INTERNATIONAL
GOLDFIELDS
LIMITED

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Manager of Company Announcements
Australian Stock Exchange Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

Via E Lodgement

MONARCH RESOURCES BUYS MT IDA GOLD ASSETS FOR $2.3M DRILLING COMMENCED ON PLATINUM PROJECT

Diversified Australian resources company International Goldfields Ltd (ASX: IGC) has reached a conditional agreement with Monarch Gold Mining Company (ASX: MON) and Mark Edgar, (as joint purchasers), to sell the Mt Ida gold infrastructure and rights to mine in Western Australia for A$2.3m.

This agreement covers only the Meteor, Whinnen, Baldock and Timoni ore bodies, bodies. Most of the value of the sale is associated mine and camp infrastructure, plant and equipment established by the Company. The tenement package at Mt Ida remains with the Company and is subject to a separate Farm-in and Joint Venture Agreement between IGC and La Mancha Resources. As part of the this agreement La Mancha have a 51% farm in right on all gold discovered by way of spending A$7.5 million on gold exploration at the Mt Ida project over a five year period.

The purchase is subject to a due diligence period expiring 2 March 2006. Upon proceeding with the purchase, the consideration for the acquisition is AUD$2.3m payable as follows:

- $100,000 payable upon exercise of the Option;
- $900,000 payable on 30 March 2007; and
- $1.3m payable on 31 December 2007.

During the due diligence period, IGC has elected to put the Mt Ida project into care and maintenance.

IGC executive chairman Tony Sage said the Company considered the decision to sell the Mt Ida infrastructure and rights to mine as key to the Company's strategy of focusing its resources on the exploration and development of the recently acquired farm in rights to the Genorah Farms platinum project in the Bushveld region of South Africa. Genorah has commenced drilling on the Genorah platinum farms.

"The Board of IGC believes the aggressive exploration and development of the world-class Genorah Farms project should be a priority for the company, particularly in light of the exploration potential, increased demand and significant increase in platinum prices."

Demand for platinum grew by two per cent to 6.7 million ounces during 2005, with supply also growing at two percent, leaving a consistent market deficit of 0.7 million ounces, according to analysts Johnson Matthey.

"As a company we need to allocate our resources, both time and money, to the projects we think are most likely to add value to our shareholders in the mid to long term," Mr Sage added.

"We think the selling of this asset will provide a significant financial benefit to the company as we look to prove up the resource potential at Genorah Farms in the shortest possible time-frame."

As a consequence of this decision it was agreed to accept the resignation of Nap Mayer. The Board thanks Nap for his contribution over the past 12 months. The Company is pleased to announce that Mr Michael Povey will join the Board as a non executive Director.

Mr. Povey is a UK qualified Mining Engineer with over 28 years experience in the mining and explosives industry. This experience has been gained in numerous countries but includes significant periods in Southern Africa, North America and Australiasia. During that time Mr. Povey has held and senior management positions with Rio Tinto Ltd, Anglo and ICI Australia's Explosives Division and also been the General Manager of an Australian listed company with producing gold interests in Western Australia and Queensland. Mr Povey is currently Managing Director of ASX Listed, Range Resources Limited.

Yours faithfully
INTERNATIONAL GOLDFIELDS LIMITED

Tony Sage
Executive Chairman

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