INVESTMENT COMPANY OF THE WEST LIMITED

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STOCK EXCHANGE ANNOUNCEMENT

APPENDIX 4E – PRELIMINARY FINAL REPORT

9 September 2005

The directors of Investment Company Of The West Limited ("**ICW**" or "**the Company**") pursuant to Listing Rule 4.3A are pleased to release the attached Appendix 4E Preliminary Final Report for the financial year ended 30 June 2005.

The Company recorded an operating loss of $196,212 for the year ended 30 June 2005, compared to an operating loss of $153,593 in the previous financial year. The operating loss was largely attributable to the costs relating to the operating activities of the company which consisted of investing cash assets of the Company, identifying and conducting due diligence on potential investment opportunities and the general administration of the Company.

In May 2005 the Company entered into a conditional Heads of Agreement with Mineral Investments Pty Ltd ("Mineral") and Mr Mark Hansen and Mr Glenn Styles which established the terms upon which the Company would acquire a portfolio of several prospective base metal projects located within Western Australia and seek re-quotation of its securities on the ASX. The most significant project in the portfolio is the Prairie Downs Zinc-Lead Project. The supporting projects include Coppermine Bore, Longreach Well and Perenjori. Pursuant to the terms of the Heads of Agreement, the parties agreed to the following:

- the acquisition by the Company of the entire issued capital of Mineral in consideration of the issue of the 8.0 million shares and 2.0 million options exercisable at 25 cents on or before 31 May 2008 by the Company to Messrs Hansen and Styles;
- the Company undertaking a capital raising of $2.5 million by the issue of new shares at an issue price of 20 cents with one free attaching option for each share subscribed for, 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) under a prospectus dated 15 August 2005;
- implementation of a share consolidation in the ratio of 8.5 existing shares for 1 new share
- the grant of one free option exercisable at 25 cents on or before 31 May 2008 for every three post consolidation shares held by ICW shareholders;
- reconstruction of the Board including the proposed appointment of Mr Mark Christian Hansen as Managing Director to oversee exploration and further assessment of the Prairie Downs Zinc-Lead Project and development of the Company's business activities; and
- implement a change of name to "Prairie Downs Metals Limited".

The obligations under the Heads of Agreement are conditional upon the proposed capital raising being completed, the satisfaction of ASX requirements, and the obtaining of all necessary approvals at a meeting of ICW shareholders scheduled for 12 September 2005.

The Company recently dispatched to shareholders copies of the Prospectus lodged with ASX on 15 August 2005. Under the Prospectus, the Company is making four separate offers comprising of the following:

(i) Round Up Offer: An offer to existing ICW shareholders holding less than a minimum parcel of 10,000 shares on a post consolidation basis, to apply for such number of additional shares and equivalent number of options exercisable at 25 cents on or before 31 May 2008 to bring their shareholdings to at least 10,000 Shares. Shareholders will be able to subscribe for a total of 1,000,000 Shares on a post consolidation basis in the Company at an issue price of 20 cents each to raise up to $200,000.

(ii) Priority Offer: An offer to existing ICW shareholders to apply for additional shares and equivalent number of options exercisable at 25 cents on or before 31 May 2008 in parcels of at least 10,000 shares. Shareholders will be able to subscribe for a total of 1,000,000 Shares on a post consolidation basis in the Company at an issue price of 20 cents each to raise up to $200,000.

(iii) Public Offer: An offer to public investors to subscribe for a minimum of 10,500,000 Shares on a post consolidation basis in the Company at an issue price of 20 cents each to raise up to $2,100,000 together with a free attaching option exercisable at 25 cents on or before 31 May 2008. The balance of any shares and equivalent number of options not applied for by shareholders under the Round Up and Priority Offers will form part of the Public Offer. The Company reserves the right to accept oversubscriptions pursuant to the Public Offer, of up to $1,000,000 through the issue of 5,000,000 Shares at an issue price of 20 cents per and equivalent number of options.

(iv) Bonus Option Offer: An offer to existing ICW shareholders granting one free option exercisable at 25 cents on or before 31 May 2008 for every three post consolidation shares held.

