



ASHBURTON MINERALS LTD
ASX: ASB

26 July 2004

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

Via Electronic Lodgement

- **POSITIVE RESULTS FROM ASHBURTON GOLD PROJECT**

Ashburton Minerals Ltd ("Ashburton" or "the Company") is pleased to announce the results of its latest exploration programme at the Ashburton gold project in Western Australia.

Work completed included stream sediment sampling, soil geochemistry and two programmes of RAB drilling, including first pass drilling of one of the stand out anomalies at the Soldiers Secret prospect.

A very encouraging gold intercept of 4 m @ 1.13 g/t was returned from Soldiers Secret by this initial drilling. Full details are presented below.

The latest field campaign comprised work over most of the Company's ten granted exploration licences in the Ashburton Basin. A further three licences are under application. Work consisted of the collection of 80 stream sediment samples, 2,297 soil samples, and the drilling of 46 RAB holes for a total of 1,470 m.

The Soldiers Secret area is now seen to contain numerous anomalous zones of elevated gold geochemistry, one of which extends for some 4 km in strike and is up to 800 m wide, as defined by a 20+ ppb soil gold contour. The zone contains several internal gold 'peaks', including 207 ppb, 661 ppb and a high of 787 ppb.

A line of 6 angles RAB holes, on 100 m centres, was drilled across the central part of this anomaly, with hole SSB002 intercepting a 12 m-wide anomalous zone with a core intercept of 4 m @ 1.13 g/t Au, from 36 m.



Suite 3/2 Richardson Street West Perth
Western Australia 6005
PO Box 517 West Perth WA 6872

Telephone 61 8 9321 6600 Facsimile 61 8 9321 6633
Email ashburton@ashburton-minerals.com.au
www.ashburton-minerals.com.au

The Company regards this as an excellent result that will be fully evaluated with a more comprehensive second round of drilling later in the current field season, that is, before the end of October of this year.

A follow up phase of RAB drilling at the Red Hill prospect failed to intersect anomalous gold mineralisation and this area will be relinquished.

The full implications of the latest round of geochemical sampling are still being evaluated, however, anomalous gold geochemistry has been identified within most areas sampled, notably at Top Camp North, Dead Horse Creek and Kooline.

The Company now has an extensive database of multi-element geochemistry that will be used to prioritise anomalies and to optimise follow up drilling at Soldiers Secret.

Yours faithfully,



Tom Dukovcic
Managing Director

***NOTE:** The information contained in this report insofar as it relates to exploration results, Mineral Resources or Ore Reserves is based on information compiled by Mr Tom Dukovcic who is a Member of the Australian Institute of Geoscientists and who has sufficient relevant experience to qualify as a Competent Person as defined in the 1999 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". This report accurately reflects the information compiled by Mr Dukovcic.*

For further information, please contact:

Ashburton Minerals Ltd

t: +61 8 9266 0300

f: +61 8 9266 0301

e: ashburton@ashburton-minerals.com.au

i: www.ashburton-minerals.com.au