

# WESTONIA START-UP CONSIDERATIONS

David Hatch Managing Director

**April 2006** 

#### Westonia – history

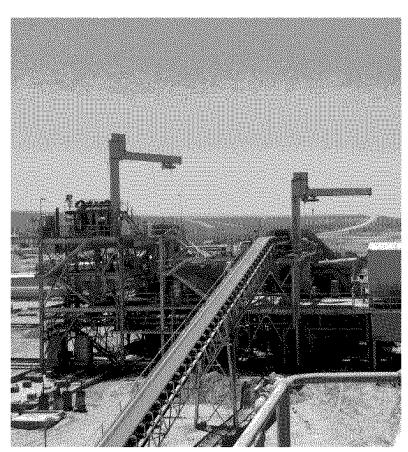


- Location
- ♦ Gold mining 1911- 1922, 1935 -1947, 1985-1990
- ♦ Historic U/G grade recovered 19.5 g/t au
- ♦ Total gold recovered 630,000 ozs
- Large gold resource

#### Westonia - background



- Westonia floated 2002
- Purchased Big Bell plant 2003
- ♦ 2004 Feasibility Study
- ♦ 2005 Strategic Review
- \$1.6 million cash on hand
- ♦ 700km² tenements



## 2005/06 progress to date



- ♦ Strategic Review
- Capital Raising
- Pit dewatering
- Drilling program
- New Mineral Resource



#### **Grade control outcomes**



- Ore body confidence beneath pit floor
- Definitive grasp of tonnes and grade
- Significant high grade ore remaining
- 6,000 ozs per vertical metre confirmed

# Grade control drill intercepts



7 metres @ 22.98 g/t gold

18 metres

@ 5.16 g/t gold

10 metres

@ 17.14 g/t gold

3 metres

@ 52.65 g/t gold

#### Resource in-fill outcomes



- Infill to 25m x 25m spacing to 200m depth for 450m strike
- ♦ 75 85% of mineral resource now measured or indicated
- Drill results confirm grade control

#### Resource in-fill intercepts



13 metres

@ 31.57 g/t gold

12 metres

@ 13.08 g/t gold

10 metres

@ 22.36 g/t gold

26 metres

@ 5.67 g/t gold

### **New mineral resource**

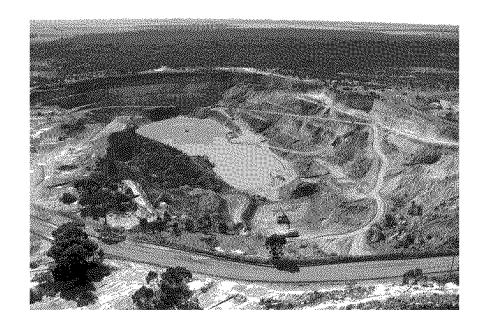


	Measured			Indicated			Inferred		
Cut-off g/t	Million tonnes	Gold g/t	Thousand ounces	Million tonnes	Gold g/t	Thousand ounces	Million tonnes	Gold g/t	Thousand ounces
0.50	16.558	1.15	615	13.322	1.13	484	8.36	1.0	267
0.70	12.088	1.36	529	9.156	1.37	404	5.01	1.3	204
1.00	7.129	1.72	395	5.217	1.78	298	2.55	1.7	138

#### Immediate objectives



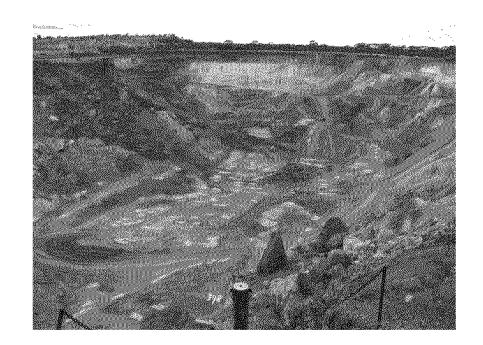
- New mining costs and mine design
- Finalise processing strategy and costs
- Project capital costs
- Growth strategies
  - Exploration



#### **Next milestones**



- New Mining Reserves
- Complete feasibility rework
- Aim to commence mining Q1 2007
- ♦ Aim to commence production Q3 2007



#### **Summary**



- Large open pit gold resource
- High level of confidence in resource
- Known high grade component in ore body
- Significant underground potential
- Strength of gold market



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