



28 April 2004

Manager Announcements
Company Announcements Office
Australian Stock Exchange Limited
4th Floor, 20 Bridge Street
Sydney NSW 2000

Dear Sir,

MALDON GOLD PROJECT, VICTORIA - NUGGETTY RESULTS

HIGHLIGHTS

- Diamond drilling confirms Nuggetty Reef structure and mineralization at shallow depths, within 100m of surface
- Best intercept 0.95m x 5.29g/t gold from 155.9m in hole DDH83;
- Follows up previously drilled intercept 2.73m x 42.2g/t gold in DDH57;
- Historical production at Nuggetty 300,000 oz gold from 50,000 tonnes;
- Main part of reef continuous sub-vertical structure of up to 7m true width;
- Higher grades associated with laminated quartz and sulphides; and
- Interpreted results will be incorporated into overall Maldon geological model in planning for further drilling.

Ian Pamensky
Company Secretary



NUGGETTY REEF EXPLORATION RESULTS

A program of six diamond holes into the Nuggetty Reef was completed for 984.2 metres during the quarter. This drilling was designed to confirm the 1997 drilling (previous best result 2.7m grading 42.2g/t gold) and to better define the structure and mineralisation. Significant results from each hole are as follows:

Latest Drilling (uncut)

DDH83	155.90 to 156.85m	0.95m at 5.29g/t Au	Eastern Lode
DDH84	82.40 to 82.55m	0.15m at 1.53g/t Au	Western Faults
DDH85	129.40 to 130.15m	0.75m at 2.26g/t Au	East Lode
DDH86	104.50 to 105.90m	1.40m at 1.73g/t Au	Western Spurs
DDH87	84.20 to 84.40m	0.20m at 0.96g/t Au	Western Faults
DDH88	160.70 to 165.10m	4.40m at 1.34g/t Au	East Wall Fault & Lode

Previous Drilling (1997, uncut)

DDH57	185.54 to 188.27m	2.73m at 42.2g/t Au	East Wall Fault
DDH60	194.63 to 195.25m	0.62m at 15.2g/t Au	Spurs & seamy quartz, W fault
DDH62	234.43 to 235.26m	0.83m at 80.0g/t Au	Central spurs & breccia
DDH67	170.33 to 175.50m	5.17m at 6.0g/t Au	Seamy quartz close to E fault
DDH68W2	219.40 to 221.40m	2.00m at 8.0g/t Au	Spurs & breccia, central area

The Nuggetty Reef prospect is located at the northern extremity of the Maldon Goldfield, adjacent to a granite intrusion. The main phase of historic mining ceased at Nuggetty in 1888, with a recorded production of 300,000 ounces of gold from 50,000 tonnes of ore. Previous diamond drilling showed the Nuggetty Reef to persist some 500 metres south of historic workings, and that erratic, coarse gold is distributed throughout the drilled sections of the reef.

Alliance initiated a review of the Nuggetty Reef last year to provide a greater understanding of the geological controls on the reef system and mineralisation. The six hole diamond drilling program used orientated drill core, with five of the holes drilled from the west to the east.

To date, 424 samples have been submitted for fire assay, with results exceeding 1 g/t gold summarized in Table 1. All results >0.3 g/t gold have been submitted for follow up cyanide extractable gold. Hole collar details are included in Table 2.

The main part of the reef is interpreted as a continuous, sub-vertical structure of up to 7 metres true width associated with the East Wall Fault Zone ("EWFZ"), with discontinuous splays emanating from the eastern zone. This main zone is further interpreted as consisting of an eastern and western leg, often separated by a discontinuous zone of spurry and brecciated quartz (Figure 1). The western margins of the Nuggetty Reef are now interpreted as a broad zone of discontinuous splays and quartz spur veining, containing erratic mineralisation often associated with quartz spur veining and flat fault zones. Recent interpretation indicates that the faults forming the western margins of the Nuggetty Reef are of a flatter nature than previously interpreted.



Sample No.	Interval From	Interval To	Interval Length	Avg Au (ppm)	Au Fire 1 (ppm)	Au Fire 2 (ppm)
83/42	144.25	144.75	0.50	1.43	1.43	
83/53	153.10	153.75	0.65	1.64	1.64	1.63
83/57	155.90	156.85	0.95	5.29	8.55	2.02
83/62	159.80	160.70	0.90	1.82	1.82	
84/06	82.40	82.55	0.15	1.53	1.51	1.55
84/09	91.40	91.80	0.40	1.20	1.20	
84/67	133.50	133.80	0.30	1.40	1.40	
85/03	83.40	84.00	0.60	1.02	1.02	
85/35	118.20	119.15	0.95	1.13	1.13	
85/53	129.40	129.85	0.45	2.47	2.26	2.67
85/54	129.85	130.15	0.30	1.94	1.94	
86/16	104.50	105.30	0.80	1.40	1.40	
86/17	105.30	105.90	0.60	2.21	2.16	2.25
86/74	139.70	140.00	0.30	1.59	1.59	
86/78	142.50	143.60	1.10	3.80	3.80	
88/12	160.70	161.50	0.80	1.61	1.61	
88/14	162.20	162.90	0.70	2.42	2.42	
88/16	163.30	163.60	0.30	1.81	1.81	
88/18	164.00	165.10	1.10	1.76	1.76	
88/62	195.45	195.80	0.35	1.45	1.45	
88/72	201.20	201.80	0.60	2.74	2.74	
88/88	213.40	214.30	0.90	1.85	1.85	
88/92	217.30	218.55	1.25	1.12	1.12	
88/93	218.55	219.30	0.75	1.07	1.07	

