

29th October 2001



Announcements
Australian Stock Exchange Limited
Level 10
20 Bond Street
Sydney NSW 2000

Facsimile: 1300 300 021

Dear Sir,

BONANZA GOLD GRADE INTERSECTIONS DISCOVERED AT WOOLGAR, QLD (Strategic 100%)

The Company wishes to announce that it has just received highly significant gold preliminary assays (Analabs, Townsville) from its recent drilling program at its wholly owned Woolgar project, North West Qld. Assay results from 3 holes out of 10 completed have been received.

Drill hole EXRC 34 gave the following results

From 36 metres to 42 metres down hole **6m grading 34.48 g/t Au**

Individual assays that make up the result are

36-37m 33.0g/t
37-38m 36.0g/t
38-39m 23.0g/t
39-40m 32.0g/t
40-41m 35.9g/t
41-42m 47.0g/t

A selvage of low grade gold values (0.75 to 1.44g/t) occurs either side of this high grade interseption. These results demonstrate strong continuity of gold grades across the full width of the intersection. The intersection, at approximately 20 metres vertical depth, is regarded to be true width as drilled across the epithermal vein structure

A high grade assay was also received from drill hole EXRC 28

From 43 metres to 44 metres **1 m grading 20g/t Au.**

This also a true width at approximately 20 metres vertical depth.

The two holes are 150 metres apart. Assay results from the other 7 holes are still awaited.

The Bonanza gold grades have come from drilling at the Explorer epithermal vein system. Previous shallow drilling on this quartz-adularia-sulphide vein system in the

1980's gave promising intersections which included 16m @2.87 g/t, 15m @2.6 g/t and 12m @2.5 g/t. As stated in the June quarterly report, ***"the geological nature of these epithermal veins is very promising, and it is believed that they could deliver high grade results at depth similar to the outstanding Vera-Nancy epithermal vein systems at Pajingo, 300 km south east of Woolgar"***.

This new drilling at Explorer have now confirmed this potential, with one outstanding feature being the shallow nature of these new high grade intersections.

Technical Director, Mr Barry Fehlberg commented on these results. " These are the first truly significant Bonaza gold intersections that have been discovered at Woolgar after 15 years of exploration" he said. "It proves that the Woolgar epithermal veins can get both wide and very rich close to the surface and at depth. This heralds the start of a new discovery phase which has the potential to unlock the real potential of the Woolgar Goldfield".

Mr Fehlberg further commented "This drill result at Explorer is better than the July 1995 initial discovery hole at Vera-Nancy which gave 5.8 metres @23.1g/t Au at 250 metres depth below surface. After 6 years of exploration, resources at Vera Nancy now total 5.6mt grading 13.6g/t for 2.45million ounces of gold. The mine is producing 250,000 oz of gold per annum at a cash cost of \$188/oz, which is the lowest cost producer in the owner Normandy Mining Ltd whole stable of gold mines. With similar geology and the first evidence of very high grades, the Woolgar goldfield has similar potential" he said.

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For further information contact
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Note: The information in this report has been compiled by Mr Barry Fehlberg who is a member of the Australian Institute of Mining and Metallurgy and has a minimum of five years experience in the field of activity being reported on. This report accurately reflects the information compiled by that person.

Note:
Drill Hole Coordinates

EXRC28 2505E 809N -45degrees grid south

EXRC34 2650E 725N -50degrees grid south