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15 August 2006

Manager Announcements
Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
Sydney NSW 2000

Dear Sir

SUMMARY OF ANNOUNCEMENT

(i) Drilling Program on Southern Laverton Tectonic Zone Project.
(ii) Anglo Saxon Gold Project Update - Southern Laverton Tectonic Zone Project.

DETAILS OF ANNOUNCEMENT

1. Drilling Program on Southern Laverton Tectonic Zone Project.

The Company wishes to advise that drilling has commenced today at the Liberty Bore prospect in the Southern Laverton Tectonic Zone of Western Australia.

The program will include approximately 70 holes for approximately 5,500 metres to infill drill known anomalous targets.

Significant results at the Liberty Bore prospect previously reported included 4m @ 2.48 g/t gold from 28 metres in YINB257. Re-interpretation of this result recognised that the mineralised anomaly was associated with mafic volcanics adjacent to a small intrusive granite body. The Company believes that these type of associations between shear zones, iron rich mafics and granites have the potential to develop into large mineral deposits found elsewhere in the SLTZ.

2. Anglo Saxon Gold Project Update - Southern Laverton Tectonic Zone Project.

The Company wishes to advise that in conjunction with its joint venture partner, it has undertaken a preliminary pit optimisation at Saxon Extended using gold prices of A$622, A$777 and A$933 per ounce, and current mining and toll treatment rates and in each scenario, it disclosed that Saxon Extended could be profitably mined and is cashflow positive. The inferred and indicated resource that was estimated in 2001 at Saxon Extended was utilised in the study. Drilling results over the last two years have not been included in the drill database used for the study.

The joint venture partners have now agreed to have an external consultant update the existing inferred and indicated resource for the last two years drill results and then update the pit optimisation study to determine the feasibility of mining the Saxon Extended gold deposit.

Yours faithfully

PETER LEE
General Manager Corporate
& Company Secretary

The technical information in this report has been reviewed and approved by Mr K Washburn who is a member of the Australasian Institute of Mining and Metallurgy and has approximately 28 years experience in the industry.