Table 1. > 1g/t Au intercepts, Nuggetty Reef 2003/2004, Fire Assay results only.

Hole ID	Northing	Easting	RL	Azimuth Grid	Dip	EOH Depth
DDH083	5904323.5	239505.2	427.4	96.5	-69.5	170.3
DDH084	5904323.6	239505.2	427.4	90.0	-67.2	142.6
DDH085	5904323.7	239505.2	427.4	80.5	-67.0	140.8
DDH086	5904323.9	239505.2	427.4	76.0	-69.0	157.0
DDH087	5904344.2	239475.9	425.8	83.0	-52.0	134.0
DDH088	5904301.2	239600.2	451.9	268.0	-79.0	239.2

Table 2. Nuggetty Reef 2004 diamond drilling collar details.

A long projection of the Nuggetty Reef (Figure 2) shows intercepts along the EWFZ and gram-metre contours based on diamond drilling to date. Several high-grade shoots are evident, including a steeply south-plunging shoot between 4290N-4337N, and a flat north-plunging shoot between 4180-4265N, although the latter is not adequately closed off up dip. The top of the former shoot commences within 100m of surface and represents an attractive shallow target.



The assay results returned to date are indicative of coarse gold deposits. The higher assay values are generally associated with intervals containing sulphide assemblages, laminated quartz veining and the EWFZ.

Once the current modeling of the Nuggetty Reef is completed, it will be incorporated into the developing Maldon geological model. Additional planned work includes further check sampling of previous drill core at Nuggetty, correlation of sulphides and structures with gold mineralisation and further target generation at the Nuggetty prospect.

John Dunlop
Chairman

The information in this report relating to the Maldon Gold Project has been compiled by Mr Stephen Johnston (Alliance Resources Limited) who qualifies as a Competent Person as defined in the 1999 edition of the *Australasian Code for Reporting of Mineral Resources and Ore Reserves* and is a Member of the Australasian Institute of Mining and Metallurgy.

