

9<sup>th</sup> February 2007

## **Cortona Enters Into Agreement to Purchase Moly Mines' Gold Assets**

Cortona Resources Ltd ("CRC" or "Company") is pleased to announce that it has entered into a binding agreement with Moly Mines Ltd ("MOL" or "Moly Mines") to purchase 100% of MOL's NSW Gold Assets. The deal is subject to satisfactory legal and technical due diligence from both parties, CRC shareholder approval and completion of a capital raising by the Company.

The Assets incorporate six gold projects covering a total area of ~1,500km<sup>2</sup>, and include the flagship Majors Creek Project which encompasses recently delineated primary gold resources within NSW's largest area of historic alluvial gold workings.

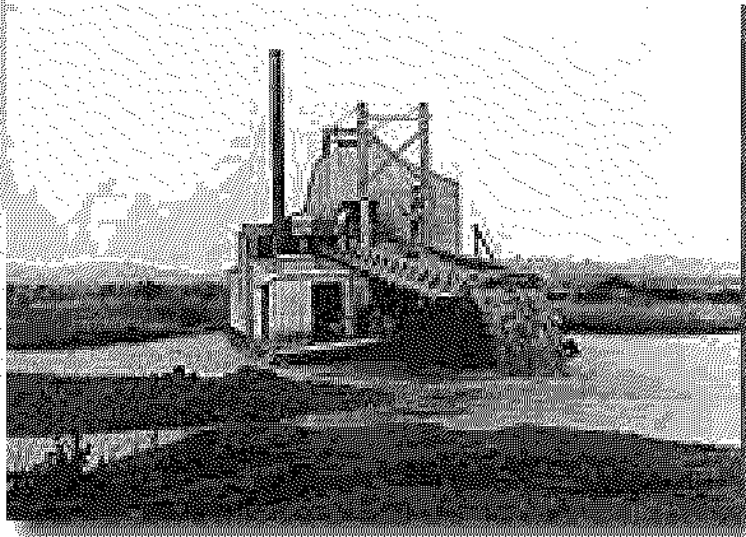
### *Highlights include:*

- **A recently defined 310,000oz inferred resource at *Dargues Reef (Majors Creek Project)*, which remains open at depth and along strike.**
- Recorded **historic production of ~1.1Mozs** from 'alluvial' workings (recent work indicates that much of this 'alluvial' gold was in fact won from highly weathered primary stockworks).
- **Very limited modern exploration.**
- **Numerous untested targets** at drill-ready stage.
- Widespread high-grade rock chips and anomalous soils highlighting **significant regional exploration upside.**
- Considerable **scope for additional resources** at the *Christmas Gift* and *Booths Reward* Projects.
- **Experienced and competent exploration team**, based locally with **infrastructure in place.**

## Major's Creek Goldfield - History



*Mineworkers at the old Snob's Mine*



**“The extraordinary richness of the Braidwood Diggings and the very high character of the gold are justly calling the attention which they merit, for indeed it would appear that the large yield, and success of every miner (when compared to the exertions and numbers both at Ophir or the Turon) the granite countries and granite deposits are hurling the quartz formations completely into the shade!”**

**(unknown author 1851)**

The payment terms of the Agreement are summarised below:

***Stage 1 Payment upon settlement:***

- \$5M cash.
- 12M CRC shares issued at a deemed price of \$0.20 each (escrowed for 12 months).
- 8M \$0.35c Options issued for nil value (2 year term).

***Stage 2 Royalty payment upon the delineation of 1M ozs. Indicated / measured gold resources, or a decision to mine (whichever is achieved first):***

