INVESTMENT COMPANY OF THE WEST LIMITED

ACN 008 677 852
52 ORD STREET
WEST PERTH WA 6005
TEL: (+618) 9481 8700
FAX: (+618) 9481 8701

STOCK EXCHANGE ANNOUNCEMENT

ACQUISITION OF THE PRAIRIE DOWNS ZINC-LEAD PROJECT

3 June 2005

The Directors of Investment Company Of The West Limited ("**ICW**" of "**the Company**") wish to announce that the Company has entered into an agreement to acquire a 100% interest in Mineral Investments Pty Ltd ("**Mineral Investments**"), a company that is the registered owner of a portfolio of several prospective base metal projects located within Western Australia. The most significant project in the portfolio is the Prairie Downs Zinc-Lead Project. The supporting projects include Coppermine Bore, Longreach Well and Perenjori, all of which have had previous exploration carried out on them.

ICW will acquire its 100% interest in Mineral Investments by the issue of 8,000,000 fully paid shares and 2,000,000 options exercisable at 25 cents on or before 31 May 2008 on a post consolidation basis.

It is intended that once the acquisition of Mineral Investments is completed, the Company will commence an initial drilling programme to evaluate the existing resource at the Prairie Downs Zinc-Lead Project and assess the accuracy of previous exploration conducted.

ICW is further pleased to announce the proposed appointment of Mr Mark Christian Hansen as Managing Director to oversee exploration and further assessment of the Prairie Downs Zinc-Lead Project including the completion of a scoping study to determine the project's economic viability and development of the Company's business activities.

Following shareholder approval on a number of matters as set out below, and the completion of the capital raising described below, ICW intends to seek re-quotation of its securities on the Australian Stock Exchange Limited ("**ASX**").

PRAIRIE DOWNS
Zinc- Lead-Silver

Prairie Downs is a high grade zinc-lead prospect, located 100 kilometres southwest of Newman in Western Australia. The project comprises Exploration Licence 52/1758, which covers an area of approximately 210 square kilometres and was granted in December 2004.

Zinc-lead mineralisation is hosted by the Prairie Downs Fault, a major regional structure, which outcrops intermittently over a length of 20 kilometres within the project area. The fault zone may also be prospective for gold, as evidenced by a drill hole which intersected 16m @ 0.4g/t gold, including 4m @ 0.9g/t gold.

A greenstone belt to the north of the fault, within the project area, is prospective for nickel and gold. Sediments to the south of the fault, within the project area, are prospective for stratiform lead-zinc deposits.

The most advanced prospect at Prairie Downs is Zone 1, which comprises two mineralised lenses; Hanging Wall Zinc and Volcanic Breccia Zinc. The Hanging Wall Zinc lens hosts an inferred mineral resource of 500,000 tonnes at a grade of 13.1% zinc, 3.7% lead and 35g/t silver.

COPPERMINE BORE PROJECT
Copper-Gold-Uranium

Coppermine Bore is located in the northern Ashburton Basin about 1300km north of Perth and 45km north east of Nanutarra Roadhouse. It is prospective for copper, gold and uranium. The project comprises a nineteen block Exploration Licence, E08/1436, covering 6016 hectares that was granted in September 2004.

Shallow drilling at Coppermine Bore in 1977 returned a best result of 3 metres at 2.5% copper and 120ppm uranium and rock chip sampling completed in 1996 returned a best result of 2.4g/t gold, 19% copper and 295ppm uranium This project provides a set of outstanding "walk-up drill targets" for copper-gold-uranium mineralisation.

LONGREACH WELL PROJECT
Lead-Zinc

Longreach Well is located 305 kilometres from Carnarvon and about 900 kilometres north of Perth. The Dampier-Perth natural gas pipeline runs through the tenement. The project comprises Exploration Licence E09/1154, granted in January 2005. It covers a Mississippi Valley Type lead-zinc prospect on the eastern margin of the Carnarvon Basin.

Previous exploration has outlined a 4 kilometre long zone of prospective stratigraphy with anomalous geochemistry and gossanous outcrops.

PERENJORI PROJECT
Copper-Lead-Zinc-Gold

Perenjori which comprises Exploration Licence Application E59/1144,covers a Volcanic Hosted Massive Sulphide ("VHMS") style copper-lead-zinc-gold prospect in the Gullewa Greenstone belt. It is located in the Murchison Province of WA about 270 km NNE of Perth and about 40km northeast of the township of Perenjori.

The best drilling results to date from Perenjori are 5 metres at 1.9% copper & 18.2g/t silver, 1 metre at 11.3% zinc & 4.1% lead and 1 metre at 5.3g/t gold. Exploration to date indicates that the main potential for economic mineralisation lies down dip from the known mineralisation.

PROPOSED ACQUISITION OF MINERAL INVESTMENTS

It is proposed that shareholder approval will be sought for the acquisition of Mineral Investments by ICW. The acquisition is subject to the completion of the capital raising, share consolidation and reinstatement to quotation of the Company's shares in the terms described below.

BOARD AND MANAGEMENT STRUCTURE

As noted above ICW proposes to appoint Mr Mark Christian Hansen as Managing Director to oversee development of the portfolio of base metals projects. Mr Hansen has over 25 years experience in the exploration and mining industry, both as an exploration and development geologist and as a consultant and independent expert. He has experience in project and corporate analysis, including employment as a mining analyst and adviser in the securities industry.

It is proposed that the board of ICW be restructured to reflect the new business direction. The future composition of the board will be determined following the conclusion of the acquisition of Mineral Investments.

