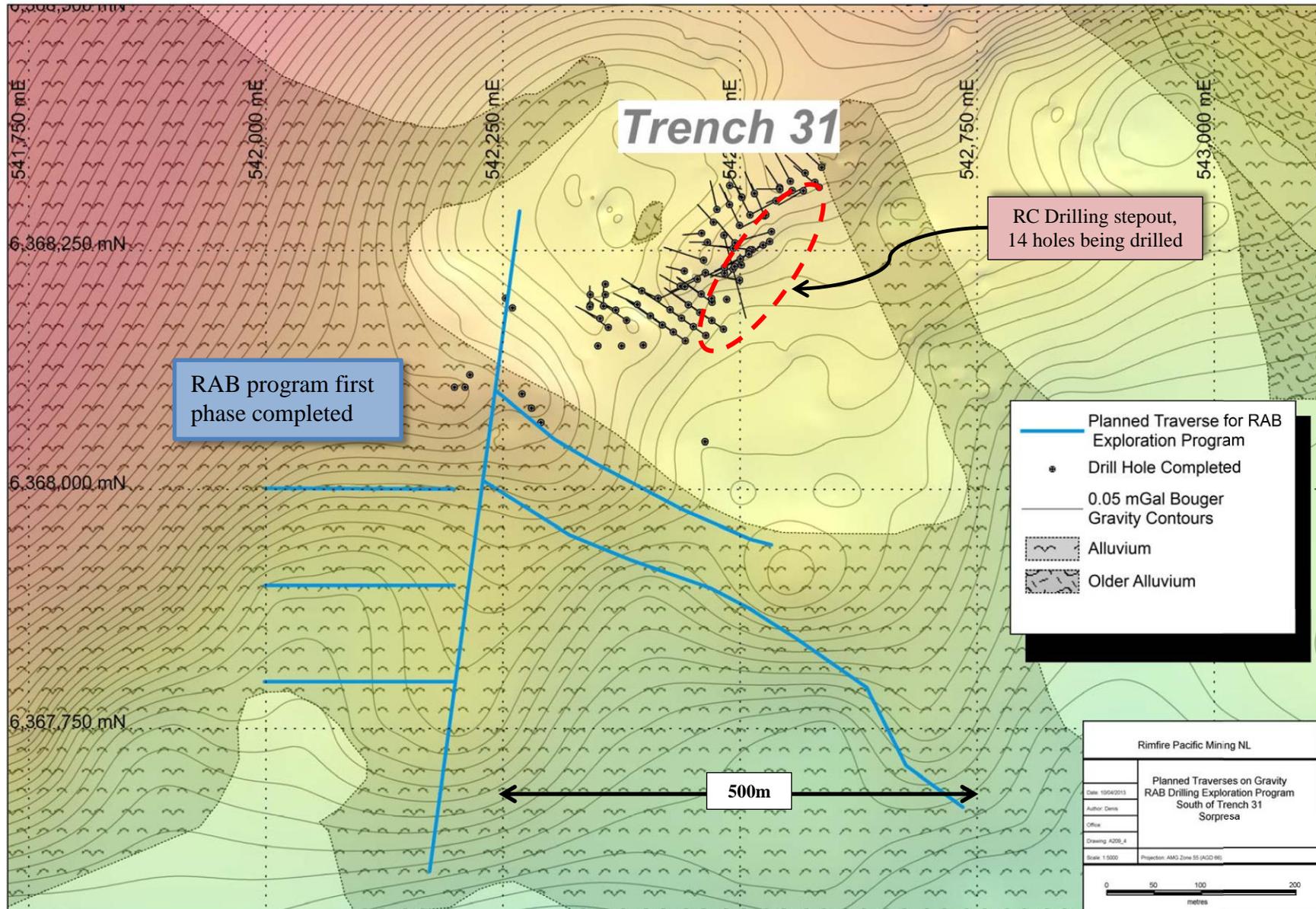


JOHN KAMINSKY
Executive Chairman

The information in the report to which this statement is attached that relates to Exploration Results is compiled by Mr Colin Plumridge, who is a Member of The Australian Institute of Mining and Metallurgy, with over 40 years experience in the mineral exploration and mining industry. Mr Plumridge is employed by Plumridge & Associates Pty. Ltd. and is a consulting geologist to the Company. He has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity, which is being undertaken to qualify as Competent Persons as defined in the 2004 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Mr Plumridge consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