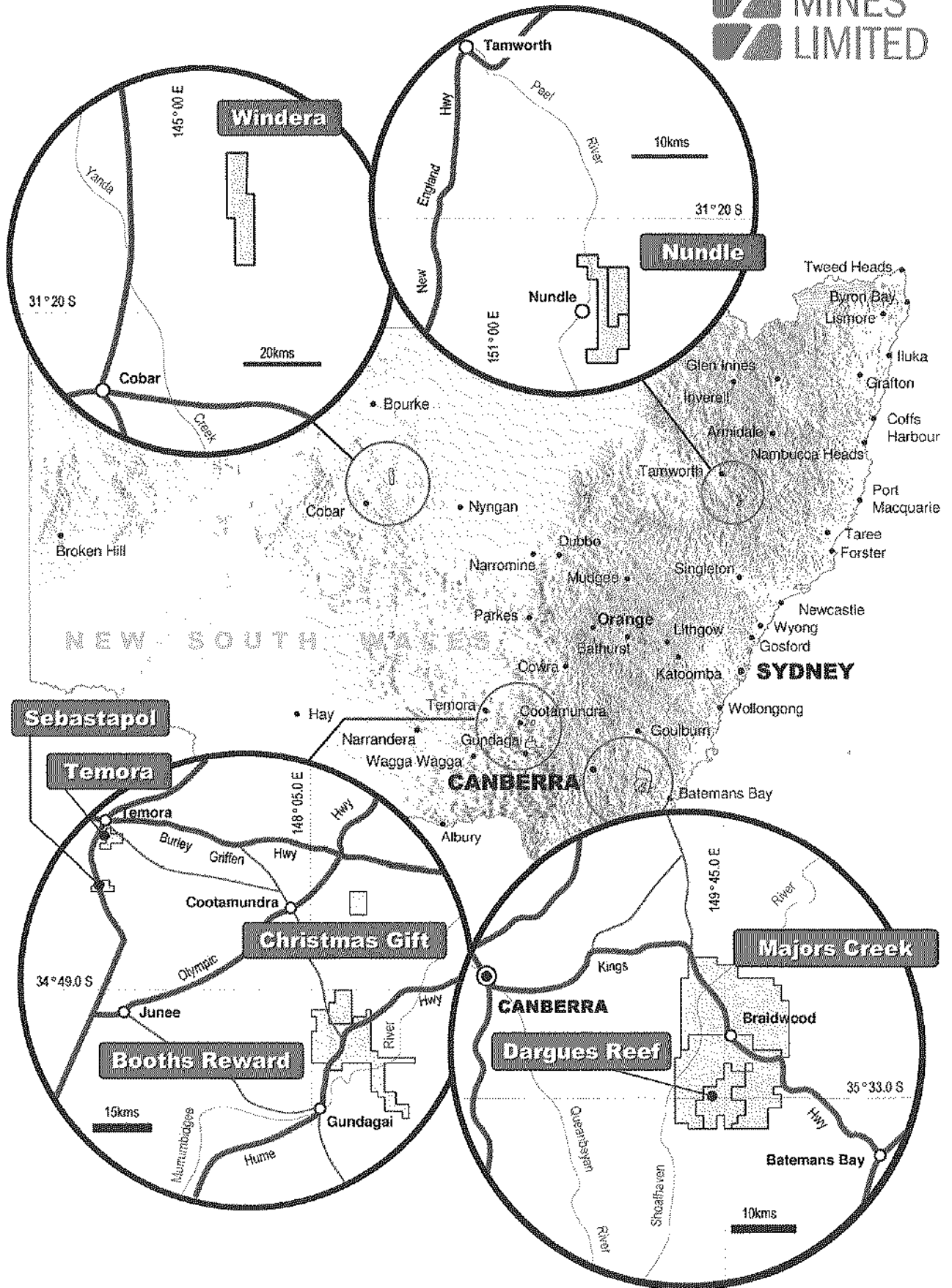
- \$4M cash.
- 8M \$0.50c Options (5 year term). These options will be issued up front but will only vest and become exercisable if the one of conditions referred to above is satisfied.

As part of the arrangement, at the completion of stage 1 the Company intends to raise additional funds to facilitate and fast track exploration over the project. Cortona will then control and be rapidly exploring two highly prospective projects located within Australia, giving the Company significant exposure to the gold market.

CRC Managing Director Peter van der Borgh said, "This is an exciting step for Cortona, which will see us become a major Australian gold explorer. The Assets will provide the Company with a defined inferred resource and excellent exploration opportunities at a time when the gold price is over A\$800/ounce and looking strong. Dargues Reef is a significant ore body with plenty of upside, while the Majors Creek Project, as a whole, is an explorer's dream. The management at Moly Mines identified in us a team with the credentials and drive to do justice to the projects.

"Each of the NSW Assets appears to have exploration potential. Majors Creek in particular is viewed as the right compliment to the Company's North Monger Project near Kalgoorlie, where resources have recently been increased and which remains on target to generate revenue in the near future. From the outset the Company will have the necessary cash, people and infrastructure to rapidly advance both projects, thereby continuing our very aggressive approach to exploration."

# NSW Gold Projects



CRC will be utilising the existing NSW exploration team, led by Darren Glover, and the infrastructure around them, including offices, vehicles and logistics. The team possesses a vast amount of local knowledge and experience that is highly valued.

Furthermore, Derek Fisher, Managing Director of Moly Mines, will be offered a non-executive position on the Cortona Board following consummation of the deal. Derek will bring a range of relevant skills and experience, and his involvement is viewed as another very positive aspect.

## **THE ASSETS**

Completion of the deal will see Cortona purchase 100% of Big Island Mining Ltd ("Big Island"), a wholly owned subsidiary of Moly Mines Ltd. Big Island owns 100% of 12 tenements at 5 Project areas in NSW, namely *Majors Creek, Christmas Gift, Booths Reward, Nundle and Eugowra*. A sixth Project, Winderera, is 51% owned. The general locations of these projects are shown above. The deal remains subject to satisfactory due diligence from both parties, (including legal, technical, and land rights).

