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Company Announcements Office
Australian Stock Exchange Limited

Via: E Lodgment

Promising Results From First Drill Holes At Romanian Gold-Copper Project: AU$1 million Drill Program To Commence Immediately

International Goldfields Limited (**ASX:IGL**) wishes to announce promising results as part of a first-pass drilling programme at its wholly owned Sacu Copper-Gold Project in Romania.

This was the first drilling programme undertaken by IGL at this project, with the results leading IGL to commit AU$1 million towards follow-up work and an extended drilling program that will commence immediately.

Drilling at the Gladna Prospect intersected strongly altered and fractured diorite and andesite rocks containing up to 5% pyrite with strongly elevated copper values. The alteration suite consists of epidote, silica, chlorite, biotite, haematite and calcite. The discrete multi-phase intrusive plug displays zones of magnetite destruction and post emplacement faulting within an area measuring 2km x 1km.

The purpose of this exploratory drilling programme was to determine if the project area contained rocks similar to those observed at the nearby Certej and Rosia Montana deposits. It targeted three zones; the strongly magnetic intrusive located to the west, the central structural corridor, and the non-magnetic intrusive or alteration zone to the east (Figures 1-3). Only three of the six drill holes effectively tested the intended target.

While this initial drilling was very limited, it has provided sufficient encouragement for IGL to undertake immediate follow-up work to better understand the geochemical signature and geometry of the alteration suite(s). This will involve further drilling, ground geophysics (Induced Polarization) as well as petrological studies.

The Sacu Project is a new discovery within the copper belt that stretches from Bulgaria through Serbia and into Romania. It is southwest of the famous "Golden Quadrilateral" area of the Apuseni Mountains of Western Romania, and 20km west of Deva, the regional capital. Importantly, it is near the Certej deposit (quoted resources of 2.3Moz Au and 11.3 Moz Ag) of European Goldfields Ltd, and Rosia Montana deposit (quoted resources of 14.6Moz Au and

67Moz Ag) of Gabriel Resources Ltd. This 500km^2 area was once Europe's most prolific producer of gold and copper.

BHP World Minerals originally generated the Sacu Project in the 1990's as part of their worldwide search for large porphyry hosted copper-gold deposits. They still retain a claw-back provision on this project, further detail of which is provided overleaf.

The Company's exploration licence of approximately 250 sq km in size, recently renewed until 31 May 2007, is the largest concession granted to any company in Romania.

Yours faithfully

Tony Sage
Executive Chairman

KEY FEATURES OF THE BHP WORLD EXPLORATION INC ("BHP") CLAW BACK

Salient features of the claw back provisions include:

1. If IGL makes a discovery of a **Base Metal Deposit** it shall prepare and present to BHP a Prefeasibility Study, whereupon BHP may elect to obtain a 70% participating interest in that deposit by paying to IGL an amount equal to three (3) times the amount of expenditure actually incurred by IGL during the exploration period.

   If BHP makes the election and payment for a 70% participating interest, BHP shall have the right to obtain an additional 5% participating interest (for a total of 75%) by contributing all funds necessary to develop the first mine for such deposit.

2. If IGL finds geologic indications of a **Base Metal Deposit** which it believes is of a size such that development of a mine would cost less than US$400 million, IGL will submit a Scoping Study of such indicated deposit to BHP, whereupon BHP may purchase the entire project by paying IGL an amount equal to three times (3) the amount IGL has incurred in evaluating that deposit and preparing the Scoping Study. If BHP does not elect to purchase the project at such price it shall retain the right to 2% of Net Smelter Returns from any such deposit.

   If BHP does elect to purchase the project at such price, IGL has the option to either sell the project to BHP at that price or elect to have the provisions of clause 1 apply as if it had made a discovery of a **Base Metal Deposit**. In this case if BHP does not choose to exercise its right to obtain a participating interest in the Base Metal Deposit after receipt of the Prefeasibility Study , BHP shall no longer have the right to obtain a participating interest but shall instead retain the right to 2% Net Smelter Returns.

3. In the event IGL discovers any **Gold equivalent metal deposits**, it shall prepare and present to BHP a Prefeasibility Study and BHP shall be entitled to 2% Net Smelter Returns from any such deposit. IGL shall have the right any time within two years after the commencement of production to purchase one-half of such NSR (or 1%) from BHP for the purchase price of US$2 million.

