ALCASTON MINING N. L.

ABN 39 006 710 774

30 June 2005

The Companies Announcement Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

By e-lodgement

Dear Sir/Madam

CHAIRMAN'S LETTER TO SHAREHOLDERS

Please find attached a copy of the letter from the Chairman, Rick Crabb to the Shareholders of the Company dated 30 June 2005. This letter is being despatched to shareholders.

Please do not hesitate to contact our office, if any further information is required.

Yours faithfully
ALCASTON MINING NL

GILBERT RODGERS
Company Secretary

32 Parliament Place, West Perth, WA 6005, Australia
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ALCASTON MINING N. L.

30 June 2005

Dear Shareholders

TUVATU ACQUISITION
SHAREHOLDERS MEETING – 7 JULY 2005

I refer to the Notice of Meeting and Explanatory Memorandum calling a shareholders meeting for 7 July 2005.

I enclose a copy of the announcement made on Tuesday 28 June 2005 by the Company to the Australian Stock Exchange. This announcement states that the formal agreements for the Tuvatu transaction have been signed.

It is important that shareholders appreciate that, the essential elements of the transaction remain the same as announced by the Company on 2 February 2005, namely that the Company will pay $8,500,000 cash and issue 42,000,000 shares (6,000,000 shares on a post consolidation basis) and grant a gold royalty to Emperor over the mining properties acquired. Due to accounting treatment and taxation matters, the manner in which the transaction is effected has changed but the end result is the same. The details of the transaction as set out in the Explanatory Memorandum, are consistent with the formal agreements signed with Emperor.

The Company has issued a pathfinder prospectus, which has been presented to a number of institutional investors introduced by a proposed underwriter. A formal due diligence and verification process was carried out in conjunction with the proposed underwriter. This pathfinder prospectus is not yet publicly filed but if and when arrangements with the underwriter are finalised, it will be filed as a disclosure document with the Australian Securities and Investment Commission (ASIC) and the Australian Stock Exchange in accordance with the Corporations Act. Once the prospectus is filed with ASIC, an application accompanying the prospectus will need to be completed by anyone wishing to acquire shares pursuant to the prospectus.

Resolution 3 in the Notice of Meeting deals with a proposed consolidation of capital on a 1:7 basis. It is the directors' view following discussions with the proposed underwriter, that a consolidation is necessary to attract appropriate investors in the proposed fundraising of up to $12,000,000 (a minimum of $10,000,000 must be raised, in the directors' opinion, to satisfactorily complete the Tuvatu acquisition). The share consolidation does not affect the underlying value of the Company, merely the number of shares on issue and thus the trading price of the shares is expected to increase accordingly. However market conditions and other factors out of the Company's control may affect the trading price of the shares on a post consolidated basis. It is possible therefore that the post consolidated trading price will be more or less than merely 7 times the current price. Nevertheless, it is the directors' view that the consolidation of capital should proceed even if the Tuvatu

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acquisition is not successfully completed, to ensure that the capital structure of the Company is conducive to attracting future investment and transactions.

Yours faithfully
ALCASTON MINING NL

Rick Crabb
Chairman

ALCASTON MINING N. L.

ABN 39 006 710 774

28 June 2005

The Companies Announcement Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

By e-lodgement

Dear Sir/Madam

TUVATU ACQUISITION
FORMAL SALE AND PURCHASE AGREEMENT EXECUTED

The Board of Directors of Alcaston Mining NL ("Alcaston") is pleased to announce that final agreements for the acquisition by Alcaston of Emperor Mines Limited's interest in the Tuvatu gold project were formally executed on 24 June 2005.

Alcaston announced an agreement with Emperor Mines Limited ("Emperor Mines") on 2 February 2005 to purchase Emperor Mine's 100% interest in the Tuvatu gold project, located 24 kilometres north east of Nadi on the island of Viti Levu in Fiji.

Alcaston is acquiring the Tuvatu gold project by acquiring 100% of the issued ordinary shares of Tuvatu Gold Mining Company Limited ("Tuvatu") from Emperor Gold Mining Company Limited ("Emperor") (a wholly owned subsidiary of Emperor Mines) and the benefit of the inter-company group loan. Upon settlement, Alcaston will acquire all of the issued shares of Tuvatu which holds all of the assets associated with the Tuvatu gold project including special prospecting licences 1283 "Bebe" and 1296 "Vavuna".

The transaction is structured as follows:

(i) Alcaston will take an assignment of an inter-company group loan (as a receivable in its favour) owed by Tuvatu to Emperor of A$9.729 million in consideration for a payment of this amount by Alcaston to Emperor;

(ii) Alcaston will pay A$1 per Tuvatu share to Emperor to acquire all of the issued ordinary shares in Tuvatu, being 1,000 shares;

(iii) Emperor will subscribe for 6 million shares in Alcaston on a post consolidation basis at an issue price of 20 cents per Share; and

(iv) Emperor will pay A$30,000 for the grant by Tuvatu of a royalty in respect of gold produced from the Tuvatu gold project pursuant to a royalty deed.

Alcaston has paid a non-refundable deposit of A$50,000 which will be applied towards the acquisition price for Tuvatu. As Emperor is re-investing $1,200,000 in shares in Alcaston, the net cash consideration payable by Alcaston to Emperor will be $8,500,000 (taking into

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account the $1,000 paid by Alcaston for the Tuvatu shares and the $30,000 paid by Emperor for the grant of the royalty, as described below).

Settlement of the acquisition is subject to:

(i) Alcaston obtaining shareholder approval for the:
   A. 1 for 7 consolidation of its issued ordinary Shares;
   B. the issue of shares, on a post consolidation basis, to raise up to $10,000,000 and the issue of 6,000,000 shares, on a post consolidation basis, to Emperor;

(ii) Alcaston raising not less than A$10m by way of equity finance; and

(iii) Alcaston and Emperor obtaining all other necessary statutory and regulatory approvals required to complete the acquisition.

The necessary shareholder approvals are being sought at a general meeting of shareholders on 7 July 2005. In the event that the necessary approvals are not given by shareholders, the acquisition will not proceed.

The Fiji Islands Trade and Investment Bureau issued Alcaston with a Foreign Investment Registration Certificate in respect of the acquisition of Tuvatu on 16 June 2005.

The two companies have agreed that a gold production royalty will be payable by Alcaston from the Tuvatu tenements in the event that gold is produced. As part of the Tuvatu acquisition, Emperor will pay $30,000 for the royalty. This royalty is to be calculated on the basis of A$10 per ounce of gold produced from within the Royalty Area (as defined in the royalty deed), up to a total of A$1 million per annum. This obligation will cease once a total of A$2 million has been paid by Alcaston. An additional royalty of 1% of the value of all gold produced is payable for gold produced outside of the Royalty Area, excluding the first 200,000 ounces of production.

Alcaston and Emperor have also agreed to meet to consider the appointment of an Emperor Mines director to the Alcaston Board in the event of a decision to mine in respect of the Tuvatu Gold Project.

These terms are as outlined in the notice of meeting and explanatory memorandum sent to shareholders in respect of the meeting to be held on 7 July 2005.

Please do not hesitate to contact our office, if any further information is required.

Yours faithfully
ALCASTON MINING NL

GILBERT RODGERS
Company Secretary