



Diamond Drilling to commence at Liontown

16 January 2006

Queensland

- Mt Windsor Volcanics Project
- Fort Constantine South Project

Liontown Resources Limited (Liontown Resources) advises that diamond drilling (with RC pre-collars) will commence this week at the historic Liontown mining centre, within the Mount Windsor Volcanics Project (Figure 1).

Liontown Resources' proposed exploration program at Liontown will commence with a program designed to validate data from historic drilling through the 'twinning' of selected drill holes. The twinning program will be followed by step out and infill drilling.

Over 11,000 metres of RC and diamond drilling is planned, and validation and modeling of both historic and new data will be undertaken with the objective to define a JORC compliant resource.

Western Australia

- Cowan Nickel Project
- Logan's Find Project

CAPITAL STRUCTURE

Issued Capital:

Shares	79,000,009
Options	7,225,000

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MT WINDSOR VOLCANICS PROJECT

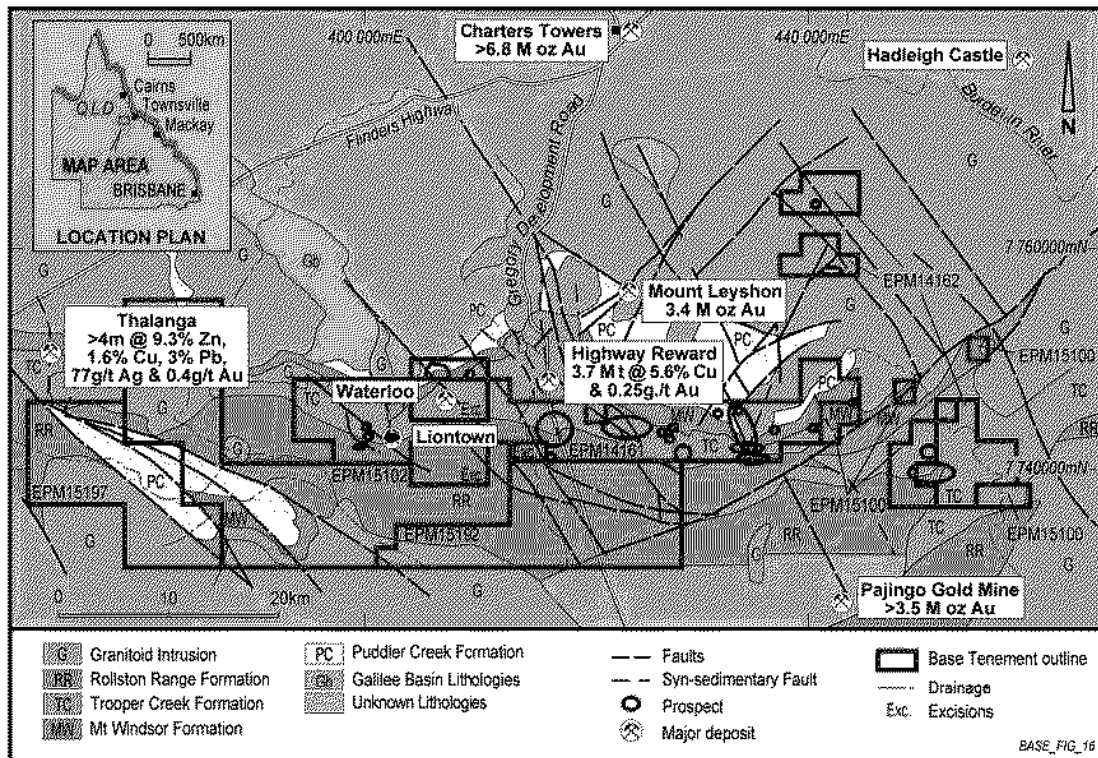


Figure 1: The Mount Windsor Volcanics Project - regional, mineral endowment, geology and prospects