4. In the event that IGL discovers a deposit which contains both Base Metal(s) and Gold-equivalent Metal(s), the total in-ground resource value of each type of metal contained in the deposit will be determined based on the resources identified in the Prefeasibility Study and using the average LME prices for the year preceding the delivery of the Prefeasibility Study as the per unit value of each metal. The cumulative total value of Base Metal(s) shall be compared to the cumulative total value of the Gold-equivalent Metal(s), and the type of metals having the higher value will determine the classification of the deposit.

AEROMAGNETIC IMAGE
GLADNA PROSPECT – REGIONAL WITH DETAIL INSET

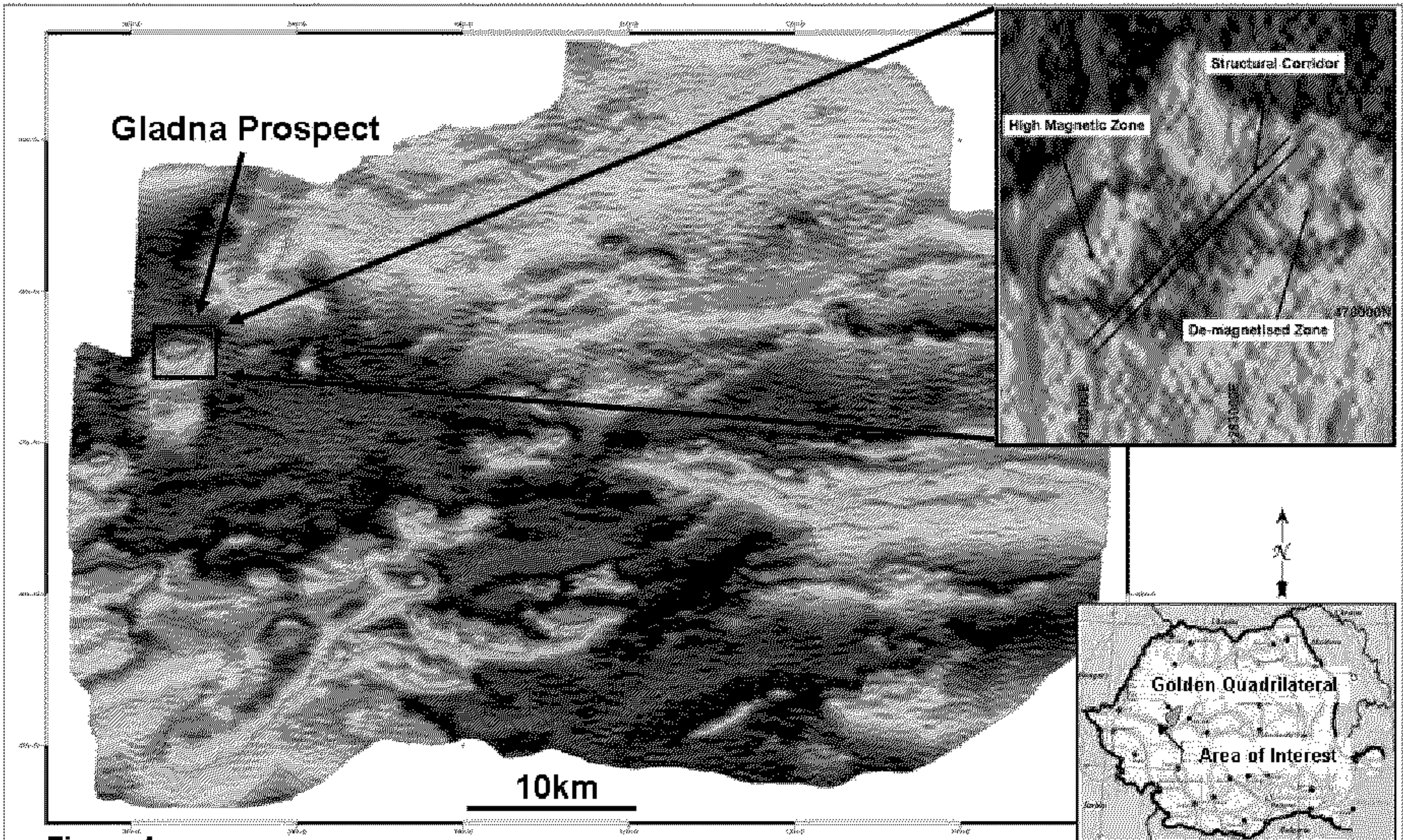

Figure 1

AEROMAGNETIC IMAGE
GLADNA PROSPECT – DETAIL WITH DRILL HOLE COVERAGE

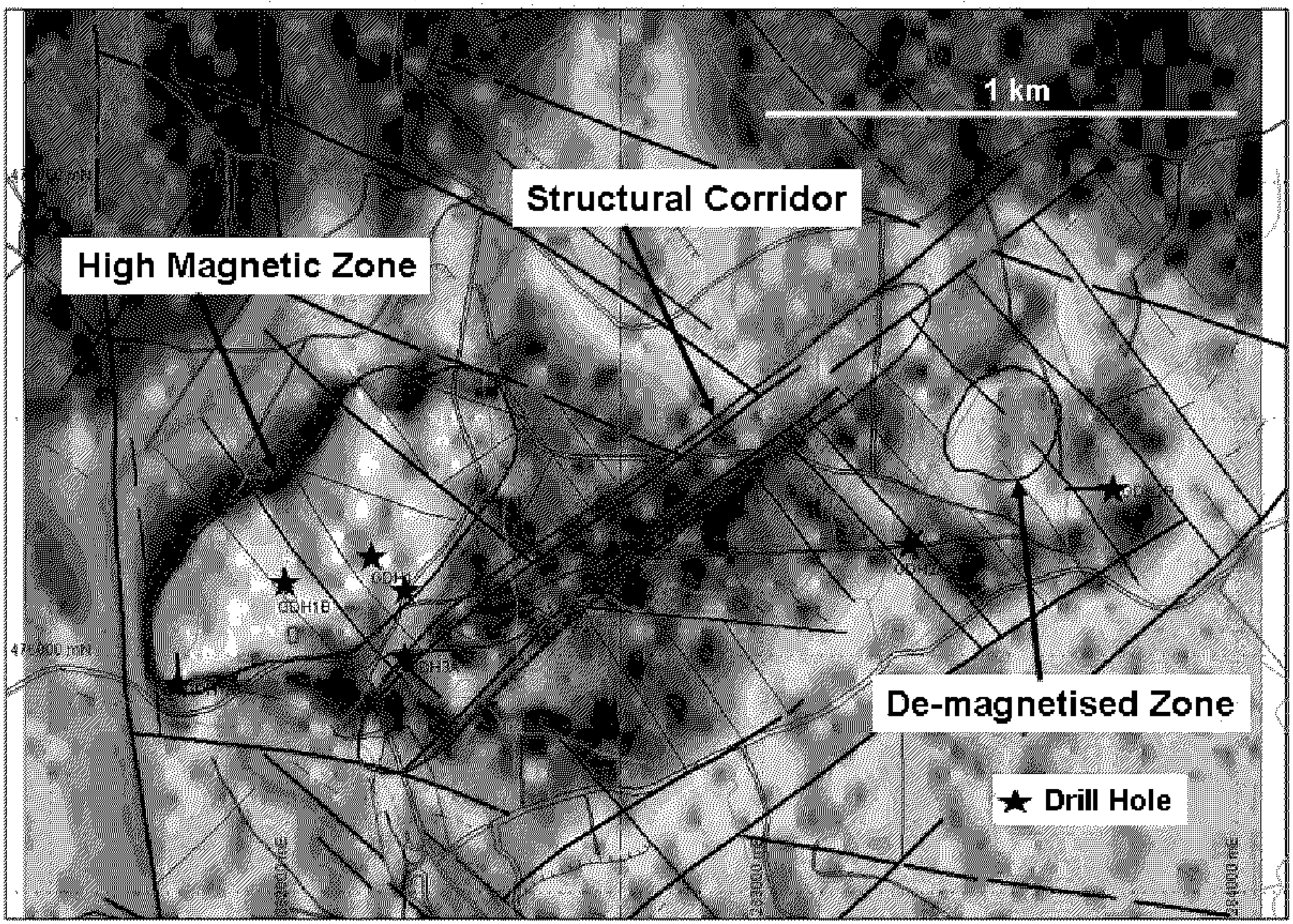

Figure 2

AEROMAGNETIC IMAGE
GLADNA PROSPECT – DETAIL WITH MAGNETIC INTERPRETATION

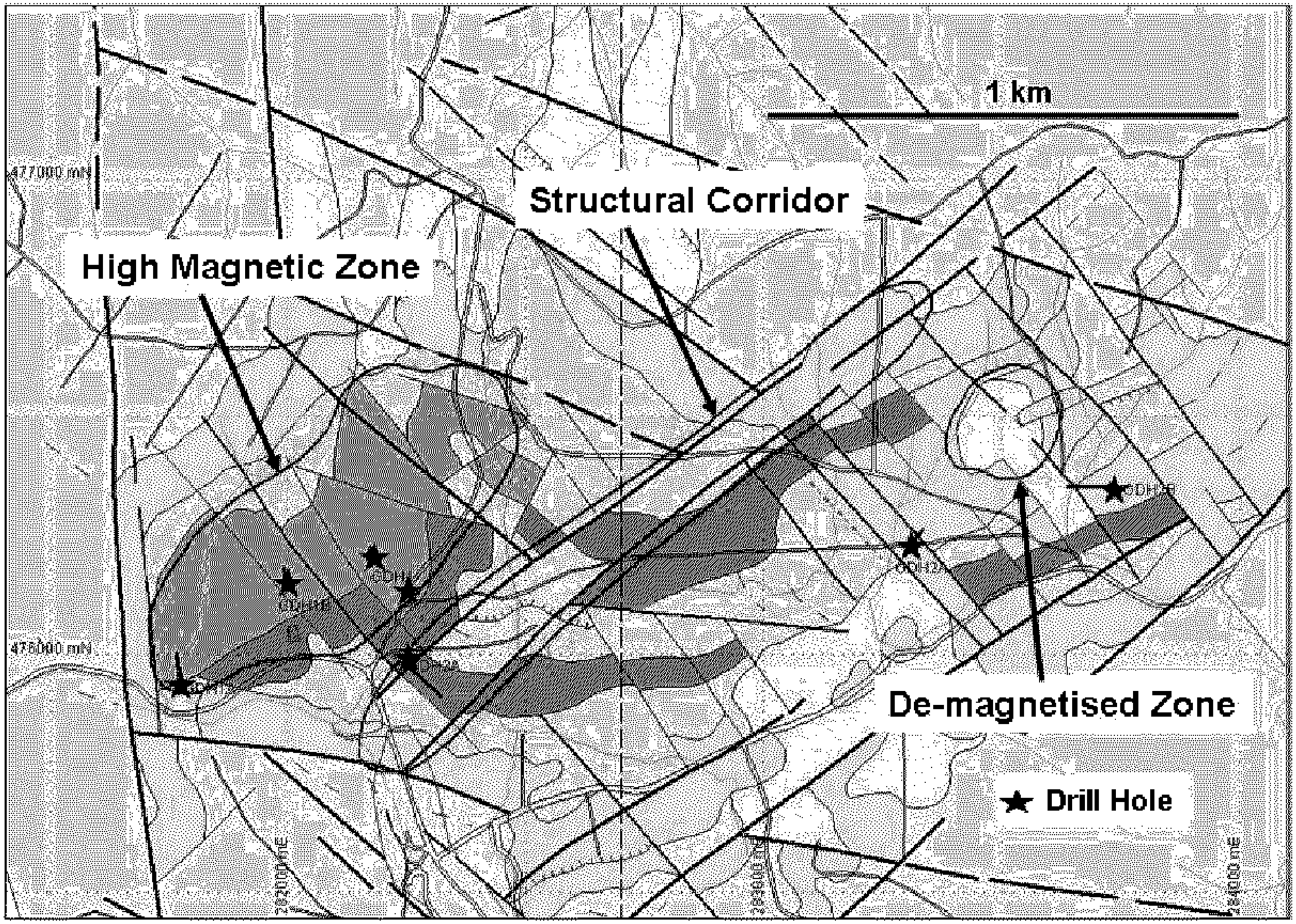

Figure 3