ACN 006 189 331

YAMARNA GOLDFIELDS LIMITED

ABN 84 006 189 331

8 October 2003

COMPANY ANNOUNCEMENT

The Company is pleased to provide the following information received from Cangold Limited today.

DRILLING COMMENCES AT ARGOSY GOLD MINE

CANGOLD LIMITED (TSX-V: CLD), on behalf of the Argosy Joint Venture, is pleased to announce that a diamond drill program has commenced at the Argosy Gold Mine in the Red Lake Mining District of northwestern Ontario. All exploration at the Argosy is now funded on a pro-rata basis, according to the 51:49 ownership between CANGOLD and Wolfden Resources Inc. (TSX: WLF; www.wolfdenresources.com), with CANGOLD as the operator of the project.

The five-hole, 1,000-metre program will begin by testing the continuity of high-grade gold mineralization intersected this summer in the 'P' and 'Contact' Zones (75.54 g/t over 0.34m and 32.4g/t over 0.48m, respectively). One deep hole will test the down-dip continuity of the No. 2 Zone (11.75g/t over 1.55m and 14.39g/t over 0.7m) and No. 3 Zone (14.67g/t over 1.7m) intersected last year in hole AM02-07. Two shorter holes will test the up-dip portion of the No. 3 zone intersection.

The Argosy Mine produced 102,000 ounces of gold at a grade of 12.7g/t (0.37 oz/t) before closing in 1952 and was only mined to a depth of 270 metres. CANGOLD and Wolfden are continuing to build a gold resource on mineralization that is known to extend below the old workings and on parallel, previously un-mined zones.

Yamarna holds approximately 16% of Cangolds issued capital.

For And On Behalf Of The Board

Bryan J Frost
Executive Chairman

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