

Update Yidby Gold Project Drill Program

The Company is pleased to announce that its drilling program at its Yidby Gold Project is scheduled to commence on Friday 16th October. Whilst the drilling was scheduled to commence earlier, the extension to the work program for the Reverse Circulation drill rig allocated to Yidby has resulted in an unavoidable delay and the Company has therefore sought an alternative drilling contractor.

The program of work for the granted licences E59/2390 and E59/2426 is planned to include up to 2,000m of RC drilling that will test beneath historic gold intercepts and for contiguous mineralisation along the steeply dipping structures at depths down to 200m from surface.

The drilling contractor has agreed to be paid up to 50% (with a minimum of 25%) of the invoiced drilling component by way of fully paid ordinary shares in the Company at an agreed price of \$0.02 per share.

Project Background

The Yidby Gold Project is located 300km north-east of Perth between the towns of Wubin and Paynes Find, adjacent to the Great Northern Highway. The project tenements are situated near Ninghan Station Homestead, just north of Mount Gibson, Mount Singleton, and Extension Hill.

The historic gold workings at the Yidby Gold Project, including Cashen's Find and Nyngan Mining Centre. The project area contains significant gold geochemical soil anomalies and many historic workings consisting of excavations of quartz veins within sheared mafic and ultramafic volcanic units and associated with quartz-feldspar porphyry dykes.

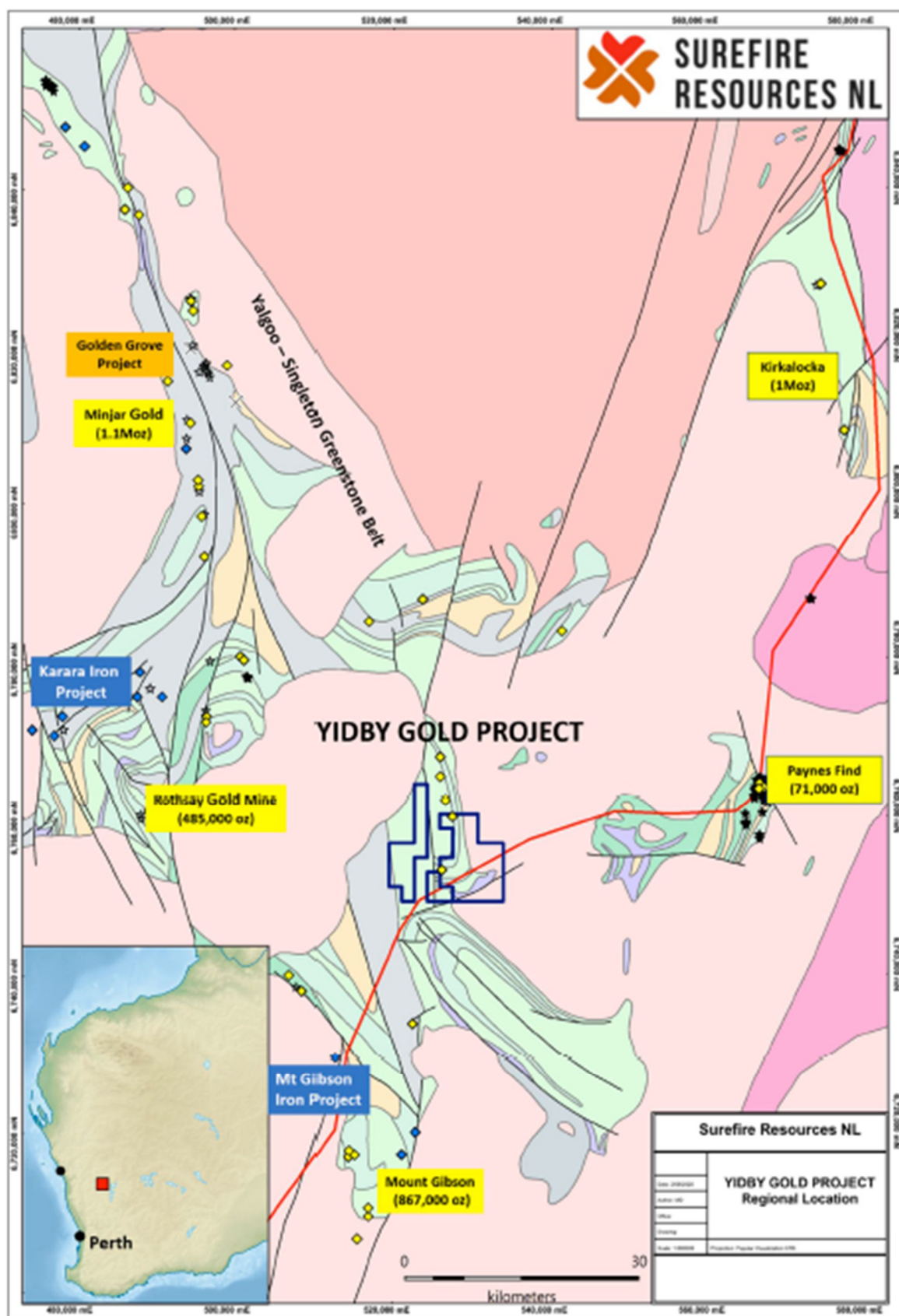


Figure 1: Yidby Gold Project

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