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## OPTION AGREEMENT FOR NICKEL JOINT VENTURE

Agincourt Resources Limited (AGC) is pleased to announce that an Option Agreement has been entered into with Independence Group NL (IGO) on the Wiluna Nickel Sulphides Project (see diagram on page 3). This brings together IGO's extensive experience in nickel exploration and the significant nickel tenure package held by AGC and begins an exciting new stage for the Wiluna district. The Wiluna Nickel project is located at the northern continuation of the highly endowed Agnew to Wiluna nickel belt, one of the most prolific nickel sulphide regions in the world.

IGO has the ability to apply a new exploration technique to the AGC tenement package which is believed to be significantly more effective in hypo-saline locations. The exploration method could be applied in particular to the Abercromby and Lake Way targets just north of the Wedgetail deposit which contains approximately 1Mt @ 7%Ni. Other immediate follow-up areas include the Bodkin project where AGC intersected massive sulphides grading 6.6% nickel in 2005.

Under the terms of the Agreement, in consideration for the grant of an Option to earn a joint venture interest in Wiluna's nickel rights, IGO will undertake a significant work program over the next six months.

The exploration work program will include the generation of a minimum of six target zones using various exploration techniques. In detailing the targets, IGO will spend a minimum of \$120,000 and must complete a work program including:

1. Bodkin
  - ▲ Compilation of previous data
  - ▲ Review existing down hole and ground EM
  - ▲ Re-log and resample (as necessary) drill core and RC chips
  - ▲ Follow-up ground EM and downhole EM
  - ▲ Recommendation of drilling targets for phase 2 testing
2. Abercromby
  - ▲ Compilation of previous data
  - ▲ Field inspection
  - ▲ Ground EM testing
  - ▲ Recommendation of drilling targets for phase 2 testing
3. Longbow
  - ▲ Compilation of previous data
  - ▲ Surface geochemistry
  - ▲ Ground and downhole EM
  - ▲ Re-logging and re-sampling previous drilling
  - ▲ Recommendation of drilling targets for phase 2 testing
4. A minimum of three other targets to be nominated following a full review of the data
  - ▲ Work programs would depend on the specifics of the prospect but are likely to be similar to those above.

It is likely that both Prodo and the Lake Way areas will be included in the work schedule detailed in point 4.

Upon IGO completing the work program commitments, IGO may elect to exercise the Option and enter into a joint venture on the following terms:

1. IGO can earn 51% in the nickel sulphide commodity rights by the expenditure of \$3,000,000 within three years.
2. Upon IGO earning 51%, IGO may elect to increase its equity to 70% by spending a further \$1,500,000 over the following two years. If IGO elects to increase its equity to 70%, AGC will be free carried to Decision to Mine.

Wiluna's laterite nickel resource of 80Mt at 0.77% Ni is excluded from this agreement.

The introduction of IGO to the extensive 40km continuation of the ultramafic trend north of Honeymoon Well will enable an acceleration of nickel exploration work so far completed by AGC. IGO has an excellent track record in nickel sulphide exploration and both companies believe that the application of the patented SQUID technology may be appropriate for the area. IGO has the exclusive rights to use the SQUID technology pursuant to an agreement with Anglo American Exploration (Australia) Pty Ltd ("AAE").

In particular, the SQUID technology is suited to areas masked by salt conductors and covered areas where conventional systems are ineffective, giving this exploration technique a competitive advantage in areas previously thought to be impossible to survey. Importantly a majority of the areas mentioned above are located in hypo-saline zones, including the Lake Way and Abercromby prospects which are immediately north of LionOre's massive sulphide Wedgetail project. In the northern reaches of the tenement package, other prospects are close to, or under, the edge of the Proterozoic cover where small intersections up to 6.6% Ni have been recorded by previous AGC exploration.

