



PKL:EF 04.121
16 March 2004

The Companies Announcements Office
Australian Stock Exchange Ltd
20 Bond Street
Sydney NSW 2000

Dear Sirs

TARMOOLA MINE

Further to the Company's advice contained in its half yearly review and its update to the Exchange dated 2 February 2004, further mine planning studies and reviews have been carried out following the previously advised slippage on the eastern wall of the open cut mine. Resource modelling and mine designs for the Kailis and Rainbow deposits will be completed over the next month. As a result of this, a new mine plan is being implemented.

Subject to final mine planning, mining operations will now continue until at least June 2006. Ore feed to the mill will be provided from mining of the Tarmoola South Pit, the Kailis and Rainbow satellite pits and low grade stockpiles.

Gold production for the financial year ended 30 June 2004 from Tarmoola will be 160,000 ounces. Gold production for the financial years ended June 2005 and June 2006 will be approximately 100,000 ounces per year.

There will be an ongoing review process relating to both the Tarmoola Mine and the Leonora area generally. This will comprise a three stage approach involving the Tarmoola Mine operations, the Tarmoola "big pit" concept and exploration strategies and execution thereof in the Leonora region.

The new operating mine plan will be subject to ongoing review dependent on future operating and exploration results.

MARVEL LOCH UNDERGROUND PROJECT - SOUTHERN CROSS

Underground diamond drilling from the South Pit tunnel and North Decline is continuing. A total of four rigs are now operating at the site and approximately 13,000 metres of the 30,000 metres programme has been completed.

There are three main lode systems at Marvel Loch and the above drilling programme is currently concentrated on the South and Centre Lodes. It is anticipated that drilling of the North Lodes will commence in some three months' time.

Additional drilling results have now been received from drilling carried out since those announced in the Company's Quarterly Report on 20 January 2004 and the Company's half yearly report dated 18 February 2004.

In the southern part of the Central Lodes, drilling continued to intersect a thick zone of mineralisation at a depth of 350 to 500 metres below the surface. Drilling is planned to map the southern strike extent of this zone over the next month.

Better intersections included:

27 metres @ 4.94 g/t gold
38 metres @ 5.32 g/t gold
8 metres @ 11.83 g/t gold
68 metres @ 4.51 g/t gold

True thicknesses of these intersections are estimated to be up to 25 to 30 metres.

Drilling in the northern part of the South Lodes intersected thick zones of moderate to high grade mineralisation. Better intersections included:

21 metres @ 3.87 g/t gold
25 metres @ 7.99 g/t gold
20 metres @ 3.65 g/t gold
25 metres @ 14.60 g/t gold

These results are encouraging both in terms of thicknesses and grade.

Attached is a section relating to the above programme and results achieved to date.

Yours faithfully



JOHN W LEEVERS
MANAGING DIRECTOR

Marvel Loch Underground Exploration

