

MULTIPLE VTEM CONDUCTORS IDENTIFIED AT WIDOWMAKER

Highlights

- 7 separate interpreted bedrock conductors have been defined as priority 1 targets based on geometry, geochemistry, structural position and magnetic response
- 4 of the priority 1 targets are located on or immediately adjacent to the interpreted “Nova Structure”
- 2 of the priority 1 targets are coincident or nearby to historical Ni-Cu surface geochemical anomalies or trends
- Aggressive follow-up exploration program to commence immediately

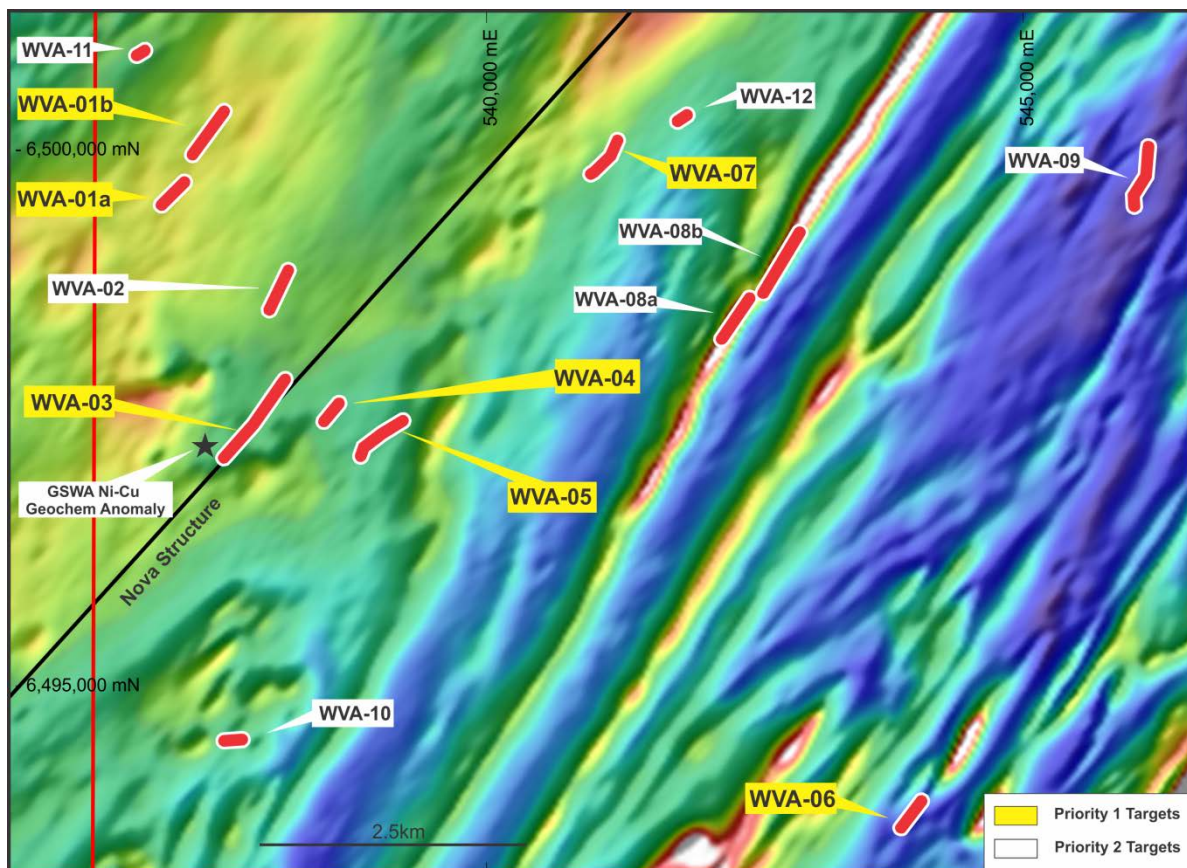


Figure 1. VTEM bedrock conductors over airborne magnetic image

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ASX Code: BUX, BUXO
Share Price: \$0.46
Market Cap: \$22.46M
Shares on Issue: 49.0M
Cash at Bank: \$2.74M

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Summary

Buxton Resources is pleased to announce that the Company has received preliminary results for the recently completed helicopter-borne VTEM survey at the Widowmaker Ni-Cu Project. The survey has shown at least 14 interpreted bedrock conductors, of which 7 have been defined as priority 1 targets for immediate follow up exploration.