Following the completion of the proposed acquisition of a 100% interest in Mineral Investments Pty Ltd and its portfolio of base metals projects and the offer of securities made under the Prospectus dated 15 August 2005, the directors believe the Company will be well placed to achieve its goal of becoming an exploration and mining company, focusing on base metals.

The Company intends to commence a drilling programme shortly at the Prairie Downs Zinc-Lead Project with the objective of defining sufficient mineralisation for potential economic development.

For further information contact Alec Pismiris on (+618) 9321 1118.

ALEC PISMIRIS
Company Secretary

APPENDIX 4E

PRELIMINARY FINAL REPORT

FINANCIAL YEAR ENDED 30 JUNE 2005

INVESTMENT COMPANY OF THE WEST LIMITED
ABN 23 008 677 852

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenue from ordinary activities	Up	171%	to	$50,802
Loss from ordinary activities after tax attributable to members	Up	28%	to	($196,212)
Net loss for the period attributable to members	Up	28%	to	($196,212)

DIVIDEND	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Previous corresponding period	Nil	Nil
+Record date for determining entitlements to the dividend		Not applicable

The Company does not propose to pay a dividend for the current period.

EARNINGS PER SECURITY (EPS)	Current period	Previous corresponding period
Basic EPS	(0.26) cents	(0.34) cents
Diluted EPS	(0.26) cents	(0.34) cents

NET TANGIBLE ASSETS	Current period	Previous corresponding period
Net tangible assets per ordinary security	0.08 cents	1.11 cents

REVIEW AND RESULTS OF OPERATIONS

REVIEW OF OPERATIONS

The principal activities of the Company throughout the current financial year have been investment and consisted of the following:

- identifying and conducting due diligence on potential investment opportunities;
- investing the Company's cash assets in interest bearing bank accounts;
- execution of a conditional agreement to acquire a 100% interest in Mineral Investments Pty Ltd, the registered owner of a portfolio of several prospective base metals projects located within Western Australia; and
- the general administration of the Company.

On 6th May 2005 the Company entered into a conditional Heads of Agreement with Mineral Investments Pty Ltd ("Mineral") and Mr Mark Hansen and Mr Glenn Styles which was subsequently announced to Australian Stock Exchange Limited ("ASX"). The Heads of Agreement established the terms upon which the Company would acquire a portfolio of several prospective base metal projects located within Western Australia and seek re-quotation of its securities on the ASX. The most significant project in the portfolio is the Prairie Downs Zinc-Lead Project. The supporting projects include Coppermine Bore, Longreach Well and Perenjori. Pursuant to the terms of the Heads of Agreement, the parties agreed to the following:

- the acquisition by the Company of the entire issued capital of Mineral in consideration of the issue of the 8.0 million shares and 2.0 million options exercisable at 25 cents on or before 31 May 2008 by the Company to Messrs Hansen and Styles;
- the Company undertaking a capital raising of $2.5 million by the issue of new shares at an issue price of 20 cents with one free attaching option for each share subscribed for, 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) under a prospectus dated 15 August 2005;
- implementation of a share consolidation in the ratio of 8.5 existing shares for 1 new share
- the grant of one free option exercisable at 25 cents on or before 31 May 2008 for every three post consolidation shares held by ICW shareholders;
- reconstruction of the Board including the proposed appointment of Mr Mark Christian Hansen as Managing Director to oversee exploration and further assessment of the Prairie Downs Zinc-Lead Project and development of the Company's business activities; and
- implement a change of name to "Prairie Downs Metals Limited".

The obligations under the Heads of Agreement are conditional upon the proposed capital raising being completed, the satisfaction of ASX requirements, and the obtaining of all necessary approvals at a meeting of ICW shareholders scheduled for 12 September 2005.

Operating Results

The Company experienced a modest increase in revenue primarily due to the cash assets of the Company increasing as a consequence of raising additional working capital in the previous financial year. The operating costs of the Company increased during the financial year. The increase was largely attributable to costs associated with conducting due diligence on several potential investment opportunities including the acquisition of Mineral Investments Pty Ltd and general administration of the Company.