Moly Mines has established a regional presence via its exploration office in the State's mining centre of Orange that has managed over \$2 million of exploration expenditure on the Gold Assets since listing in March 2004.

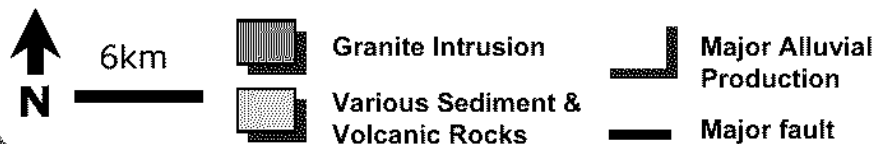
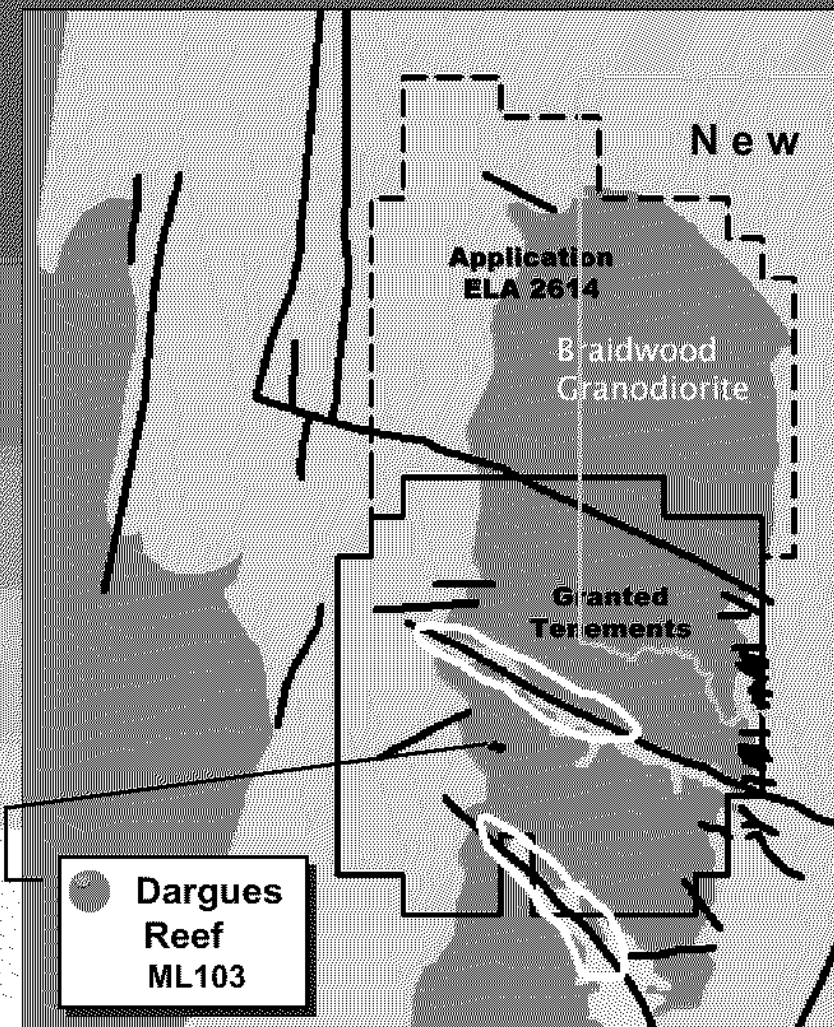
## **MAJORS CREEK**

The Majors Creek project, which contains the Dargues Reef prospect, is located approximately 60kms east of Canberra and 12kms south of Braidwood in the southern tableland region of NSW. The Majors Creek project consists of three adjoining exploration licenses and one mining lease (Dargues Reef). The combined tenements comprise 700km<sup>2</sup> of contiguous area over the largest historical alluvial gold field in NSW. Numerous primary gold anomalies have recently been identified by regional soil sampling, mapping and rock chip assays.

### **Dargues Reef (ML103) -100% Owned**

In the past three years, Moly Mines completed 15 diamond drill (DD) holes and 19 reverse circulation (RC) holes adding to the 30 holes drilled by previous explorers at Dargues Reef. The results include intersections of **24m @ 7.9g/t Au, 31m @ 4.5g/t**

# Dargues Reef – Location & Regional Geology



To: Canberra - 67kms.  
 Sydney - 230kms  
 Orange - 260kms

**Au, and 77m @ 3.6g/t Au, with contained sectional grades up to 25g/t Au over 3m.** Sections highlighting intercepts and assay results are included in this release.

