Leyshon
Resources
Limited

ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE: 27 AUGUST 2003

BHP-BILLITON JOINT VENTURE

*The Directors of Leyshon Resources Limited ('**Leyshon**') are pleased to announce that they have entered into a joint venture agreement ('**JV**') with BHP Billiton Minerals Pty Ltd ('**BHP Billiton**'). The JV comprises the Selwyn Central exploration permit for minerals application ('**EPM**') 12499, approximately one hundred kilometres south of Cloncurry in the highly prospective Mount Isa region of northwest Queensland. Under the terms of the agreement, BHP Billiton has agreed to expend up to $3,000,000 to earn 80% equity in the EPM.*

The key terms of the JV require a minimum expenditure by BHP Billiton of $50,000, with another $450,000 to earn 51%, an additional $500,000 to advance to 70% and a further $2,000,000 to secure 80% equity.

The Directors consider that this is a significant development for Leyshon as it will allow it to further progress exploration in the Mount Isa region utilising the expertise of a global mining house. The JV will add value to both shareholders and the Company's extensive tenement portfolio in the Mount Isa region. The JV will operate in tandem with the current Carpentaria JV with Xstrata Plc (formerly MIM) in the same region. If both JV's are maintained in the future Leyshon will be gaining the benefit of over $7,500,000 in joint venture expenditure on its exploration portfolio whilst preserving shareholder funds.

The Selwyn Central EPM is favourably located, covering 234 square kilometres in the southern portion of the Eastern Succession in the Mount Isa region. The tenement has four base metal mines – Cannington, Selwyn, Osborne and Mount Elliot within a fifty kilometre radius. The region is recognised as one of the world's most significant mineralised provinces for base metal occurrences that include strata bound lead-zinc-silver deposits (Mount Isa, Century) and intrusion related iron oxide copper gold deposits (eg, Ernest Henry).

BHP Billiton have identified the tenement as having the potential to host lead-zinc-silver mineralisation as part of an in-house regional targeting initiative. It is anticipated that once the EPM is granted a focussed exploration program will commence.

The Directors are pleased that the agreement was completed on terms favourable to both parties. The Board also looks forward to developing a working relationship with BHP Billiton in both this JV and other opportunities that may develop in the future.

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