



RENISON CONSOLIDATED MINES NL

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ASX ANNOUNCEMENT- 07 FEBRUARY 2006

DRILLING RESULTS BUILD RESOURCE POTENTIAL AT THE SHERWOOD WEST PROSPECT AT AGATE CREEK

The Company is pleased to announce the results from the latest 18 holes (772m) of the shallow reverse circulation (RC) drill programme at Agate Creek. The results are very encouraging with near surface intercepts including **14m at 3.8 g/t** gold from 5m, **8m at 2.6 g/t** gold from 1m and **10m at 2.0 g/t** gold from surface. 36 holes (1,546m) have now been completed of the 140 hole (5000m) programme.

The current drilling at Agate Creek is aimed at defining additional shallow resources at Sherwood, Sherwood West and other near surface targets within the Sherwood Epithermal System where there is currently a combined Indicated and Inferred Mineral Resource of 5.7 million tonnes at 1.4 g/t gold for 247,000 ounces at a 0.3g/t cut-off.

These results, together with those announced on 17 January, not only confirm the potential to upgrade the gold resource at Agate Creek by the end of the programme, but also the increasing significance of the Sherwood West prospect. Significant results are presented in Table 1.

Table 1

SHERWOOD WEST										
Hole No.	GDA94 East	GDA94 North	Azimuth (grid)	Dip	Depth (m)	From (m)	To (m)	Interval (m)	Grade (g/t gold)	
CCRC190	767460	7897540		-90	56	33	38	5	1.4	
CCRC191	767470	7897655		-90	64	16	17	1	1.8	
						25	27	2	0.6	
CCRC193	767375	7897645		-90	40	20	23	3	0.9	
						34	39	5	1.7	
CCRC194	767320	7897620		-90	61	0	5	5	0.6	
CCRC195	767300	7897540		-90	70	8	13	5	0.6	
						41	43	2	1.9	
						58	60	2	1.0	
CCRC197	767290	7897500		-90	67	36	39	3	0.9	
CCRC198	767260	7897460		-90	55	5	8	3	1.0	
CCRC204	767430	7897270		-90	28	7	8	1	0.7	
						13	22	9	1.3	
CCRC205	767410	7897310		-90	25	0	10	10	2.0	inc. 3m @ 4.2g/t Au from 2m
CCRC206	767445	7897230		-90	19	1	9	8	2.6	inc. 2m @ 5.0g/t Au from 3m
CCRC207	767420	7897350		-90	37	5	19	14	3.8	inc. 1m @ 10.1 g/t Au from 7m and 2m @ 17.5g/t Au from 12m
						29	31	2	2.0	

Intersections greater than 1.0g/t or 0.5g/t over 2m

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Discussion

Previous drilling, by both Renison and earlier operators, has been constrained by topography and the use of conventional drilling equipment. The current programme is using a specialist, all terrain drilling rig, which is now allowing previously inaccessible prospective mineralized structures to be drilled and intersected near surface with encouraging results.

The best of these results, holes CCRC204-207 are all adjacent holes and relate to a southern extension of the main east dipping Sherwood West mineralized structure. These included 14m at 3.8g/t gold from 5m in CCRC207 (including 1m at 10.1g/t gold from 7m and 2m at 17.5g/t gold from 12m), and 10m at 2.0g/t gold from surface in CCRC205 (including 3m at 4.2g/t gold from 2m). This zone, which covers 150m strike to the south of the current Sherwood West resource, had previously only been sparsely drilled intersecting lower grades at greater depths. The grades from these recent holes are higher than the previous deeper intersections and may represent supergene enrichment near surface. The deposit is open to the south.

The majority of the other holes were aimed at new mineralization targets to the west of the footwall of the main Sherwood West deposit (which contains a current resource of 1.9 million tonnes at 1.2 g/t gold). These drill targets were designed to assess the grade potential of shallow dipping breccia zones mapped at surface. Further drilling is required in these areas.

Forward Program

Drilling was temporarily suspended due to the heavy monsoonal rain during the last week of January and is expected to re-commence shortly when access can be re-gained.

The next stage of the programme will continue the focus at Sherwood West, in particular, on the potential extensions to the north and south of the current resource area. To the north the mineralized structure can be traced at surface over 250m strike and, with only four drill holes in it including 15m at 2.2 g/t, has the potential to increase the Sherwood West resource. Drilling will also continue the assessment of the area to the south which has provided encouragement to date, prior to moving to Sherwood and Sherwood Central. The interpretation of a supergene enrichment horizon at Sherwood West has implications to the project area as a whole and the programme will be modified to test the wider potential of this effect.

There are approximately 100 holes (3,500m) remaining in the programme which will take a further month to complete without further rain interruptions.

Background

Prior to the current drilling program, the Company had outlined in the Sherwood area nearly 250,000 ounces in gold resources. Initial mining scoping studies were undertaken last year and with nearly half of the currently outlined resource indicated by Whittle optimisation studies to be extractable by low cost, open cut mining methods, the project is a substantial way towards resource "critical" mass for a minimum 60,000 ounce pa open cut mine development. The current 140 hole shallow drill programme is aimed at achieving this resource critical mass and to enable the Company to commit to a feasibility study this year, targeting development in 2007. Agate Creek

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also has bonanza grade targets at depth and regional targets, which could provide potential growth for the project after any initial development at Sherwood. Drilling of these targets is planned for later this year.

The Agate Creek Epithermal gold project is located approximately 50 kms west of Kidston in north-east Queensland and covers an area of approximately 465 sq kms. The Company is earning a 65% interest from Barrick Gold Ltd and this earning commitment will have been met at the end of this current drilling programme.

This current drilling program at the Agate Creek gold project together with the ongoing development of the Tom's Gully underground gold mine and the current drilling programs at the Ashford and Arrawatta Coal projects in NSW continue the Company's rapid development as an emerging mining group.

For and on behalf of the Board

JPK Marshall
Company Secretary

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Chris Creagh who is a member of the Australian Institute of Mining and Metallurgy. Mr Creagh is a full-time employee of Renison Consolidated Mines NL. Mr Creagh 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 Creagh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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