Moly Mines interprets the data to represent a lode system ranging from 20 to 55 metres true thickness, comprising multiple high-grade gold bearing lodes that remain open at depth and along strike. The recent work has culminated in an initial JORC compliant Inferred resource at Dargues Reef of:

<b><u>Cut-off</u></b>	<b><u>Inferred Tonnes</u></b>	<b><u>Average Grade</u></b>	<b><u>Ounces</u></b>
<b>&gt; 0.0 g/t Au</b>	<b>3,720,000</b>	<b>3.0 g/t Au</b>	<b>360,000</b>
<b>&gt; 2.0 g/t Au</b>	<b>2,380,000</b>	<b>4.1 g/t Au</b>	<b>310,000</b>

*Top-cut of 27g/t applied to assays*

Recent soil sampling results surrounding Dargues Reef have also revealed highly anomalous zones (up to 20 g/t Au) that may represent the surface expression of the new high-grade lodes intersected by drilling hundreds of metres below. This implies the tantalizing prospect that these lodes may also extend upwards towards the surface where they remain untested by drilling.

Cortona will endeavor to upgrade the resource via infill drilling and exploring extensions to known mineralisation.

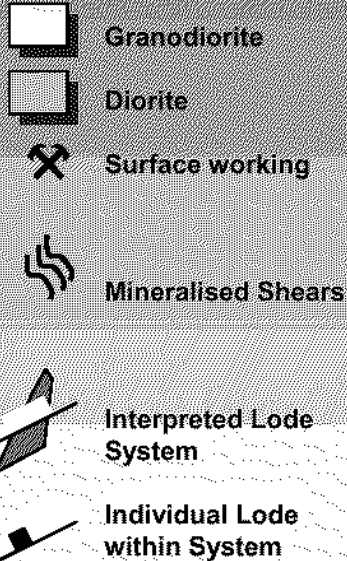
### **Majors Creek Region (EL6003, EL6138, EL6462, EL6351) – 100% Owned**

The discovery of significant high-grade primary gold mineralisation extending to hundreds of metres depth in the 'roof zone' of the Braidwood granodiorite suggests Moly Mines has uncovered one possible source of the widespread alluvial gold in the region. Discovering similar sources will be a principal focus of Cortona's regional exploration programs.

The prospective 'roof zone' may be exposed over a length of 30 kilometres along the western flank of the granodiorite, where a series of old gold workings that are Dargues Reef analogues may be equally prospective at depth. These workings represent immediate, high priority drill targets.

# Dargues Reef : Cross Section - 748,900mE

New South Wales



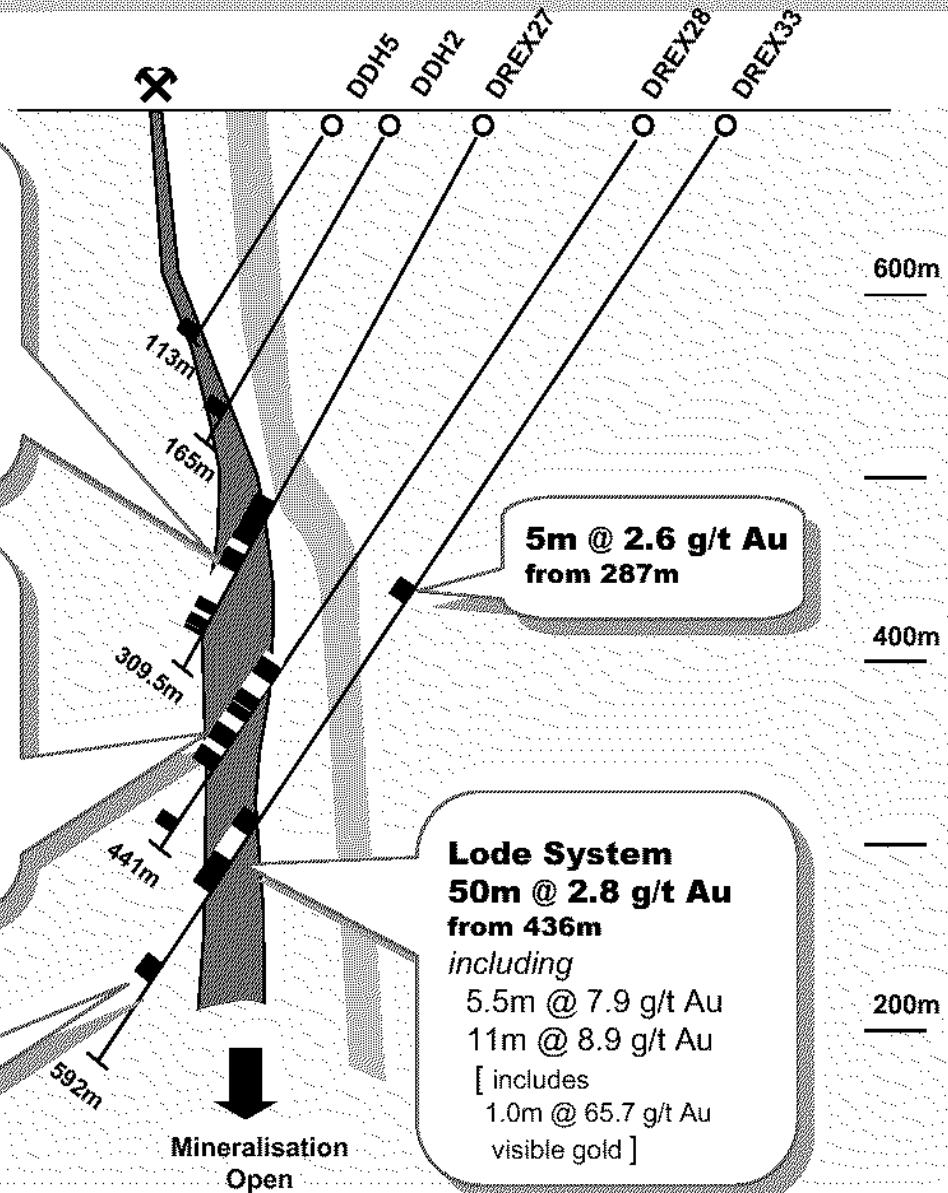
Lode System: mineralised zone which includes internal dilution greater than 2m

