



RENISON CONSOLIDATED MINES NL

ACN 003 049 714

Mail Address
GPO Box 5268
Brisbane Qld 4001

Level 5, Santos House
60 Edward Street
Brisbane Qld 4000

Phone: (07) 3303 0630
Fax: (07) 3303 0601
Email: admin@rcm.com.au

ASX ANNOUNCEMENT

26 September 2006

TOM'S GULLY GOLD MINE

FIRST ORE RESERVE STATEMENT, INCREASED MINE LIFE AND PROJECT UPDATE

- Maiden ore reserves statement - Probable Reserve of **1.25 million tonnes at 6.4 g/t** gold head grade.
- Significant increase to the original feasibility study mine life and production rate for the first stage of development.
- The planned production timeframe for mining the reserve is over 4 years at an increased average rate of **51,500 ounces** of gold per annum.
- Further production of **0.56 million tonnes at 6.6 g/t** gold based on additional resources is scheduled.
- Total mine-life now increased to over six years with planned total production for the first stage of development of **320,000 ounces of gold**.
- Ramp up of underground and processing plant production continuing with above design processing rate achieved in September so far, production stripping commencing underground and flotation and re-grind circuits ready to commence operating.
- Stage two development feasibility studies to increase production to over 60,000 ounces per annum through open cut ore feeds, tailings re-treatment and increased recoveries through proposed changes to the treatment route are progressing well.

The Directors of Renison Consolidated Mines NL are pleased to announce the maiden ore reserve statement for the Tom's Gully Mine, increased mine-life and other progress at the mine as it ramps up production.

FIRST ORE RESERVES STATEMENT AND INCREASED MINE LIFE

Following the publication of a new and increased resource of 2.02 million tonnes at 7.9g/t in March 2006, a new Life-of-Mine Plan has been developed.

Total production is scheduled at 1.82 million tonnes at a head grade of 6.5 g/t gold (after dilution) over a period of 6 years. At a design 84% recovery this will produce an average 51,500 ounces per annum with total production of 320,000 ounces over +6 years. This is an increase in both production rate and mine life compared to the Feasibility Study (1.2 million tonnes at 7.2 g/t over 5 years at an average 45,000 ounces per annum.) Over four years of production is based on the Probable Reserve with an additional two plus years on the current inferred resources (see figure).

RENISON CONSOLIDATED MINES NL

ACN 003 049 714

The reduction in head grade is due to allowing for increased dilution with a more productive mining method in Block 2 and a drop in mining cut-off with increased gold price.

Ore Reserves and Mineral Resources Table								
	Probable Reserves					Mineral Resources		
	Tonnes	g/t gold	Koz Gold			Tonnes	g/t gold	Koz Gold
Development /Stoping	1,175,156	6.5	244,152					
Recoverable Pillars	76,043	6.0	14,767					
Total	1,251,199	6.4	258,918		Indicated	1,420,000	8.1	369,792
Scheduled Production from Inferred Resources	567,106	6.6	121,064		Inferred	595,000	7.4	141,557
Total	1,818,305	6.5	379,983		Total	2,015,000	7.9	511,349

There is significant potential for mine life to be extended, or production rate to be increased, with further drilling. The reef structure to the west of the Crabb Fault, which contains the current resource, is open to the south and south-west. In addition, a low grade 2.5m thick reef has been intersected in the last drilling programme to the east of the Crabb Fault south of the granite with an interpreted westerly dip. This creates a potential shallow target for mineralisation to the east. It is planned to test this target in November.

PROJECT UPDATE

First processing commenced in July. By the end of the month, the primary grinding mill and CIL circuits were fully commissioned and operating in steady state mode. Since then production rate has risen from a rate of 429 tonnes per day post commissioning in July to 703 tonnes per day so far in September, 7% greater than design rate of 657 tonnes per day. Over 33,500 tonnes of ore has been treated so far.

Earlier in September, production stripping of the developed underground ore was trialled with excellent results. Production stripping commences this week. Grades will rise from the diluted development grades of 3-4 g/t gold to +7 g/t gold.

Hand held mining has also commenced in a more steeply dipping high grade part of the deposit on the western margin. Grades of greater than 30g/t have been regularly sampled in this mining block. The majority of the ore from this area will be treated in October.

Ground conditions and development rates in the main development decline have improved since adverse conditions were experienced in July and August. Improved support installation methods are being implemented in the decline to overcome the impacts of poorer ground on development rates.

The primary grind and CIL circuit in the processing plant has, to date, been processing diluted grade development ore. Commissioning of the flotation and re-grind circuits will commence this week, optimising recovery from the higher grade feed from underground stripping.

RENISON CONSOLIDATED MINES NL

ACN 003 049 714

The stage two development feasibility studies to increase production to over 60,000 ounces per annum through open cut ore feeds, tailings re-treatment and increased recoveries through proposed changes to the treatment route are progressing well with testwork at Independent Metallurgical Laboratories and engineering design studies by GHD.

BACKGROUND ON TOM'S GULLY

The Tom's Gully Gold Mine in the Northern Territory is being initially developed as a +240,000 tonnes per annum underground mine. The Feasibility Study completed in early 2005, indicated an initial mine life of 5 years producing an average of 45,000 ounces per annum. The new mine plan schedules an increase to 51,500 ounces per annum over almost 7 years.

The development the underground mining operation represents the first phase of development of Renison's Northern Territory gold assets which are targeted for later expansion to over 60,000oz pa gold production.

For and on behalf of the Board

JPK Marshall

Company Secretary

For further information contact:

Richard Seville or Stephen Bizzell

Phone: (07) 3303 0630

Fax: (07) 3303 0601

E-Mail: admin@rcm.com.au

David Waterhouse

Waterhouse Investor Relations

0407 880 937

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

The information in this report that relates to Ore Reserves is based on information developed under the supervision of Mr Rod Bedgood who is a member of the Australian Institute of Mining and Metallurgy. Mr Bedgood is a full-time employee of Tom's Gully Mining Pty Ltd. Mr Bedgood 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 Bedgood consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

RENISON CONSOLIDATED MINES NL

ACN 003 049 714

Tom's Gully Project Resources totalling 618,000 ounces gold:

	Indicated			Inferred			Total		
	Tonnes	g/t Au	Oz Au	Tonnes	g/t Au	Oz Au	Tonnes	g/t Au	Oz Au
Tom's Gully									
Underground	1,420,000	8.1	369,000	595,000	7.4	142,000	2,015,000	7.9	511,000
Tailings	250,000	2.5	20,000				250,000	2.5	20,000
Quest 29									
Koolpin Sediments	85,000	1.8	5,000	105,000	1.3	4,000	190,000	1.5	9,000
Zamu Dolerite				1,050,000	2.3	78,000	1,050,000	2.3	78,000
Total							3,505,000	5.5	618,000

* Tonnes rounded to nearest 5,000t, 0.1 g/t Au and 1,000 ounces gold.

Notes on Resource estimate:

- Based on 276 drill holes, predominantly diamond drill holes.
- 5g/t*metre cut-off (as previous estimates).
- Constrained 2D ordinary kriged accumulation model using 20m x 20m geological block size with hard geological boundaries.
- Gold assays predominantly 50g fire assay
- Average bulk density 2.98 tonnes per cubic metre.
- QA/QC undertaken.
- Rounded to nearest 5,000 tonnes, 0.1 g/t and 1,000oz

Notes on Reserve estimate

- Development cut-off of 3 g/t after dilution
- Stripping cut-off of 2 g/t after dilution