Shareholders' equity decreased to $606,819 from $848,392 in the previous period, representing an overall increase of $241,573. Factors contributing to this decrease included the following:

- the costs associated with the proposed capital raising totalling $45,361; and
- the loss from ordinary activities of $196,212.

Capital Structure

During the financial year the Company issued to a director 2,000,000 options approved at the Company's annual general meeting held on 25 November 2004. The options entitle the holder to take up one ordinary share in the Company at an exercise price of $0.025. The options are unlisted and expire on 31 December 2006.

Likely Developments and Expected Results of Operations

Following the completion of the proposed acquisition of a 100% interest in Mineral Investments Pty Ltd and its portfolio of base metals projects and the offer of securities under the Prospectus dated 15 August 2005, the Company will be well placed to achieve its goal of becoming an exploration and mining company, focusing on base metals.

The Company intends to commence a drilling programme at the Prairie Downs Zinc-Lead Project with the objective of defining sufficient mineralisation for potential economic development.

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

	Current period $	Previous corresponding period $
Revenues from ordinary activities	50,802	18,755
Expenses from ordinary activities	(247,014)	(172,348)
Loss from ordinary activities before tax	**(196,212)**	**(153,593)**
Income tax on ordinary activities	-	-
Loss from ordinary activities after tax	**(196,212)**	**(153,593)**
Net loss	**(196,212)**	**(153,593)**
Other revenue, expense and initial adjustments recognised directly in equity – share issue costs	(45,361)	(43,127)
Total transactions and adjustments recognised directly in equity	**(45,361)**	**(43,127)**
Total changes in equity not resulting from transactions with owners as owners	**(241,573)**	**(196,720)**

NOTES TO THE CONDENSED STATEMENT OF FINANCIAL PERFORMANCE

LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO MEMBERS

Loss from ordinary activities after tax	(196,212)	(153,593)
Loss from ordinary activities after tax, attributable to members	**(196,212)**	**(153,593)**

NOTES TO THE CONDENSED STATEMENT OF FINANCIAL PERFORMANCE (CONTINUED)

REVENUE AND EXPENSES FROM ORDINARY ACTIVITIES

	Current period $	Previous corresponding period $
Interest revenue	41,522	18,755
Other relevant revenue	9,280	-
	50,802	18,755
Details of relevant expenses:		
Accounting & registry fees	(9,889)	(23,7676)
Directors' fees	(90,055)	(73,896)
Legal expenses	(40,197)	(12,390)
Consultant expenses	(39,804)	(21,345)
Superannuation	(5,945)	(4,492)
Other expenses from ordinary activities	(61,124)	(36,458)
Total expenses	(247,014)	(172,348)

RETAINED LOSSES

Accumulated losses at the beginning of the financial period	(317,251)	(163,658)
Net loss attributable to members	(196,212)	(153,593)
Accumulated losses at end of financial period	**(513,463)**	**(317,251)**

COMMENTARY - CONDENSED STATEMENT OF FINANCIAL PERFORMANCE

The Company experienced a modest increase in revenue primarily due to the cash assets of the Company increasing as a consequence of raising additional working capital in the previous financial year. The operating costs of the Company increased during the financial year. The increase was largely attributable to costs associated with conducting due diligence on several potential investment opportunities including the acquisition of Mineral Investments Pty Ltd and general administration of the Company.

CONDENSED STATEMENT OF FINANCIAL POSITION

	At end of current period $	As shown in last annual report $
Current assets		
Cash	679,699	903,530
Receivables	3,922	2,164
Total current assets	**683,621**	**905,694**
Total assets	**683,621**	**905,694**
Current liabilities		
Payables	76,802	57,302
Total current liabilities	**76,802**	**57,302**
Total liabilities	**4,542**	**4,146**
Net assets	**606,819**	**848,392**
Equity		
Capital/contributed equity	1,120,282	1,165,643
Accumulated losses	(513,463)	(317,251)
Total equity	**606,819**	**848,392**

COMMENTARY - CONDENSED STATEMENT OF FINANCIAL POSITION

The decrease in cash assets was largely attributable to costs associated with conducting due diligence on several potential investment opportunities including the acquisition of Mineral Investments Pty Ltd and general administration of the Company.

