

1st November, 2006

The Manager  
Company Announcements Office  
Australian Stock Exchange Ltd  
4<sup>th</sup> Floor, 20 Bridge Street  
Sydney NSW 2000

Dear Sir,

**NEW COPPER/GOLD MINERALIZATION DISCOVERED  
SOUTHERN END OF AN 800M CONDUCTIVE STRUCTURE IDENTIFIED BY  
RECENT GEOPHYSICAL SURVEY OVER THE EPM 13049 (See Attachment)**

Several Locator Holes were drilled to test a 800m long by 200m wide conductive zone identified by the Geophysical Sub Audio Magnetic Survey. The conductive zone is 500m west and strikes parallel to Las Minerale.

Drill Hole LHRC154 was placed to intersect possible mineralization as close to the surface as possible. Results for LHRC154 have been received.

LHRC154 intersected Cu/Au mineralization over 25m @ 0.42%Cu from 10 to 35m and a high of 0.33g/t Au from 10 to 35m. As a result 2 holes LHRC 155 and 156 were drilled to test below LHRC 154.

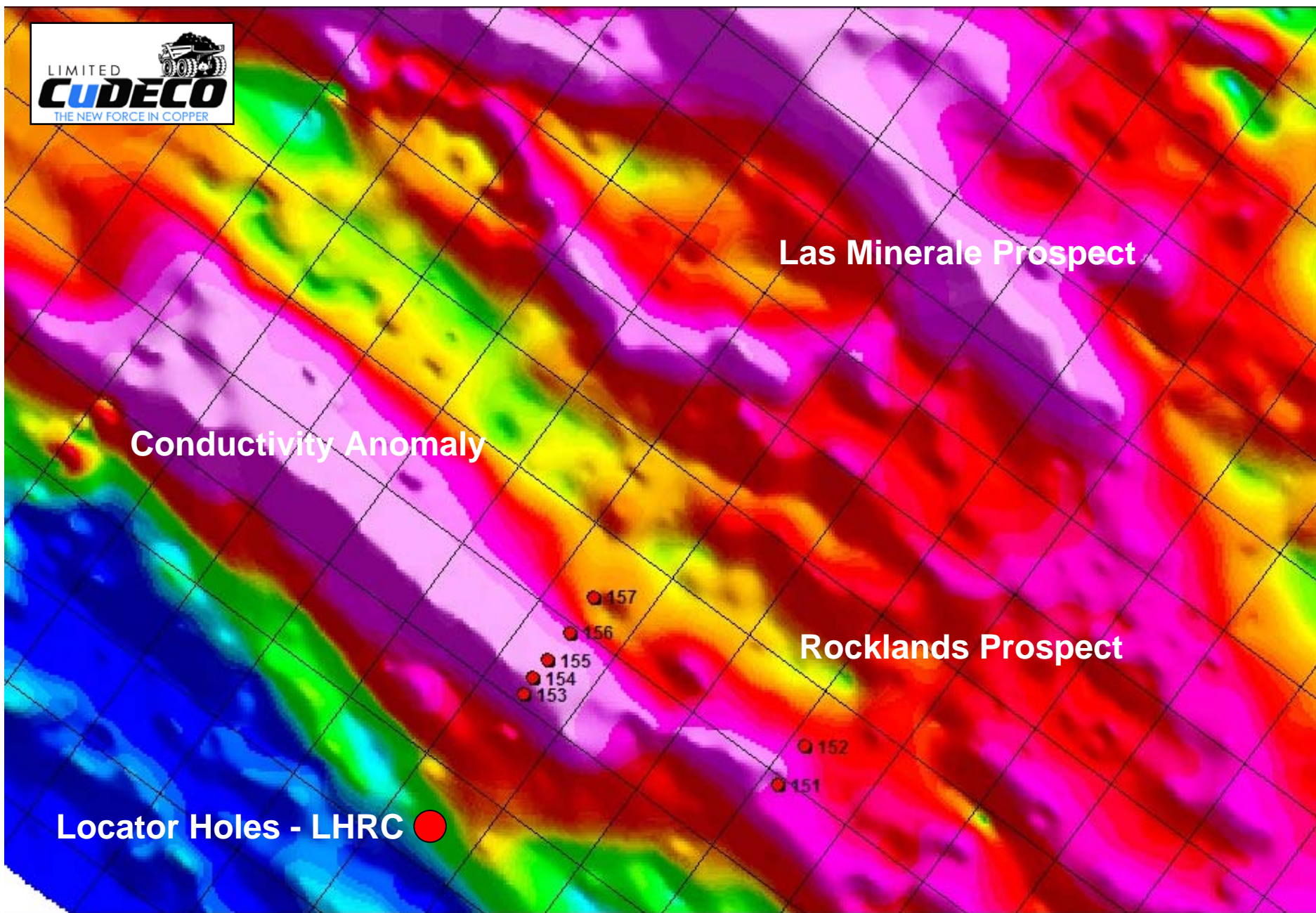
The results prove the valuable contribution of the Sub Audio Magnetic Survey in identifying Cu anomalous zones.

Yours faithfully,



Wayne McCrae,  
Chairman.

*The information in this report that relates to exploration results is based on data compiled by Mr Malcolm Carson, who is a Member of the Australian Institute of Mining and Metallurgy, Mr Carson is employed by Mineral Resource Consultants Pty Ltd. Mr Carson 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 Carson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*



Las Minerale Prospect

Conductivity Anomaly

Rocklands Prospect

Locator Holes - LHRC