

MEDIA RELEASE

11 October 2010



GOLD EXPLORATION DRILLING RESULTS

Highlights:

- Centenary Valley RC drilling intersected **8m @ 9.28 g/t Au** from 30m vertical depth including **1m @ 55.83 g/t Au** within drill hole 10CTRC005
 - RC drill hole 10CTRC006 intersected **7m @ 2.07 g/t Au** from 43m vertical depth showing potential for gold mineralisation under the historic high grade intersects at Centenary previously released
 - Centenary mineralisation now confirmed open at depth
 - Spring Hill southern extension resource drilling intersected gold zones including 5m @ 1.87 g/t from 4m vertical depth and 1m @ 4.95 g/t from 8m vertical depth in hole 10SHRC006
 - Near mine exploration drilling at McIntosh intersected **1m @ 44.17 g/t Au** from 7m vertical depth in drill hole 10MCRC001 under a previously mined area
 - Near mine exploration drilling at Gordon Highlander 300m south of Spring Hill intersected 3m @ 1.01 g/t from 11m vertical depth and 5m @ 1.97g/t from 20m vertical depth in hole 10SHRC014
 - Greenfields exploration drilling 1km south of Spring Hill intersected 6m @ 1.44 g/t from 4m vertical depth in hole 10SHRC015
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Centenary Project

(M 77/657 - Gondwana 100%)

RC Drilling

Drilling results from the Centenary Project released on 21 December 2009 contained significant thickness and grade within the Centenary Valley area including *9m @ 1.89g/t from 18m in hole 09CTRC036* and *7m @ 2.82 g/t from 24m in hole 09CTRC038*.

Last year's RC drilling program focused on the eastern BIF outcrop area, with gold assays from the drill program increasing in grade and thickness towards the south, into the Centenary Valley area. The increasing gold grade was generally within the deeper holes, indicating a possible near-surface depletion zone along the eastern BIF. The southern end of this gold zone was open down dip towards the west, and this was drill tested in September 2010 with an in-fill drill program with good results (Figures 1 & 2).

The company is pleased to announce an extension of the gold zone down dip of previous intersects along the eastern BIF unit, in particular down dip of 09CTRC0038. Figure 2 shows that the previously announced 7m wide lode continues through holes 10CTRC005 (8m wide) and 10CTRC006 (7m wide).

The RC drilling intersected **8m @ 9.28 g/t Au from 30m** vertical depth including **1m @ 55.83 g/t Au** within drill hole 10CTRC005. A deeper hole was drilled 20m to the west of 10CTRC005 and down-dip, and intersected **7m @ 2.07 g/t from 43m** vertical depth within drill hole 10CTRC006. Significant assays are set out in Table 1.



Figure 1: Preparing to drill RC hole 10CTRC004 in Centenary Valley

These results are significant because of the shallow depth of all intersects and the fact the lower stratigraphic eastern BIF has not been previously drill-tested. Resource drilling on the western BIF sequence previously intersected high grade quartz lodes, however this drilling was not at that time extended at depth to intersect the Eastern BIF unit. These results indicate that gold mineralization remains open to the north, south and down dip of hole 10CTRC006 as shown in the cross section (Figure 2).

