

5 February 2003

Company Announcements Manager
Level 10
20 Bond Street
Sydney NSW 2000

BY FACSIMILE: 1300 300 021

Dear Sir

NEW ISSUE ANNOUNCEMENT

The directors have resolved to issue up to 30,000,000 Ordinary Shares Fully Paid at an issue price of 2.5 cents per share.

The purpose of the issue is to raise funds for:

- a) exploration and administrative creditors
- b) ongoing exploration commitments of the Company's projects;
- c) general working capital; and
- d) administrative costs.

The following additional information is provided pursuant to the Listing Rules.

1. Terms of the Issue:
Issue up to 30,000,000 Fully Paid Shares at a price of 2.5 cents to raise a total of \$750,000. The shares are being offered to private investors and clients of member organisations of ASX.
2. The minimum subscription is 15,000,000 Fully Paid Shares at a price of 2.5 cents each.
3. The new shares will rank pari passu with existing Ordinary Shares in all respects from the date of allotment.
4. Dividends will be paid as and when the results for the Company justify their payment. It is not anticipated that the payment of dividends will occur in the foreseeable future.

A copy of the prospectus which has been lodged with the Australian Securities Commission is attached.

A C PILMER
Company Secretary