100m

**Lode System**  
**77m @ 3.6 g/t Au**  
**from 212m**  
*including*  
 30m @ 6.6 g/t Au  
 10.5m @ 4.3 g/t Au  
 1.5m @ 5.6 g/t Au  
 3.2m @ 5.4 g/t Au  
 0.7m @ 12.8 g/t Au

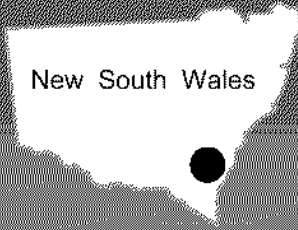
**Lode System**  
**70.2m @ 2.7 g/t Au**  
**from 300m**  
*including*  
 7.0m @ 3.9 g/t Au  
 6.0m @ 2.6 g/t Au  
 2.5m @ 11.2 g/t Au  
 6.0m @ 10.2 g/t Au  
 5.2m @ 10.5 g/t Au







**New Lode**  
**7m @ 7.6 g/t Au**  
**from 540.5m**





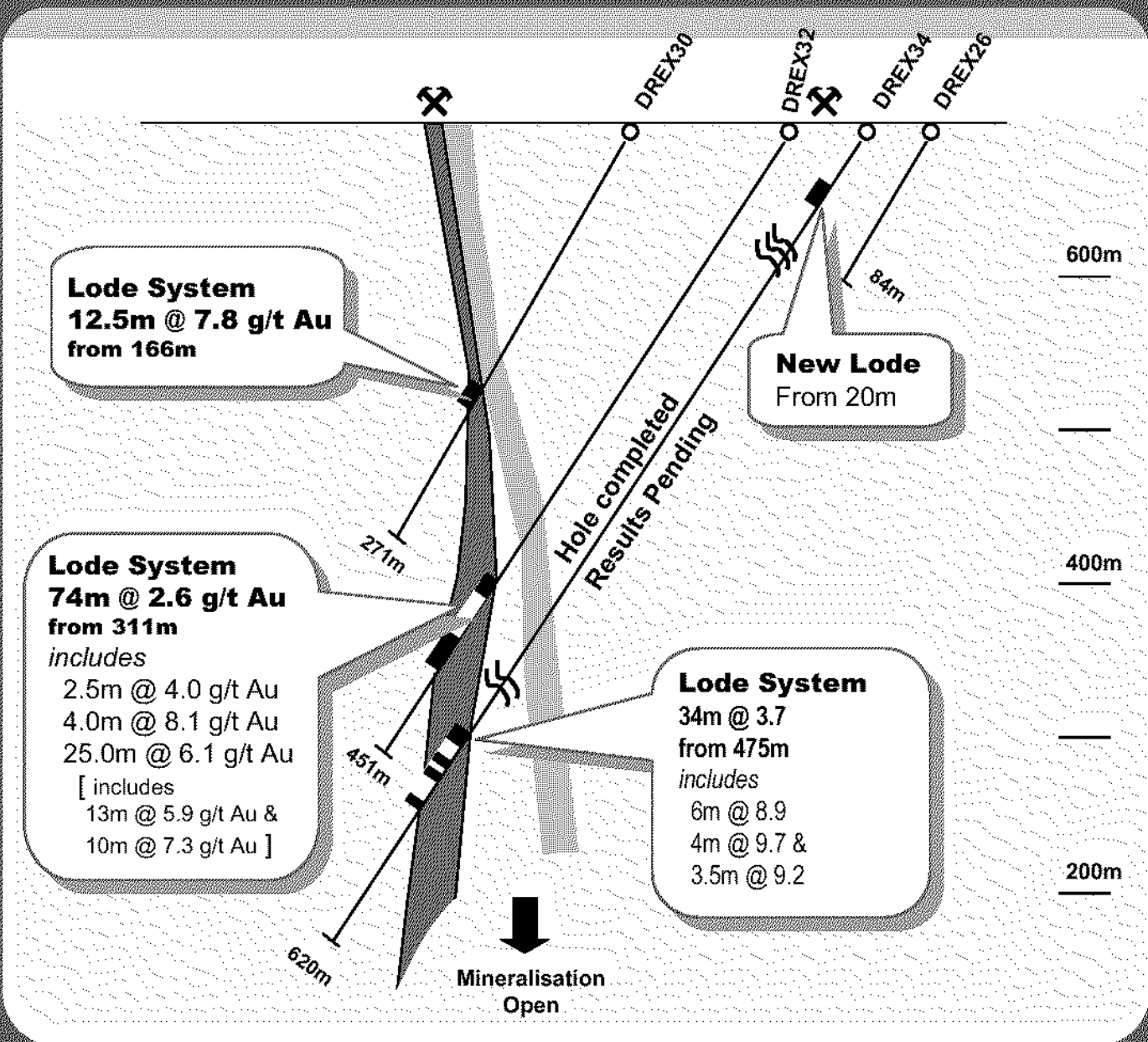
# Dargues Reef : Cross Section - 748,950mE