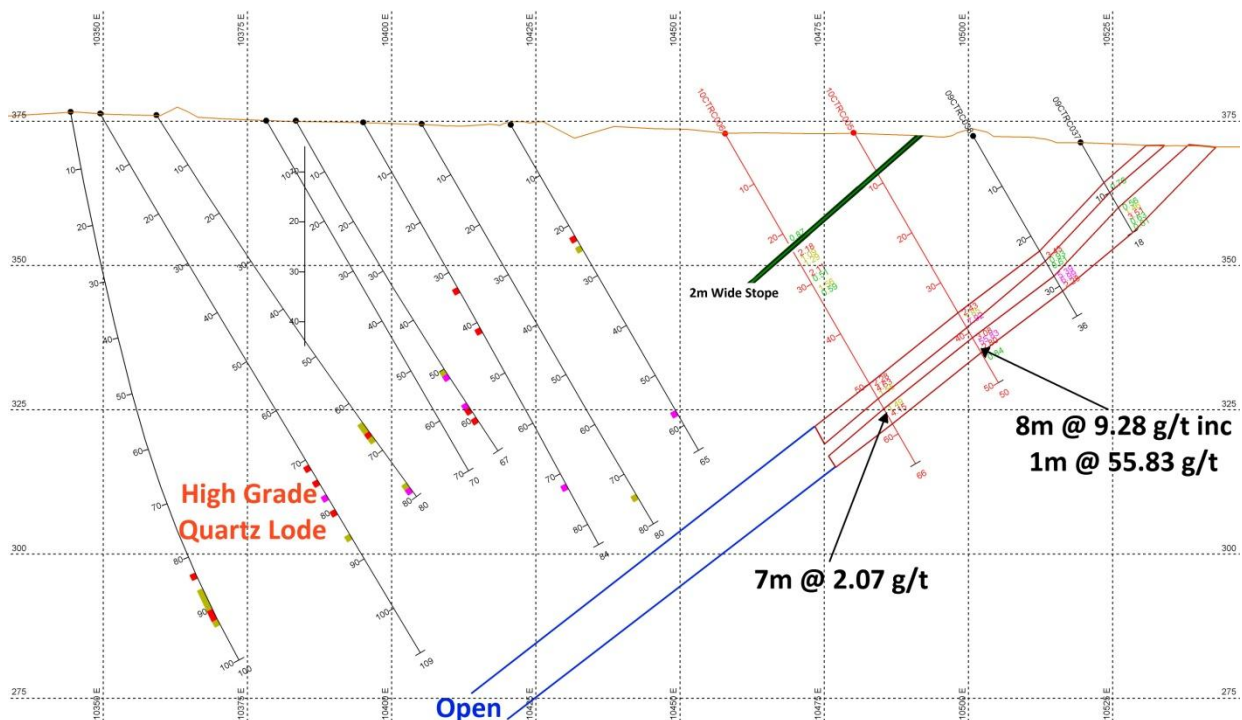


Figure 2: New Gold zone is open down-dip, under previously released high grade quartz lode intersects

The cross section shows the 2009 intersect of **7m @ 2.82 g/t** in 09CTRC038 is directly up-dip from the new **8m @ 9.28 g/t** in hole 10CTRC005. The mineralisation becomes depleted when it nears the surface in hole 09CTRC037. The width of these gold zones at 7m and 8m thickness contain 2m of unmineralised internal dilution related to a thin band of amphibolite in between the 2 eastern BIF layers, and this is represented in the cross section as the small gap in-between the two (red) wireframes.

The new target zone shown in Figure 2 (highlighted blue) has not been tested past the 50m vertical depth of 10CTRC006, and cross sections through the zone along strike to the north and south show no drilling into this eastern BIF lode position. The target area now is directly beneath the historic high grade quartz intersects (3m @ 167.26g/t Au, 4m @ 34.28g/t Au, 1m @ 60.61 g/t Au, 1m @ 45.01 g/t Au and 1m @ 13.25 g/t Au), and approximately 20m past the depth of previous drilling in that area.

Planning is currently underway to drill test this eastern BIF lode position to the north and to the south at similar depth to the latest drill program. This follow-up drilling will attempt to increase the strike length of the mineralisation prior to wire framing completion of the eastern BIF, and prior to combining resource models from the high grade quartz lode area to the west of these intersects.

Table 1: Significant intersects from the September 2010 Centenary RC drill program

Hole ID	East	North	Orientation	From	To	Width	Au g/t
Exploration drilling							
10CTRC001	746305.37	6499588.11	-60/129	33	35	2	1.35
				86	89	3	2.14
10CTRC002	746282.79	6499555.53	-90/129	109	113	4	1.89
Resource drilling							
10CTRC003	746282.89	6499427.47	-60/129	0	4	4	2.08
				19	24	5	3.34
				38	41	3	4.35
10CTRC004	746268.54	6499440.19	-60/129	5	6	1	2.73
				8	9	1	0.8
				24	28	4	1.12
				31	32	1	1.65
10CTRC005	746269.04	6499410.86	-60/129	50	53	3	1.87
				36	44	8	9.28
10CTRC006	746252.66	6499426.15	-60/129	45	46	1	0.84
				21	27	6	1.03
				28	33	5	0.99
				50	57	7	2.03

* Selected assays using 0.5 g/t lower cut and maximum of 2m internal dilution

** Assay Method Fire Assay 50g Charge by Genalysis – Intertek Laboratories

*** Width is the drilling intersection and approximates true thickness except in hole 10CTRC002

Exploration drill holes into the V-TEM AEM anomaly 100m north of Centenary Valley are 10CTRC001 and 10CTRC002. Intersections including 3m @ 2.14 g/t from 86m within hole 10CTRC001 and 4m @ 1.89 g/t from 109m with hole 10CTRC002 were not considered significant for the depth of the mineralisation and this northern zone will be revised prior to further exploration.

Spring Hill Gold Deposit

(M 77/562 - Gondwana 70%)

RC Drilling

The Spring Hill RC drilling program was performed to close off the Spring hill resource model in the oxide zone to the south (drill holes 10SHRC001 – 007). Exploration drilling was also performed to test for along strike mineralisation south of the Spring Hill resource area (drill holes 10SHRC008 - 016). Significant assay results are tabulated in Table 2.

All of the RC drill holes were shallow from 18-36m in depth, and the resource drilling designed to test for near surface oxide mineralisation which may be included in a revised resource model estimate.

The Spring Hill southern extension resource drilling program intersected gold zones including 5m @ 1.87 g/t from 4m vertical depth and 1m @ 4.95 g/t from 8m vertical depth in hole 10SHRC006. These new near surface intersects will permit a revision of the resource wireframe scheduled to occur during the next quarter.

