



ALCASTON MINING N. L.

A.C.N. 006 710 774

24 May 2006

ASX ANNOUNCEMENT

ALCASTON OUTLINES A SIGNIFICANT COPPER TARGET IN VANUATU

DRILLING COMMENCES IN VANUATU

- Compilation of previous exploration data by Alcaston has revealed an exciting new copper target at Webe Creek in Vanuatu.
- The target area comprises a significant copper-in-soil anomaly, 1.3 km long by 250 m wide, with a number of soil samples assaying over 300 ppm copper.
- The soil anomalism sits directly over prominent resistivity high and magnetic low geophysical anomalies.
- Rock chip results up to 1.5 m @ 12.4% copper, 5.5 g/t gold, 12.1 g/t silver and 2.55% zinc have been obtained in the area.
- Following a two week delay due to unseasonal wet weather drilling has commenced in Vanuatu. Fourteen holes for a total of 2,000 m are planned to test Alcaston's exciting gold and copper target areas at Webe Creek.

The Directors of Alcaston Mining NL ("Alcaston") are pleased to announce that a compilation of exploration data collected by several previous explorers from the Webe Creek project, in Vanuatu, has revealed a **significant new copper target**. This discovery adds to the prospectivity of the Webe Creek project which also hosts a number of excellent gold targets, that have previously been identified by Alcaston.

The copper target area is located 400 m south of the Laonasmata gold prospect and comprises a strong and coherent copper-in-soil anomaly which is directly associated with a strong heli-EM resistivity high geophysical anomaly and a strong magnetic low geophysical anomaly. Resistivity high anomalies can be found associated with quartz veining. Magnetic low anomalies can be associated with the alteration which is often found surrounding mineralisation in hydrothermal gold and copper deposits located on the Pacific Rim.

The copper-in-soil anomaly measures **1.3 km in length by 250 m in width** and consists of soil samples which all assay more than 100 ppm copper. Many of these samples actually assay greater than 300 ppm copper. The soil anomaly sits in an area where the likely volcanic host rocks for mineralisation are covered by a shallow limestone plateau (possibly only 1 – 5 m thick). In the same area a number of sink holes have been mapped in the limestone. No one has mapped inside these sink holes and Alcaston feels that there

is a possibility that they may have been formed by acidic waters derived by sulphide mineralisation beneath the limestone.

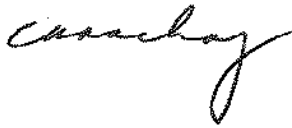
In addition, a previous explorer obtained some very interesting copper rock chip results in the Laonasmata prospect area. These include a best result of **1.5 m @ 12.4 % copper, 5.5 g/t gold, 12.1 g/t silver and 2.55 % zinc**. These results have never been followed up with additional exploration.

Alcaston is currently undertaking an extensive geological mapping and rock chip sampling program over the Laonasmata prospect area. The copper target area is being further investigated as part of this exercise.

Following a two week delay due to unseasonal wet weather **diamond drilling has commenced in Vanuatu**. Alcaston is using a drilling contractor, Prospect Pacific SARL, from New Caledonia. Prospect Pacific is also currently drilling for Inco on the Goro Nickel Project. Alcaston has planned fourteen holes for a total of 2,000 m at Webe Creek to test the exciting gold and copper target areas. Holes will be angled at 60 degrees and depths will generally be 150 m. The drilling should take approximately 6 – 8 weeks.

Should you have any further queries, please do not hesitate to contact this office.

Yours faithfully
ALCASTON MINING NL



CRAIG MACKAY
Exploration Director

The information in this report, insofar as it relates to exploration results, is based on information compiled by Mr Craig Mackay. Mr Mackay is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Mackay consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