-  Granodiorite
-  Diorite
-  Surface working
-  Mineralised Shears
-  Interpreted Lode System
-  Individual Lode within System

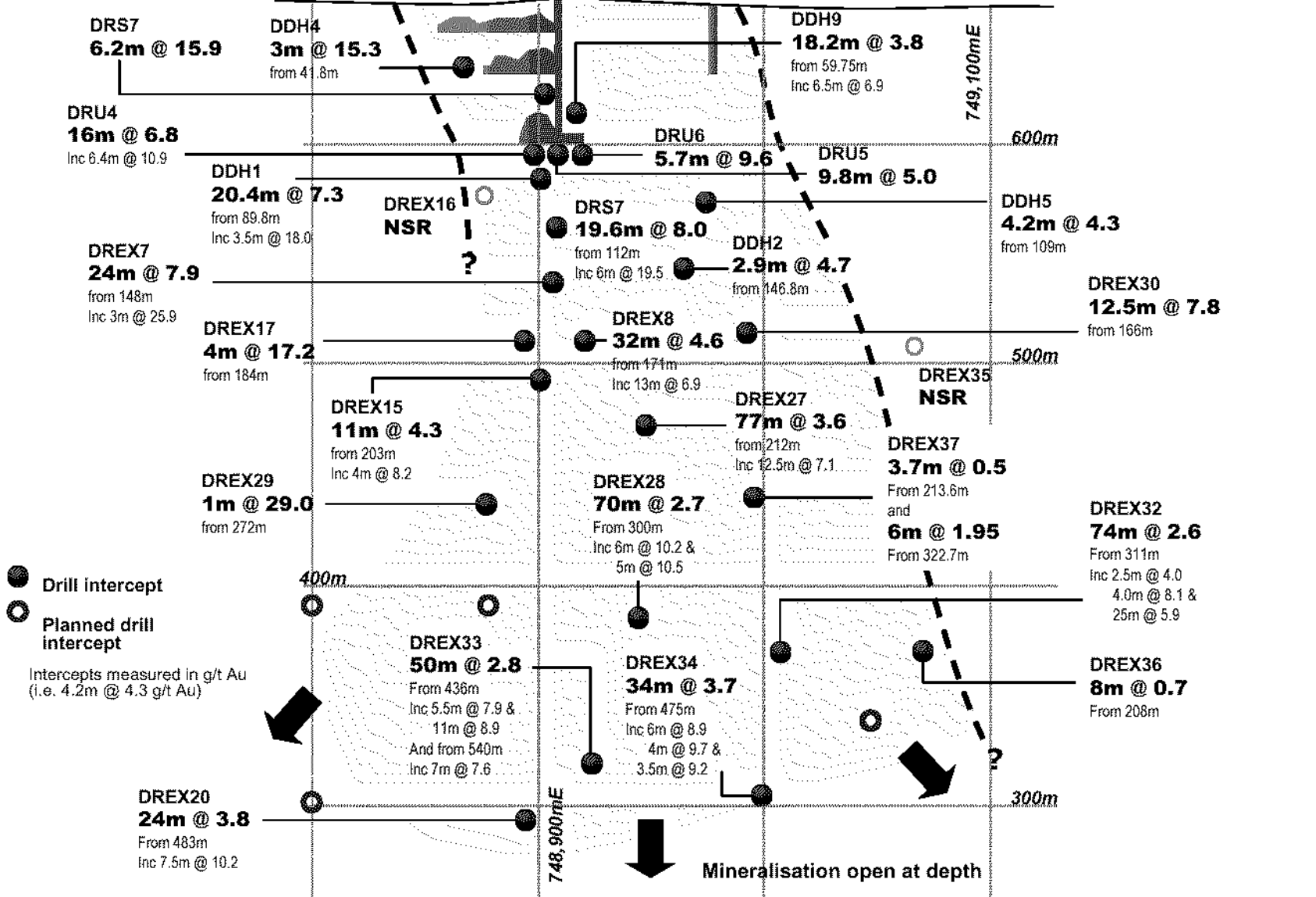
**Lode System:** mineralised zone which includes internal dilution greater than 2m