Table 2: Significant intersects from the September 2010 Spring Hill RC drill program

Resource Drilling							
Hole ID	East	North	Orientation	From	To	Width	Au g/t
10SHRC001	744188.44	6493918.32	-60/107	3	11	8	0.63
				14	15	1	1.6
10SHRC002	744169.22	6493924.32	-60/107	16	17	1	2.03
				20	28	8	0.94
10SHRC003	744164.29	6493905.12	-60/107	14	20	6	1.19
				23	26	3	2.02
				34	35	1	1.93
10SHRC004	744173.24	6493881.09	-60/107	6	9	3	1.02
				12	15	3	0.74
10SHRC005	744157.97	6493886.33	-60/107	19	20	1	1.03
				24	26	2	1.37
				35	36	1	1.31
10SHRC006	744170.58	6493860.12	-60/107	0	5	5	1.87
				10	11	1	4.95
10SHRC007	744151.95	6493866.99	-60/107	4	6	2	0.99
				17	18	1	1.25
Exploration Drilling							
Hole ID	East	North	Orientation	From	To	Width	Au g/t
10SHRC008	744158.69	6493823.15	-60/107	0	2	2	1.09
				4	9	5	1.02
10SHRC009	744142.11	6493828.07	-60/107	3	7	4	0.84
				14	19	5	0.97
10SHRC010	744126.44	6493833	-60/107	13	15	2	0.71
				24	30	6	0.76
10SHRC011	744147.85	6493784.56	-60/107	2	6	4	1.09
				11	13	2	0.69
10SHRC014	744090.22	6493678.26	-60/107	14	17	3	1.01
				23	28	5	1.97
10SHRC015	744062.66	6492826.06	-60/90	5	11	6	1.44
10SHRC016	744044.53	6492825.66	-60/90	20	23	3	1.41

* Selected assays using 0.5 g/t lower cut and maximum of 2m internal dilution

** Assay Method Fire Assay 50g Charge by Genalysis – Intertek Laboratories

*** Width is the drilling intersection and approximates true thickness

Near mine exploration drilling at the **Gordon Highlander** historic underground mine, approximately 300m south of Spring Hill open pit, intersected 3m @ 1.01 g/t from 14m down hole depth and 5m @ 1.97g/t from 23m depth in hole 10SHRC014.

These results are significant as the area directly north, south and up-dip towards the surface are undrilled, with follow-up drilling currently being designed to track the mineralisation along strike and to the surface. These intersects are directly up-dip from a previously released 2008 RC exploration hole (SHRC08015) which intersected 5m @ 1.57g/t from 36m depth.

Greenfields exploration drilling was also performed in the tenement, approximately 1km south of the Spring Hill open cut mine and a shallow hole intersected 6m @ 1.44 g/t from 4m vertical depth in hole 10SHRC015. A BIF is outcropping east of the drill hole, and this area has not been extensively drill tested along the strike to the north or south, towards the White Horseshoe historic mine.

McIntosh Project

(M 77/762 - Gondwana 100%)

Two RC holes were drilled south of the McIntosh underground mining area to test for extensions of historically mined high grade quartz reefs. Drill hole 10MCRC001 intersected a stope 8-10m with remnant mineralisation of **1m @ 44.17 g/t Au from 10m** depth in the footwall of the stope. Low grade mineralisation was also intersected deeper in the hole being 2m @ 1.54 g/t from 27m and this mineralisation relates to alteration, with an absence of quartz veining.

The southern hole (10MCRC002) intersected extensive pegmatite at the lode position which is likely to either have removed mineralisation or offset the lode position. 3D assessment is currently in progress to intersect mineralised positions to the north and south of this historic mining area.

Table 3: Significant intersects from the September 2010 McIntosh RC drill program

Hole ID	East	North	Orientation	From	To	Width	Au g/t
10MCR001	743693.55	6495528.3	-55/108	10	11	1	44.17
				27	28	2	1.54

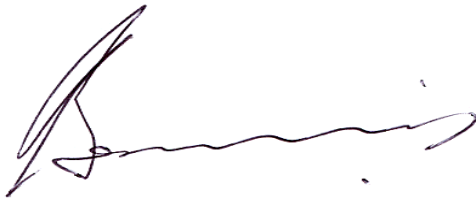
* Selected assays using 0.5 g/t lower cut and maximum of 2m internal dilution

** Assay Method Fire Assay 50g Charge by Genalysis – Intertek Laboratories

*** Width is the drilling intersection and approximates true thickness

Contact

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Competent Person Statement

The technical information in this report that relates to Exploration Results is based on information compiled by Mr. Grant Donnes who is a Member of the Australian Institute of Geoscientists. Mr. Donnes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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. Donnes consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears. Mr Donnes is a self employed consultant to the Company.