Survey Results

The survey was flown at 150m line spacing by a helicopter-borne VTEMmax system across the western two thirds of the Widowmaker tenement. This area is directly along strike from Sirius' Nova Ni-Cu discovery, appears to contain the same/similar mafic-ultramafic rock package and is transected by a significant fault/stratigraphic boundary that appears to be important at Nova.

Seven of the 14 interpreted bedrock conductors have been classified as priority 1 targets due primarily to their;

- structural location, with particular reference to the interpreted "Nova Structure"
- geometry i.e. relatively discrete conductors with strike lengths generally <1km
- geochemical signature, where the conductors occur coincident to historical, anomalous surface geochemical samples and/or within anomalous trends or corridors
- magnetic features, where subtle magnetic highs may represent mafic-ultramafic rocks such as the "Eye" feature at Nova, or zones of the magnetic sulphide mineral pyrrhotite, which is very common in Ni-Cu deposits of this type

The seven priority 1 conductors are described below, whilst priority 2 conductors are listed in Table 1.

Priority 1 Conductors

WVA-003	The highest priority conductor. Moderate to high amplitude late time EM response 900m in strike length. Located on the "Nova Structure" in an area close to a change in magnetic texture. Some historical GSWA Cu anomalism nearby – 50ppm.
WVA-004	Moderate to low amplitude late time anomaly. Possibly related to an early time feature. 400m strike length, close to change in magnetic texture and located on/near the "Nova Structure".
WVA-005	Moderate to low amplitude late time anomaly. Coincident with a moderate amplitude, broad magnetic zone, adjacent to the "Nova Structure".
WVA-001a	Moderate to high amplitude late time anomaly. Coincident with a moderate amplitude broad magnetic anomaly.
WVA-001b	Moderate to high amplitude late time anomaly. Coincident with a moderate amplitude broad magnetic anomaly.
WVA-006	Discrete moderate to low amplitude late time anomaly. Along strike from a discrete magnetic anomaly and a surface Cu anomaly (87ppm; one of the highest in the survey area), and within a major geochemical trend (Ni-Cu-Co-Mo-Zn+-As).
WVA-007	Discrete moderate to low amplitude late time anomaly. 300-400m strike length, coincident with a moderate amplitude, broad magnetic zone.

**Note – see Appendix for explanation of terminology.*

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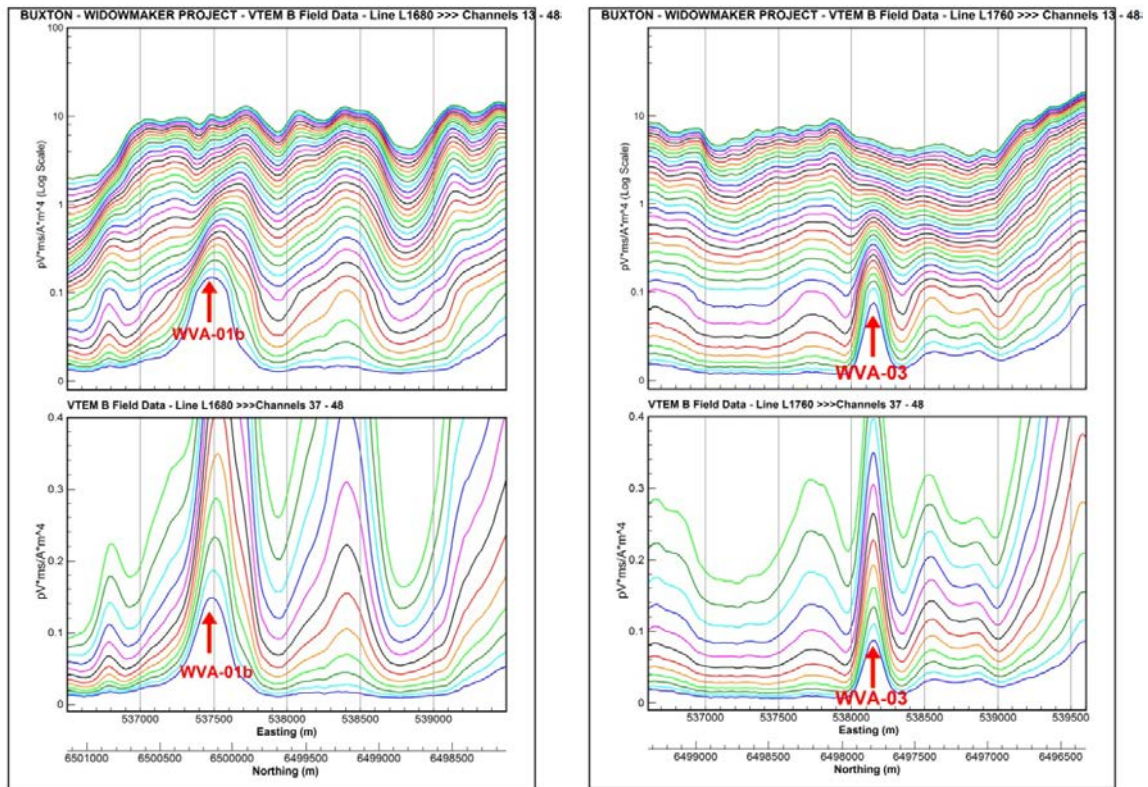


