



WESTONIA MINES LIMITED

**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



Cut-off g/t	Measured			Indicated			Inferred		
	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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