CAPITAL REQUIREMENTS

ICW has cash assets of approximately $720,000. The Company intends to raise $2.5 million by the issue of new shares and options under a prospectus with the right to accept oversubscriptions to raise up to an additional $1.0 million. The new shares will be offered at 20 cents with one option for each share subscribed for, exercisable at 25 cents on or before 31 May 2008. Patersons Securities Limited has been appointed as Lead Manager to the share issue for which it is to receive a Lead Manager Fee of $50,000 and a management/lodgement fee equivalent to 5% of the amount raised.

The anticipated use of the Company's existing cash and the funds to be raised (assuming no oversubscriptions are accepted) is as follows:

Use of Funds	$
Drilling	1,050,000
Metallurgical / geotechnical	775,000
Geophysical surveys	125,000
Geological / geochemical surveys	100,000
Drill target generation	50,000
Administration	750,000
Expenses of the Capital Raising	352,113
Unallocated working capital	47,887
Total	**3,250,000**

It is intended the existing capital of ICW is consolidated in the ratio 1 share fro each 8.5 existing shares. Assuming the share consolidation is approved, the funds are raised as set out above and the other proposed issues of shares and options occur, the capital structure of the Company will be:

Shares	Number
Issued Shares	8,970,810
Proposed acquisition of Mineral Investments	8,000,000
Proposed issue to raise $2.50 million	12,500,000
Oversubscriptions	Nil
Total	**29,470,810**
Options	
Issued Options	941,176
Proposed acquisition of Mineral Investments	2,000,000
Proposed issue of one free attaching Option to 12.5 million Shares	12,500,000
Grant of Options to Existing Shareholders	2,990,270
Oversubscriptions	Nil
Total	**18,431,446**

The capital raising made pursuant to a prospectus will comprise of three separate offers:

- a Public Offer which is open to public investors, for a total of 10,000,000 Shares at an issue price of 20 cents per Share to raise $2,000,000 before expenses of the issue and 10,000,000 free attaching Options exercisable at 25 cents on or before 31 May 2008; and
- a Round Up Offer to Eligible Shareholders of up to 2,500,000 million Shares at an issue price of 20 cents per Share to raise $500,000 before expenses of the issue and 2,500,000 free attaching Options exercisable at 25 cents on or before 31 May 2008 (with the right to accept oversubscriptions to raise up to an additional $1.0 million). Eligible Shareholders will be those who hold less than 10,000 shares (post consolidation). The purpose of the Round Up Offer is to allow Eligible Shareholders the opportunity to acquire additional shares to top up their holdings to minimum parcel of 10,000 Shares; and
- the grant of one free Option exercisable at 25 cents on or before 31 May 2008 for every three post consolidation Shares held by all Existing Shareholders (being shareholders in existence on the relevant record date which will be immediately prior to the Meeting.

FINANCIAL INFORMATION

		Statement of Financial Position subject to audit review 31 December 04		**Pro forma Statement of Financial Position 31 December 04**
Current Assets				
Cash		781,488		2,929,476
Receivables		330		330
Prepayments		12,088		12,088
Total Current Assets		**793,906**		**2,941,894**
Non-Current Assets				
Deferred Exploration, Evaluation & Development Costs		-		1,119,900
Non-Current Assets		**-**		**1,119,900**
Total Assets		**793,906**		**4,061,794**
Current Liabilities				
Payables		17,184		17,184
Total Current Liabilities		**17,184**		**17,184**
Non-Current Liabilities				
Payables		-		-
Provisions		-		-
Total Non-Current Liabilities		**-**		**-**
Total Liabilities		**17,184**		**17,184**
Net Assets		**776,722**		**4,044,610**
Equity				
Contributed Equity		1,165,643		4,433,531
Accumulated Losses		(388,921)		(388,921)
Total Equity		**776,722**		**4,044,610**

The pro forma statement of financial position illustrates the effect of the proposed share issues as if the issue of Shares referred to in this announcement had occurred on 31 December 2004 and is based on the following assumptions set out below:

1. ICW issues 12.5 million Shares at an issue price of $0.20 raising $2.5 million pursuant to the Prospectus;
2. ICW incurs transaction costs of $352,113 which are applied against equity;
3. ICW issues 8.0 million shares at an issue price of $0.16 to acquire Mineral Investments.

SHARE CONSOLIDATION

ICW will seek shareholder approval to consolidate the number of shares and options on issue so that the Company complies with Chapters 1 and 2 of the Listing Rules. The basis of the consolidation will be in the ratio of 8.5 existing shares for 1 new share. The ASX Listing Rules require that the number of options on issue be consolidated in the same ratio as the ordinary capital and the exercise price amended in inverse proportion to that ratio.

PROPOSAL FOR REINSTATEMENT TO QUOATATION

ICW is a listed company the shares of which are currently suspended from quotation. It is the intention of ICW to seek reinstatement of its shares to quotation on the ASX. If the proposed acquisition of 100% Mineral Investments proceeds, it would constitute a significant change in the nature of the Company's activities and in accordance with Chapter 11 of the Listing Rules, the Company will seek shareholder approval at a general meeting to the proposed acquisition.

A notice of meeting will be lodged and forwarded to shareholders shortly.

For more information on ICW, please contact Alec Pismiris on (+618) 9321 1118.

ALEC PISMIRIS
Company Secretary

Competent Persons Statement
Information in this announcement that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Mark Hansen, who is a Member of The Australasian Institute of Mining and Metallurgy and by Mr Glenn Styles, who is a Member of the Australian Institute of Geoscientists. Mr Hansen is employed by Market Capital Group Pty Ltd and Mr Styles is employed by Golden Crest Pty Ltd.

Both Mr Hansen and Mr Styles have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve'. Both Mr Hansen and Mr Styles consent to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.