FASTSCOUT

Friday, 18 November 2005

MARKET ANNOUNCEMENT

KALIMANTAN COAL PROJECT UPDATE

Further to our market announcement dated 17 November 2005, the Company now provides the following update on the Kalimantan Coal Project in Indonesia.

As previously advised, Fast Scout has entered into a Memorandum of Understanding (**MOU**) with PT Kaltim Jaya Coal and PT Kaltim Jaya Mineral, being two Indonesian companies that hold coal mining concessions in Indonesia (**Indonesian Coal Concessions**).

The MOU relates to two thermal coal prospects of approximately 7363ha (**Concession 1**) and 5000ha (**Concession 2**) in the East Kalimantan Province of Indonesia (please refer to the attached map of the region showing the concession locations).

The MOU provides the framework for Fast Scout to commercially mine coal from these concessions and receive 100% of coal proceeds subject to the payment of a coal royalty to the existing concession holder, the staged payment of US$400,000 per Concession and payment of normal government imposed mining royalties.

Concession 1 is located 65km southwest of BalikPapan, the capital city of Kalimantan along a bitumen road and a ferry connection to the capital. It is conveniently located 7 to 15 km from two potential barging ports along the oceanfront. The geologists of the Indonesian company have reported to the local mining Regency a resource of 50Mt in the concession. This prospect has 30 mapped outcrops of coal seams, several of which were inspected by Mr Shanker Madan, a geologist and director of Fast Scout, prior to the signing of the MOU.

The Company is of the view that an open cut resource of thermal coal on the concession is likely. The Company proposes to conduct due diligence drilling in the concession during the next 3 months to target an open cut thermal coal resource of 15 to 20Mt (the potential quantity and grade is conceptual in nature; there has been insufficient exploration to define a JORC compliant Mineral Resource; it remains to be ascertained if exploration will result in the determination of a Mineral Resource).

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Concession 2 is located approximately 150km north of BalikPapan along a tributary of the Mahakam River and northwest of Samarindha, a major coal barging port. The concession abuts a lease being developed by the Korean Coal Corporation (**KCC**).

In a report prepared for the concession holder KCC has indicated that there are four coal seams in the area. The seams dip at between 3 and 9 degrees and two of the thicker seams vary in thickness between 5.2m and 12.6m on the KCC lease. Drill holes visited by Mr Madan in a nearby concession 3 to 5km north of the KCC lease and 5km northwest of Concession 2 have intersected seams of similar thickness.

Fast Scout will be targeting a thermal coal resource of 30 to 50Mt on Concession 2 (the potential quantity and grade is conceptual in nature; there has been insufficient exploration to define a JORC compliant Mineral Resource; it remains to be ascertained if exploration will result in the determination of a Mineral Resource)

Fast Scout proposes to sign the binding agreement before the end of the month and commence mapping and due diligence drilling as soon as possible before the end of the year. Fast Scout will concurrently seek to confirm the marketability of coal from the concessions and conduct a pre-feasibility study into the economics of mining such coal.

Further information:

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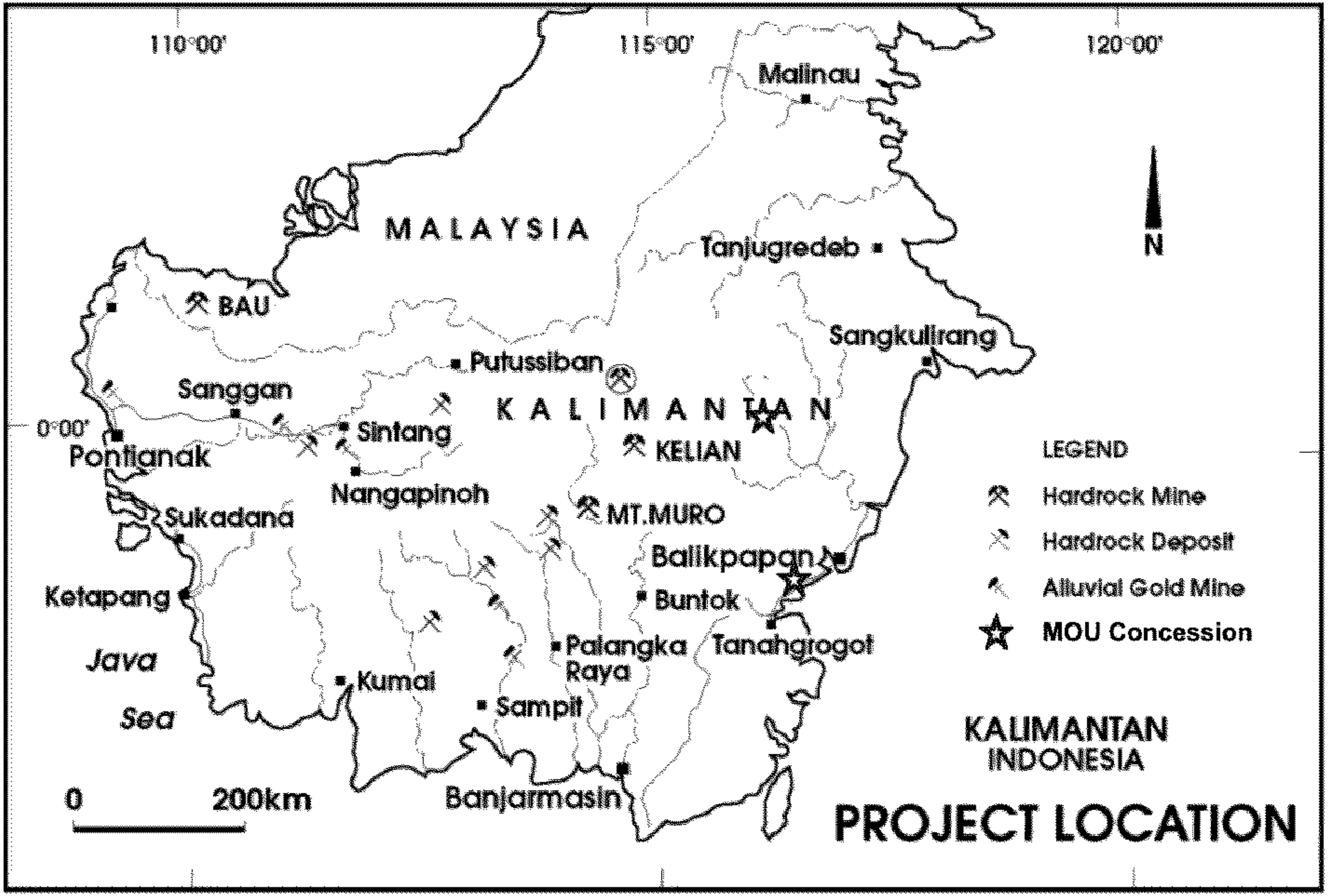
The information in this market announcement that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Mr H. Shanker Madan who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Madan is an Executive Director of Fast Scout Limited. Mr Madan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Madan consents to the inclusion in this market announcement of the matters based on his information in the form and context in which it appears.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PROJECT LOCATION