



ASHBURTON MINERALS LTD
ASX: 000 304 642

4 March 2004

The Manager
Company Announcements Office
Australian Stock Exchange Limited
20 Bond Street
Sydney NSW 2000

Via Electronic Lodgement

OPTION/JV AGREEMENT WITH STRAITS RESOURCES LTD (ASX: SRL)

Ashburton Minerals Ltd ("the Company") is pleased to announce that its subsidiary company, Wirralie Mines Pty Ltd ("WMPL") has signed an Option and Joint Venture Agreement with Straits Exploration (Australia) Pty Ltd, a wholly owned subsidiary of Straits Resources Limited ("Straits"), over WMPL's Yandan tenements in the Drummond Basin in Queensland.

The Yandan tenements encompass some 500 km² of prospective Drummond basin stratigraphy and include the Yandan Gold Mine, from which Ross Mining NL recovered 365,000 oz through a combination of CIP and dump leach operations from 1992 to 1998.

Under the terms of the Agreement, Straits has a six month option period to determine whether or not to proceed to the farm-in stage. Straits can earn 70% in the tenements by expending \$2 million over a four year period, with a minimum of \$150,000 pr annum, subsequent to which exploration would be on a joint venture basis.

This is an excellent achievement for the Company. The Yandan tenements are situated 50 to 80 km southwest of the Company's Wirralie project where work is underway into a feasibility study at recommencing gold mining operations on remaining oxide resources utilising the existing 1.5 Mtpa treatment plant and infrastructure. Straits' involvement will enable the company to concentrate its exploration efforts on prospects within closer trucking distance to the Wirralie plant, while also maintaining active exploration of the very prospective Yandan tenements.

Yours faithfully,

Tom Dukovcic
Managing Director



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