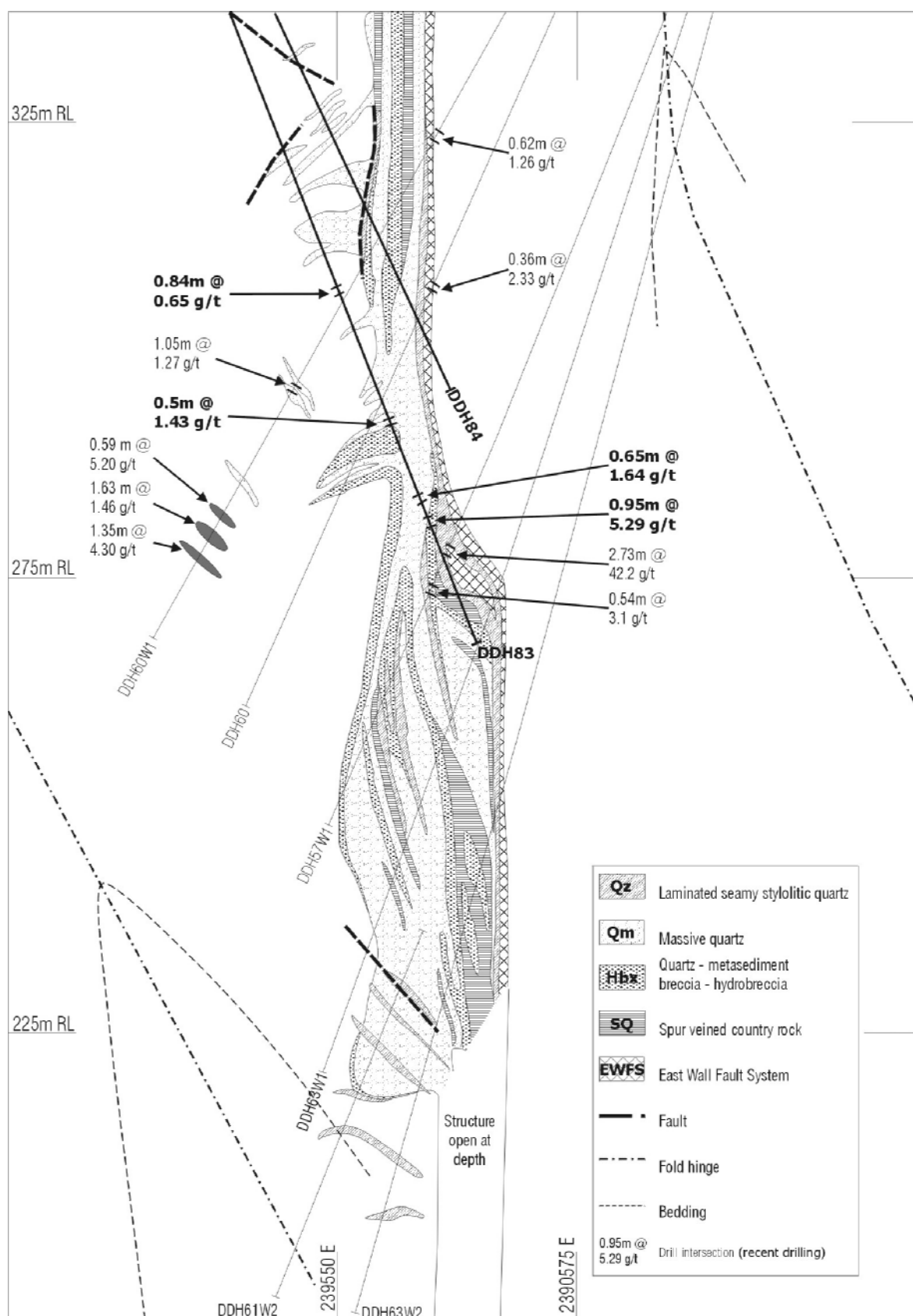


Figure 1. Nuggetty Reef geological cross-section 5904312.5N

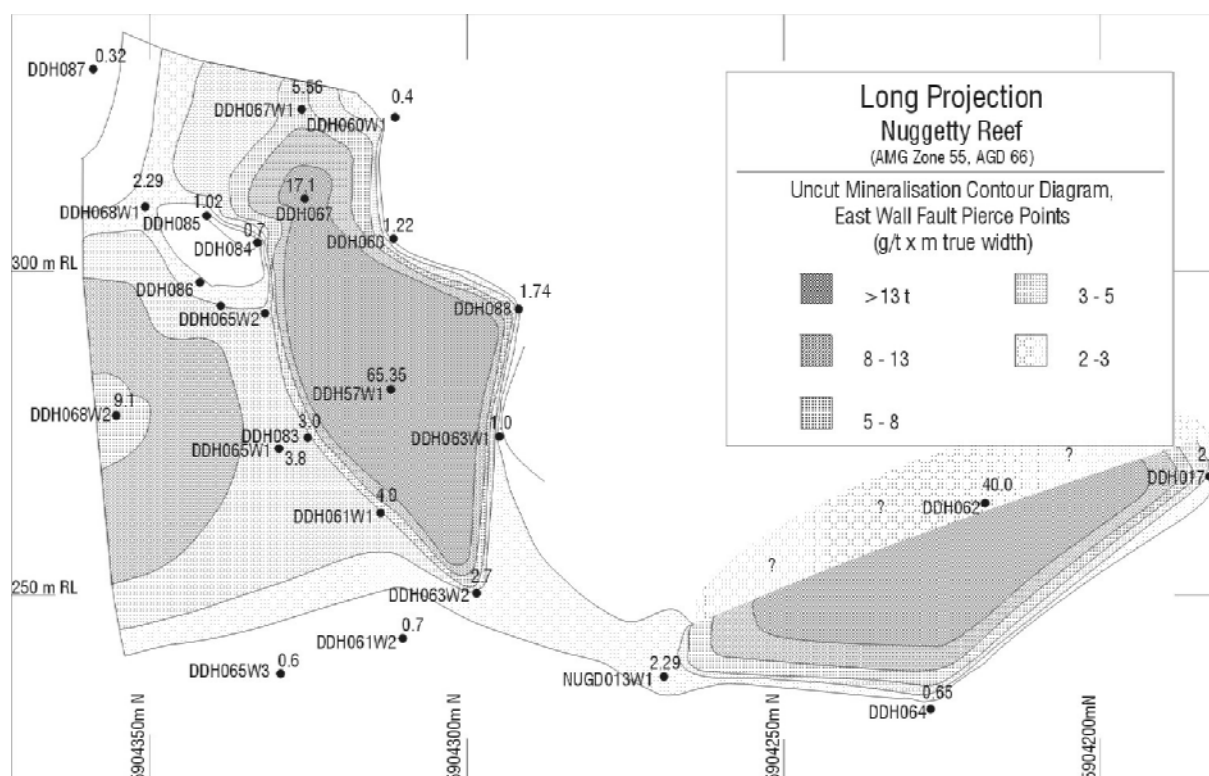


Figure 2. Nuggetty Reef long projection

- Ends -