The decrease in shareholders' equity was due to the following:

- the costs associated with the proposed capital raising totalling $45,361; and
- the loss from ordinary activities of $196,212.

CONDENSED STATEMENT OF CASH FLOWS

	Current period $	Previous corresponding period $
Cash flows related to operating activities		
Payments to suppliers and employees	(228,120)	17,853
Interest and other items of similar nature received	42,425	(151,361)
Net operating cash flows	**(185,695)**	**(133,508)**
Cash flows related to investing activities		
Payment for purchases of property, plant and equipment	-	-
Proceeds from sale of property, plant and equipment	-	-
Payment for purchases of investments	-	-
Net investing cash flows	**-**	**-**
Cash flows related to financing activities		
Proceeds from issues of +securities (shares, options, etc.)	-	1,058,770
Other (provide details if material)		
- Payment of share issue expenses	(38,136)	(43,127)
Net financing cash flows	**(38,136)**	**1,015,643**
Net increase (decrease) in cash held	**(223,831)**	**882,135**
Cash at beginning of period *(see Reconciliation of cash)*	903,530	21,395
Cash at end of period	**679,699**	**903,530**

NOTES TO THE CONDENSED STATEMENT OF CASH FLOWS

RECONCILIATION OF CASH

Cash on hand and at bank	29,699	425
Deposits at call	650,000	15,554
Total cash at end of period	**679,699**	**16,232**

RECONCILIATION OF CASH FLOW FROM OPERATING ACTITIVITIES TO LOSS FROM ORDINARY ACTIVITIES AFTER INCOME TAX

	Current period $	Previous corresponding period $
Loss from ordinary activities after income tax	**(196,212)**	**(153,593)**
Non cash flows in profit/(loss) from ordinary activities:	-	-
Changes in assets and liabilities:		
Receivables	(1,758)	(2,164)
Creditors and accruals	(12,475)	22,249
Cash inflow/(outflow) from operating activities	**(185,695)**	**133,508**

COMMENTARY - CONDENSED STATEMENT OF CASH FLOWS

The Company experienced a cash flow deficit of $185,695 largely attributable to costs associated with conducting due diligence on several potential investment opportunities including the acquisition of Mineral Investments Pty Ltd and general administration of the Company.

OTHER NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Ratios

Loss before tax / revenue Loss from ordinary activities before tax as a percentage of revenue	(386)%	(819)%
Loss after tax / equity interests Net loss from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	(32)%	(18)%

CONTROL GAINED OVER ENTITIES

The Consolidated entity did not gain control over any entity during the period.

DIVIDENDS

Since the end of the previous financial year, no amount has been paid or declared by the Company by way of a dividend.

ISSUED AND QUOTED SECURITIES AT END OF FINANCIAL PERIOD

Category of security	Total Number	Number quoted	Issue price per security	Amount paid up per security
Ordinary securities	76,251,898	76,251,898	-	-
Changes during current period	-	-	-	-

	Total Number	Number quoted	Exercise Price	Expiry date
Options	8,000,000	-	2.5 cents	31 Dec 2006
Issued during current period	2,000,000	-	2.5 cents	31 Dec 2006
Exercised during current period	-	-	-	-
Expired/Cancelled during current period	-	-	-	-

ANNUAL MEETING

The annual meeting will be held as follows:

Place	52 Ord Street West Perth, WA
Date	To be determined
Time	To be determined
Approximate date the +annual report will be available	October 2004 (subject to the completion of the Notice of Annual General Meeting)

AUDIT

This report is based on accounts which are in the process of being audited.