Figure 2. Profiles of higher priority anomalies WVA-01b (left), and WVA-03 (right).

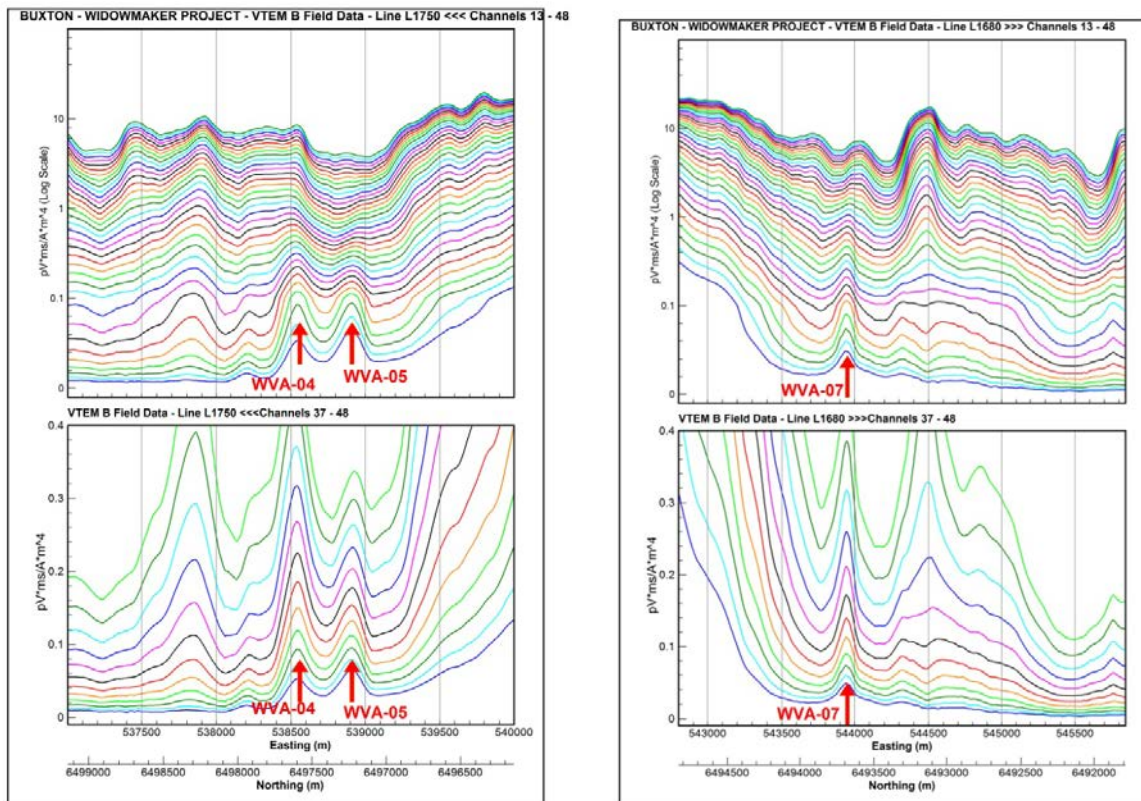


Figure 3. Profiles of higher priority anomalies WVA-04, WVA-05 (left), and WVA-06 (right).

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Other Features

Seven other conductors or possible conductors have been classified as priority 2 targets. These are less well-defined anomalies, but may still represent bedrock conductors that warrant ground EM follow-up.

A substantial area to the centre and east of the surveyed block is covered by a highly conductive, near-surface paleochannel. It is unlikely that the VTEM survey will have been effective in testing this area for bedrock targets. Other methods such as ground EM and/or aircore drilling will be required to properly test the bedrock areas covered by paleochannel material.