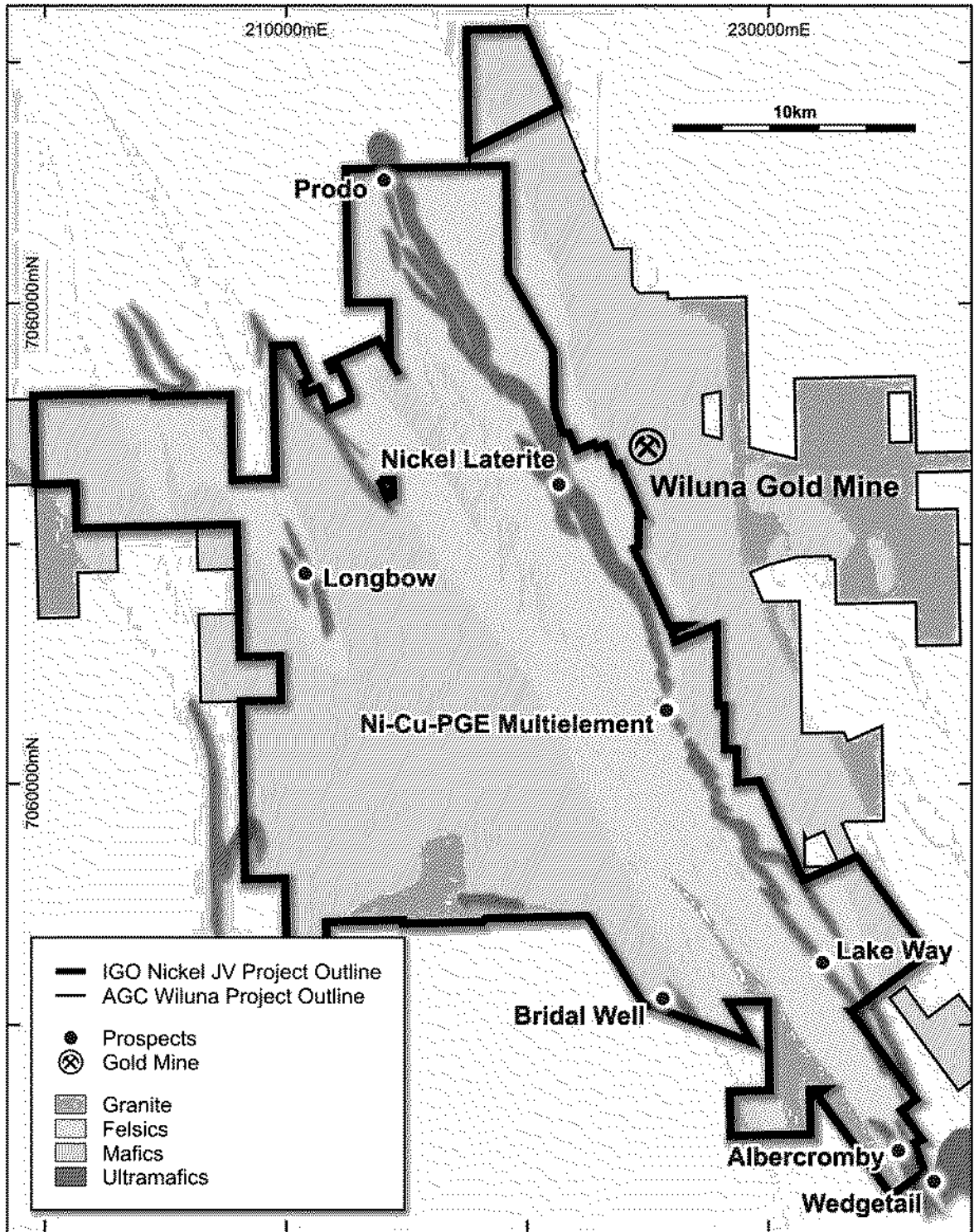
The use of the SQUID technology in the project area is subject to approval by AAE.

This Agreement provides the opportunity to complete a new stage of intensive specialised exploration for nickel sulphides on the Wiluna tenements, and both parties look forward to a successful partnership into the future.

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