



21 October 2004

**AUSTRALIAN STOCK EXCHANGE AND MEDIA RELEASE
INDEE GOLD PROJECT WA – ACTIVITIES UPDATE**

SUMMARY

- **Resource infill drilling completed with additional near surface oxide mineralisation identified**
- **Results from Withnell include**
 - 8 metres at 5.29 g/t Au from 3 metres**
 - 12 metres at 7.96 g/t Au from 1 metre**
 - 7 metres at 4.58 g/t Au from 9 metres**
 - 8 metres at 4.12 g/t Au from 13 metres**
 - 13 metres at 59.54 g/t Au from 4 metres**
- **Feasibility study has progressed with completion of the geotechnical assessment and signing of the Native Title Mining Agreement**
- **Resource estimates for Withnell and Camel 1 are nearing completion**
- **On going exploration drilling is planned to test additional targets along the Mallina Shear Zone**

The Company and its Joint Venture Partner, Bullion Minerals Ltd (30%) are pleased to announce results from the latest activities at the Indee Gold Project.

Resource Drilling

The resource infill drilling program completed during September was part of the oxide delineation campaign targeting near surface mineralisation over a selected strike length of 400 metres at Withnell and Withnell South. The drilling focused on near-surface oxide mineralisation at Withnell and targeted further resources at Withnell South, Roe and Camel 2. Assay results have now been received and are summarised in Table 1. The drilling has indicated the potential to add to the existing overall oxide resource and has enhanced the potential for open pit development.

Excellent near surface intersections at Withnell were returned from the eastern end (including 8 metres at 5.29 g/t Au from 3 metres in INRC 862 and 12 metres at 7.96 g/t Au from 1 metre in INRC 863), from the central part (including 7 metres at 4.58 g/t Au from 9 metres in INRC 864 and 8 metres at 4.12 g/t Au from 13 metres in INRC 870) and from the western end (including 13 metres at 59.54 g/t Au from 4 metres in INRC 950). This result from INRC950 included one metre intervals of 615 g/t Au from 8 metres and 114 g/t Au from 9 metres.

A significant result of 8m @ 9.79 g/t Au from 34 metres in INRC944 at the western end of Withnell has provided further encouragement that the mineralised trend is still open to the west.

Table 1 also includes results from additional infill drilling which tested resource areas at Roe and Camel 2 further to the west along the Mallina Shear Zone. The results have led to an increasing focus on these two mineralised areas. Initial interpretation of the Roe mineralisation, which consists of a deep oxide profile with easterly plunging mineralised shoots, suggests a strong similarity to the Camel 1 deposit. Further drilling is planned at Roe and Camel 2, and on other identified targets along the trend of the Mallina Shear Zone.

In addition, 6 RC holes were drilled at Withnell and Camel 1 for hydrological studies, and 12 RC holes totalling 816 metres were drilled to follow-up anomalous results from previous air core drilling at Far East and in areas north and south of the main Withnell deposit. Hole INRC 966, which returned 40 metres at 1.07 g/t Au from 15 metres depth, could be particularly significant because it appears to have intersected a new body of mineralisation 250 metres south of the Withnell South resource.

Feasibility Study and Resource Estimates

As part of the on going Feasibility Study, the Joint Venture has recently completed its metallurgical studies, signed a Native Title Mining Agreement covering future developments with the Kariyarra traditional owners and completed geotechnical studies. Snowden Mining Industry Consultants are currently finalising the resource estimate for Withnell and Camel 1.



Michael R Beer
Managing Director

The technical aspects of this report were compiled by Gus Bravo, who is a Fellow of the Australasian Institute of Mining and Metallurgy and who has more than five years experience in the field of activity being reported.

TABLE 1 - REVERSE CIRCULATION DRILLING - INDEE GOLD PROJECT

Prospect	Hole_ID	Easting AMG	Northing AMG	Dip	Azimuth Mag	From Depth	To Depth	Downhole Intercept	Grade Au
				(deg)	(deg)	(m)	(m)	(m)	(g/t)
Withnell	INRC862	624647	7688470	-60	178	3	11	8	5.29
	INRC863	624647	7688485	-61	176	1	13	12	7.96
						19	28	9	2.78
	INRC864	624624	7688466	-60	178	9	16	7	4.58
	INRC870	624574	7688485	-58	179	13	21	8	4.12
	INRC874	624547	7688505	-59	177	47	51	4	5.03
						60	64	4	10.45
	INRC876	624373	7688490	-61	359	20	31	11	4.06
	INRC880	624347	7688490	-60	358	16	31	15	1.60
	INRC881	624347	7688480	-59	358	27	50	23	2.98
	INRC882	624347	7688470	-60	360	48	59	11	2.40
	INRC884	624323	7688515	-60	358	13	28	15	2.15
	INRC888	624298	7688517	-60	358	9	24	15	1.73
	INRC890	624298	7688495	-59	356	12	31	19	3.71
						35	54	19	2.30
						59	68	9	4.85
	INRC944	623435	7688600	-60	358	34	42	8	9.79
	INRC950	624222	7688415	-60	178	4	17	13	59.54
						8	9	1	615.0
					9	10	1	114.0	
INRC952	624222	7688446	-58	179	33	56	23	5.33	
INRC953	624222	7688475	-60	178	72	84	12	2.10	
Camel 2	INRC924	619260	7688315	-60	358	86	103	17	1.94
	INRC929	619210	7688361	-61	358	25	35	10	8.00
	INRC932	619185	7688327	-60	355	0	26	26	3.46
	INRC933	619185	7688315	-60	355	21	62	41	2.84
	INRC934	619185	7688301	-60	355	43	82	39	3.11
	INRC936	619160	7688312	-61	357	59	71	12	2.57
	INRC937	619160	7688305	-59	358	71	85	14	1.41
Roe	INRC893	620635	7688385	-60	358	92	98	6	4.27
	INRC898	620435	7688355	-60	358	91	97	6	4.34
	INRC902	620385	7688340	-60	358	83	88	5	5.15
	INRC906	620360	7688355	-60	358	45	50	5	4.89
						54	61	7	5.75
INRC940	620406	7688335	-60	358	95	103	8	2.54	
Aircore Followup	INRC966	624110	7688085	-60	358	15	55	40	1.07 *

Notes:

Drillhole co-ordinates are in AMG84 Zone 50

Only intervals above 20 gram metres are selected.

1m intersections calculated using a maximum of 2 metres internal waste, 0.7g/t Au cutoff.

5m composite intersections calculated using 0.5g/t Au cutoff.

All samples are 1 metre riffle split except where interval is denoted by *. These are 5 metre composites with results of individual 1m samples pending

All gold analyses performed using standard 50 gram fire assay with AAS finish to a 0.01 ppm detection limit.