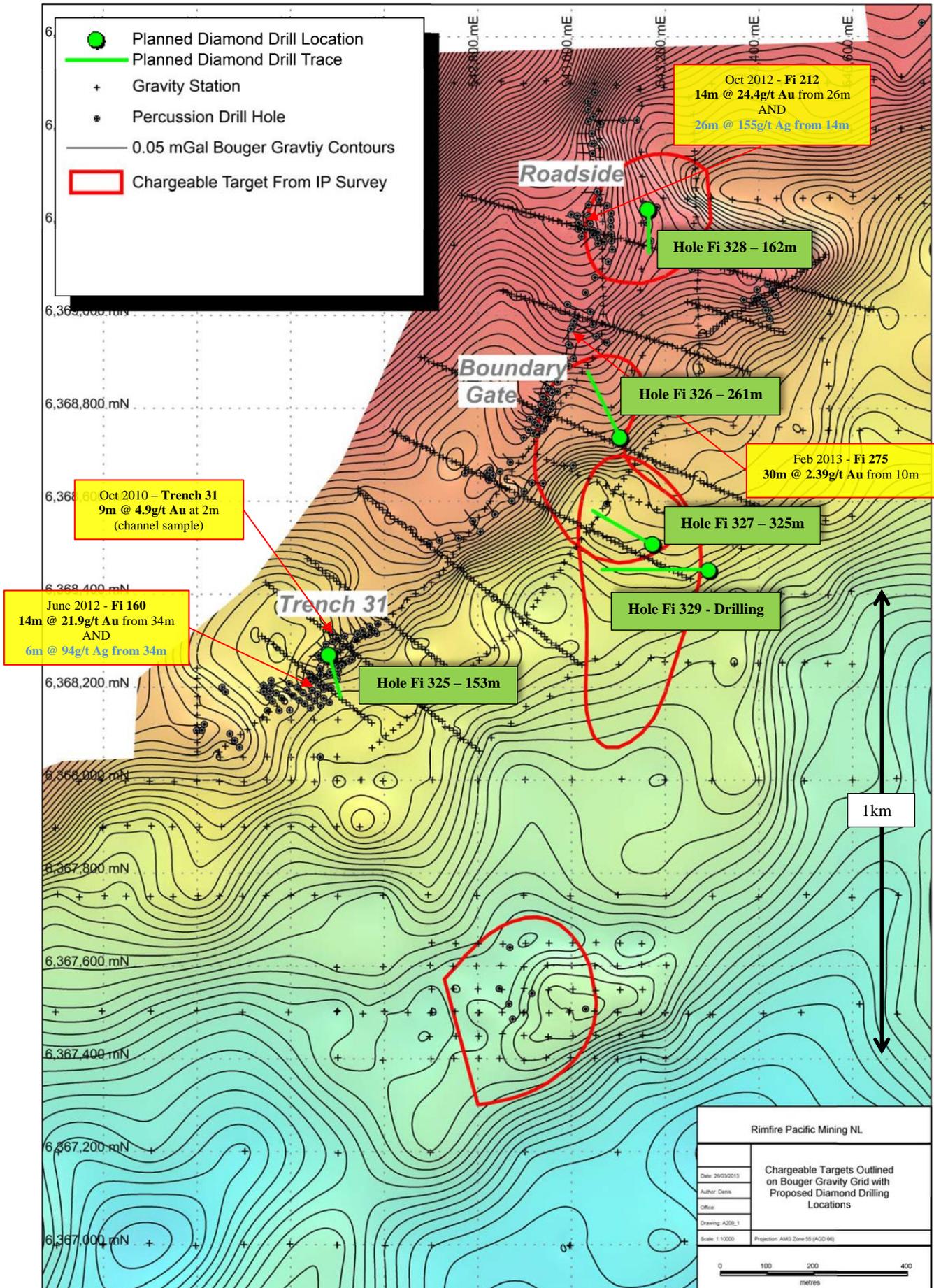
Appendix 1

(RAB Drill Program Lines South East of Trench 31 Completed – Shown on background of Gravity contours and Alluvium cover)



APPENDIX 2

Diamond Drill Hole Locations Sorpresa – Shown on Integrated Gravity Survey



Appendix 3

Sorpresa District Geological Concept Model – Syncline Rift Basin in Plan View

(Note that the IP survey chargeable response at approx. 100m depth is overlaid)