Next Steps

The Company intends to aggressively explore the numerous interpreted bedrock VTEM conductors identified at Widowmaker. In the short term, a ground EM survey will be commissioned in order to further define the main conductive targets. This will be followed by RC and diamond drilling in order to fully test the highest priority bedrock conductors.

Heritage surveys are underway, with track clearing for access to the main targets due to begin shortly.

Competent Persons: *The information in this report that relates to Exploration Results is based on information compiled and/or reviewed by Dr Julian Stephens, Member of the Australian Institute of Geoscientists and Non-Executive Director for Buxton Resources Limited. Dr Stephens has sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters reviewed by him in the form and context in which they appear.*

The information in this report that relates to Geophysical Results and Interpretation is based on information compiled and/or reviewed by Mr Bill Peters, Fellow of the Australasian Institute of Mining and Metallurgy and Chartered Professional (Geology). Mr Peters has sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters reviewed by him in the form and context in which they appear.

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Appendices

General Technical Background on Airborne VTEM Surveys

Airborne electromagnetic (EM) systems induce secondary electric currents to flow within conductive bodies in the ground beneath the aircraft. These secondary electric currents generate EM fields which are detected by the aircraft EM receiver as a series of early to late time channel responses. Early channel responses tend to be from shallower and/or weaker conductors and late channel responses from stronger and/or deeper conductors. The conductors detected may be surficial and regolith zones such as clays and saline water which are of little interest, or alternatively bedrock conductors such as graphite and massive sulphides. Unambiguous discrimination of graphite conductors from massive sulphide conductors is not possible, but in general, long linear strike-parallel conductors are more likely to be graphite. Short strike length, discrete conductors generally have a higher chance of being massive sulphides. (courtesy of Southern Geoscience Consultants)