100m



# Dargues Reef - Deposit

west Historic workings (to <67m depth) east



**MAJORS CREEK -DARGUES**

**Drillhole DREX027 (213 – 214m)**

**Mineralised Monzogranite – 19.75ppm Au**



The prospective zone has been the subject of intensive exploration by Moly Mines, including regional mapping and rock chip sampling programs, extensive soil sampling programs as well as compilation of magnetic, gravity and remote sensing imagery.

Outcrop mapping has already outlined, for the first time, numerous broad zones of alteration and mineralisation. The exploration model indicates the area is also prospective for large tonnage, lower grade, open pit gold resources where deeper levels of the mineralised system within the granodiorite are exposed.

#### **CHRISTMAS GIFT (EL6010) – 100% Owned**

Christmas Gift is located 180kms northwest of Canberra and 15kms east of Cootamundra, 420km southwest of Sydney in the Cullinga Gold Field. The area contains metamorphosed Cambrian to Silurian sedimentary and volcanic rocks intruded by Silurian granodiorites. The sequence is disrupted by north-striking thrust faults which bound the major rock units.

The mineralisation appears to be structurally controlled within a 200m wide, NNE striking package of tuffaceous sedimentary rocks. The primary target within the project is the main lode at Christmas Gift, which produced approximately **37,000oz Au at 23.5g/t**. Previous drilling has intersected economic grades (eg **7m @ 9.7g/t Au from 55m in XGRC001**) in and around old workings. Other target areas within the project include Venables Mine, and Western Zone.

#### **BOOTH'S REWARD (EL6012, EL6445) – 100% Owned**

Booth's Reward is located 170kms north-west of Canberra and 25kms south-east of Cootamundra in central NSW. The prospect covers a portion of the Muttama Gold Field, which contains at least 13 historical gold workings.

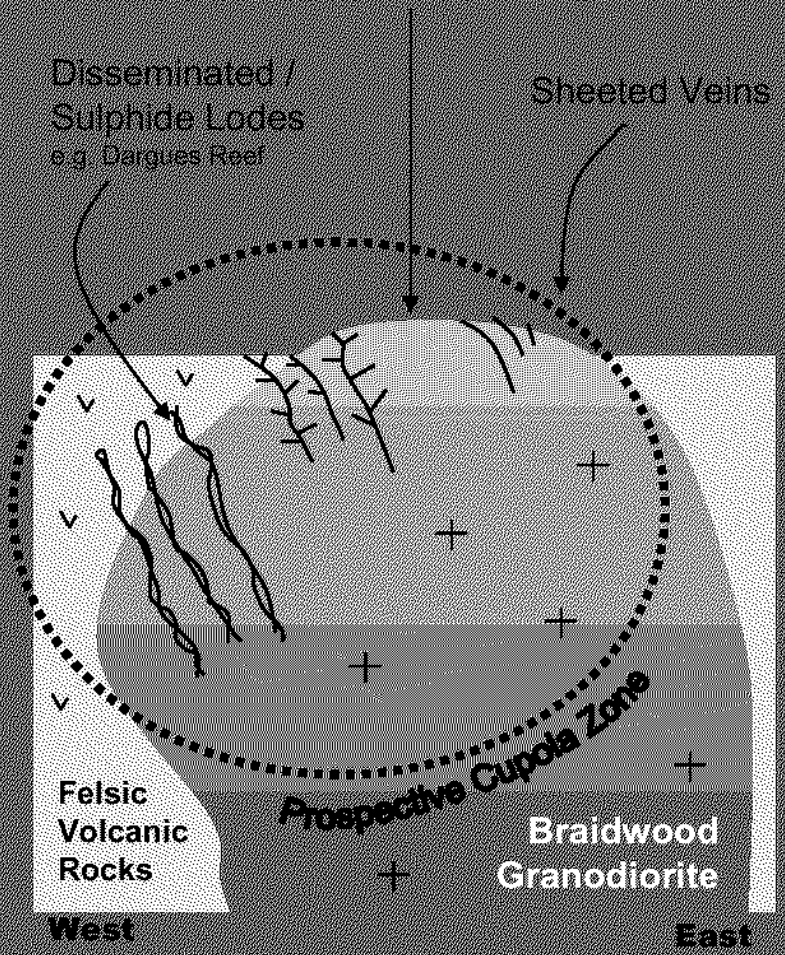
Mineralisation at Booth's Reward is associated with a narrow zone of sheared serpentinite, and hosted by a conjugate set of quartz reefs striking parallel and oblique to this structure. Recent drilling at Booth's Reward has returned economic results including **6m @ 7.0g/t Au from 169m** (BRRC003). The project hosts rock chip and soils anomalies that warrant follow-up work.