INCOME TAX NOTE

	Current period $
The prima facie income tax benefit on the operating loss at 30%	(58,863)
Tax effect of permanent differences:	
- Non-deductible expenses	14,890
Income tax benefit from prior years not previously brought to account	43,973
Income tax expense/(benefit) attributable to operating profit/(loss)	-

SEGMENT NOTE

(a) Geographic Segments

The Company operates predominantly in one geographic segment, Australia.

(b) Industry Segments

The Company's operations during the financial year have been predominantly investing cash assets in interest bearing bank accounts within Australia.

IMPACT OF AASB EQUIVALENTS TO IASB STANDARDS

Investment Company Of The West Limited has commenced the transition of its accounting policies and financial reporting from current Australian Accounting Standards ("AGAAP") to Australian equivalents of International Financial Reporting Standards ("AIFRS") which will be applicable for the financial year ended 30 June 2006. In 2004 the Company allocated internal resources and consulted with external consultants to perform diagnostics and conduct impact assessments to identify areas that would be impacted by the transition to AIFRS. As the majority of the Company's assets are represented as cash at bank, the impact is unlikely to be significant. Investment Company Of The West Limited has a 30 June year end, therefore priority has been given to considering the preparation of an opening balance sheet in accordance with AIFRS as at 1 July 2004. This will form the basis of accounting for AIFRS in the future, and is required when Investment Company Of The West Limited prepares its first fully IFRS compliant financial report for the year ended 30 June 2006.

Set out below are areas where accounting policies are expected to change on adoption of AIFRS and estimate of the quantitative impact of the changes on total equity as at the date of transition and 30 June 2005 and on the net loss for the year ended 30 June 2005.

The figures disclosed are management's best estimates of the quantitative impact of the changes as at the date of preparing the 30 June 2005 financial report. The actual effects of transition to AIFRS may differ from the estimates disclosed due to (i) ongoing work being undertaken by management; (ii) potential amendments to AIFRS's and Interpretations thereof being issued by the standard-setters and IFRIC; and (iii) emerging accepted practice in the interpretation and application of AIFRS and UIG Interpretations.

(a) Reconciliation of equity as presented under AGAAP to that under AIFRS

	Notes	30 June 2005 $ **	1 July 2004 $ *
Total equity under AGAAP		**606,819**	**848,392**
Adjustments to retained earnings (net of tax)			
Recognition of share-based payment expense	(i)	(34,500)	(34,500)
		(34,500)	(34,500)
Adjustments to other reserves (net of tax)			
Recognition of share-based payment expense	(i)	34,500	34,500
		34,500	34,500
Total equity under AIFRS		**606,819**	**848,392**

(i) Under AASB 2 *Share based Payments*, the Company would recognise the fair value of options granted to executives and directors as remuneration as an expense on a pro rata basis over the vesting period in the income statement with a corresponding adjustment to equity. Share-based payments are not recognised under AGAAP.
Management has decided to adopt the AASB 1 *First Time Adoption of Australian Equivalent to International Financial Reporting Standards* transitional arrangements which allow companies not to fully retrospectively apply ASSB 2 Share based Payments. Under the terms of the transitional arrangements the cost of options issued after 7 Nov 2002 which had not vested at 1 Jan 2005 have been recognised in the income statement.

(b) Reconciliation of net loss as presented under AGAAP to that under AIFRS

YEAR ENDED 30 JUNE 2005

		$
Net loss as reported under AGAAP		**(196,212)**
Share-based payment expense	(i)	(34,500)
Net profit under AIFRS		(230,712)

(c) Restated AIFRS Statement of Cash Flows for the year ended 30 June 2005

No material impacts are expected to the cash flows presented under AGAAP on adoption of AIFRS.

* This column represents the adjustments as at the date of transition to AIFRS.
** This column represents the cumulative adjustments as at the date of transition to AIFRS and those for the year ended 30 June 2005.

AASB 112 *Income Taxes* requires the company to use the balance sheet method, rather than the current income statement method, which recognises deferred tax balances where there is a difference between the carrying value of an asset or liability and its tax base. The impact of adopting AASB 112 has not yet been quantified. The project team is continuing its assessment of the impact of AASB 112 and this assessment will be completed by Dec 2005.