## Majors Creek Conceptual Model

Stockwork / Breccia Veins  
e.g. Majors Creek Deposits

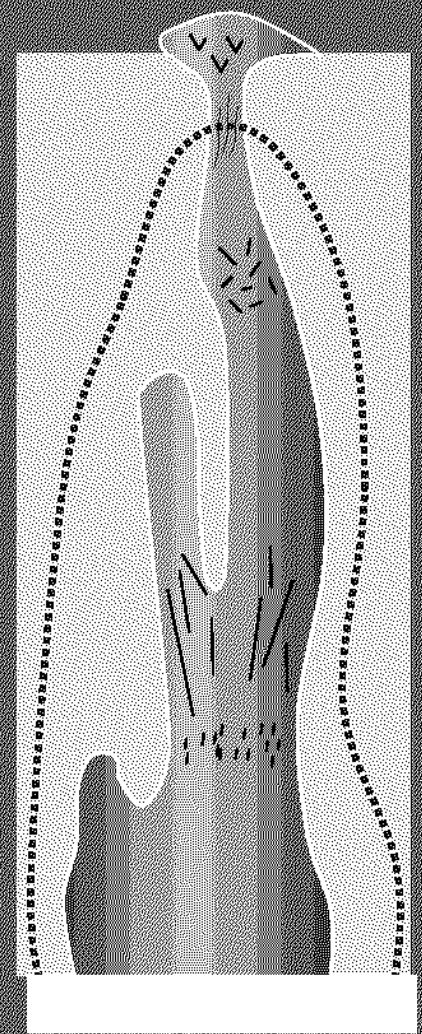
Disseminated / Sulphide Lodes  
e.g. Dargues Reef

Sheeted Veins



Adapted from McQueen and Perkins (1995)

## Intrusion Related Gold Deposit Styles



Deposit & Style	Palaeo Depth (km)	Setting
<b>Dyke / Sill / Dome</b> Kort Kolo Brewery Creek Donlin Creek	0	Epithermal
<b>Breccia / Stockwork</b> Shotgun Kidston	0 - 5	Porphyry
<b>Sheeted</b> Fort Knox Dublin Gilch Mokrsko Jilau Vasikovskoe Majors Creek	5	
<b>Disseminated</b> Timbarra Salave	5 - 10	
<b>Flat Veins</b> Pogo	10	Plutonic / Mesothermal

Adapted from Baker Economic Geology Vol97, 2002

### **NUNDLE (EL6004, EL6118) – 100% Owned**

Located approximately 400km north of Sydney and 50km southeast of Tamworth, the area covers historic bedrock and alluvial workings on a major structure that has previously yielded some 300,000oz Au. Only one reef system has been explored using modern methods, with a peak intersection of **5m @ 5.9g/t Au**. The leases cover a 15km strike length of Tamworth Group rocks, containing at least three major structural zones associated with vein gold mineralisation, but only two 2km sections of which have been drill tested.

### **WINDERA (EL6161) – 51% Owned, Exco Resources NL 49%**

The Windera project is located approximately 50 km north-east of Cobar in the Cobar Goldfield. Moly Mines completed a 7 hole RC drilling program in 2004 following up gold anomalies identified by previous shallow RAB drilling traverses, which tested a large coherent gold and arsenic soil anomaly, located close to the Gilmore suture which is associated with a number of substantial gold deposits either adjacent to it or in close proximity. No significant follow-up work has been performed at Windera.

### **EUGOWRA (ELA2955) – Application, 100%**

The Eugowra Project is situated ~40km Southeast of Forbes, within the Mt Foster – Tumut Structural Zone of the Lachlan Fold Belt. The tenement is currently under application. Following the discovery of Intrusion Related Gold (IRG) mineralisation at Dargues Reef, Moly Mines sought to apply the geological model to other Devonian Granite intrusions in NSW. The Eugowra Granites are considered prospective on account of a similar aged intrusive suite with similar granite chemistry, and historic granite-hosted gold mineralisation.

Yours Faithfully

Peter van der Borgh  
Managing Director

*NB. The information in this release is based on publicly available information supplied by Moly Mines Ltd. The Resource at Dargues Reef was published by Moly Mines on 24<sup>th</sup> November 2005. Moly Mines Ltd has consented to the use of this information in this release. Cortona thanks Moly Mines for the use of the figures in this release.*

**This is the announcement referred to in the ASX announcement of 7 February 2007 that will release the Company from its trading halt.**