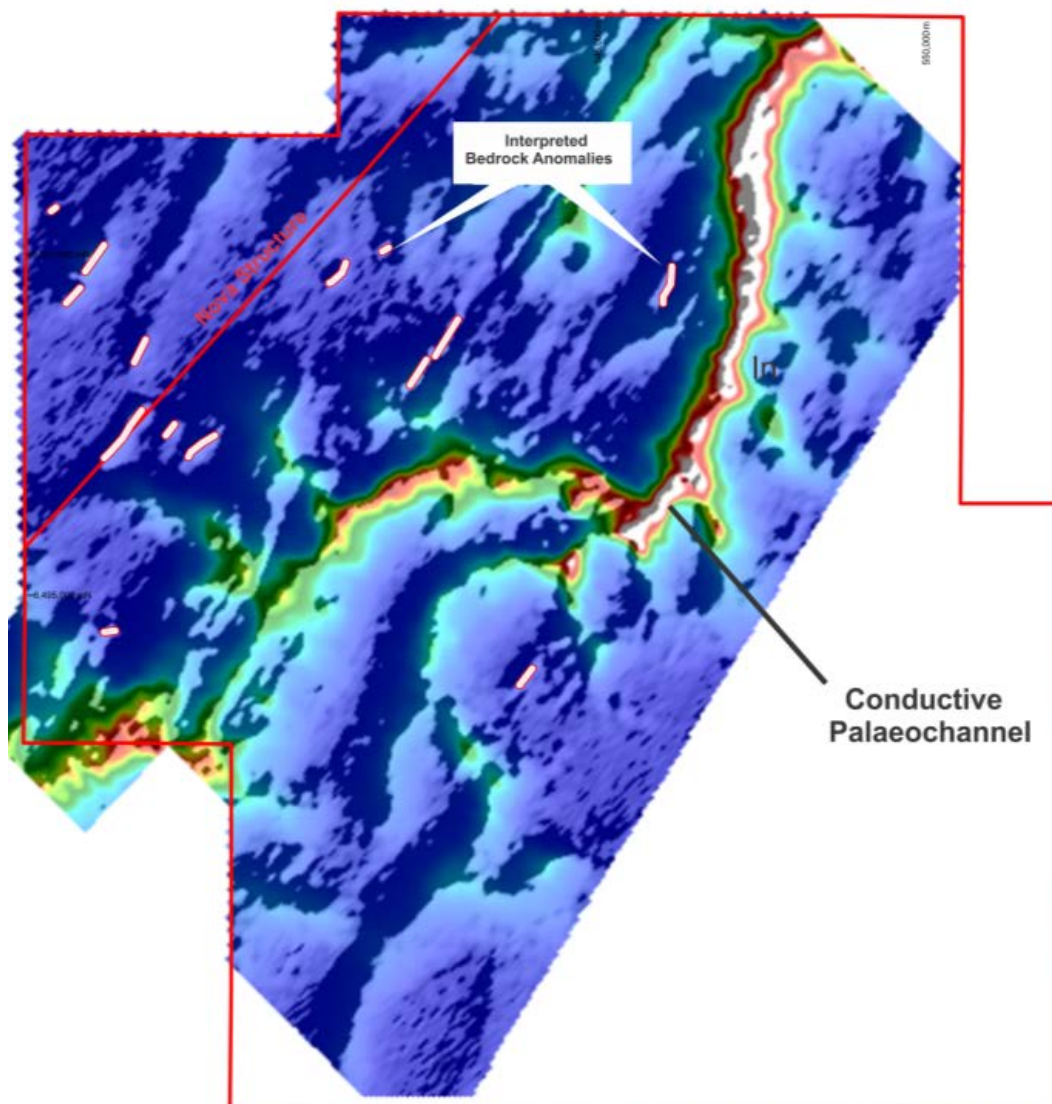


Figure 4. Channel 47 (late time) VTEM image over Widowmaker Ni-Cu Project.

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Name	Priority	Easting (centre GDA94 Z51)	Northing (centre GDA94 Z51)	Lines from	Lines to	Comment
WVA-01a	1	537078	6499541	1720	1740	Moderate to high amplitude late time anomaly; strongest on lines 1720-1730 and coincident with a moderate amplitude broad magnetic anomaly.
WVA-01b	1	537405	6500104	1650	1690	Moderate to high amplitude late time anomaly; strongest on line 1680. Coincident with a moderate amplitude, very broad magnetic zone.
WVA-02	2	538089	6498693	1710	1730	Mid-late time anomaly, possibly isolated or a continuation of a longer stratigraphic anomaly. Coincident with a moderate amplitude, broad magnetic zone.
WVA-03	1	537825	6497386	1820	1760	Moderate to high amplitude discrete late time anomaly. 900m strike length. Close to a change in magnetic texture, interpreted to be a major fault. and considered to be a similar position to Nova. Some Cu anomalism (Zanthus 50ppm Cu; much lower in the calcrete - only 26ppm Cu).
WVA-04	1	538553	6497499	1750	1760	Moderate to low amplitude late time anomaly. Possibly related to an early time feature. Strongest on line 1750. 400m strike length, close to change in magnetic texture, interpreted to be a major fault and considered to be a similar position to Nova.
WVA-05	1	538942	6497238	1730	1760	Moderate to low amplitude late time anomaly. Strongest anomaly on line 1740. Coincident with a moderate amplitude, broad magnetic zone.
WVA-06	1	543956	6493754	1660	1690	Discrete moderate to low amplitude late time anomaly; close to the palaeochannel but appears to be unrelated. Strongest anomaly on line 1680. The anomaly is not as well-defined on other lines. Along strike from a discrete magnetic anomaly and a Cu anomaly (87ppm; one of the highest in the survey area), within a major geochemical trend (Ni-Cu-Co-Mo-Zn+-As).
WVA-07	1	541075	6499816	1510	1530	Discrete moderate to low amplitude late time anomaly. 300-400m strike length, coincident with a moderate amplitude, broad magnetic zone.
WVA-08a	2	542320	6498374	1520	1550	Possible discrete bedrock, or stratigraphic conductor, close to the edge of the palaeochannel and coincident with a long strike length magnetic unit.
WVA-08b	2	542749	6498896	1470	1510	Possible discrete bedrock, or stratigraphic conductor, close to the edge of the palaeochannel, coincident with a long strike length magnetic unit.
WVA-09	2	546085	6499613	1280	1310	Strongest on line 1310. A small, discrete late time anomaly, very close to the palaeochannel and possibly due to an edge effect from the drainage. 400m along strike from a geochemical anomaly (31ppm Cu and 70ppm As). Within a major geochemical trend (Ni-Cu-Co-Mo-Zn+-As).
WVA-10	2	537637	6494442	1940	1940	Late time, single point anomaly, close to the palaeochannel. Possibly related to noise, the palaeodrainage or a deeper bedrock anomaly.
WVA-11	2	536775	6500850	1680	1680	Single point anomaly, possibly related to noise, or perhaps a deeper bedrock anomaly, not well defined by the VTEM.
WVA-12	2	541822	6500243	1470	1470	Single point anomaly, possibly related to noise, or perhaps a deeper bedrock anomaly, not well defined by the VTEM.

Table 1. Interpreted bedrock conductors identified at the Widowmaker Ni-Cu Project.

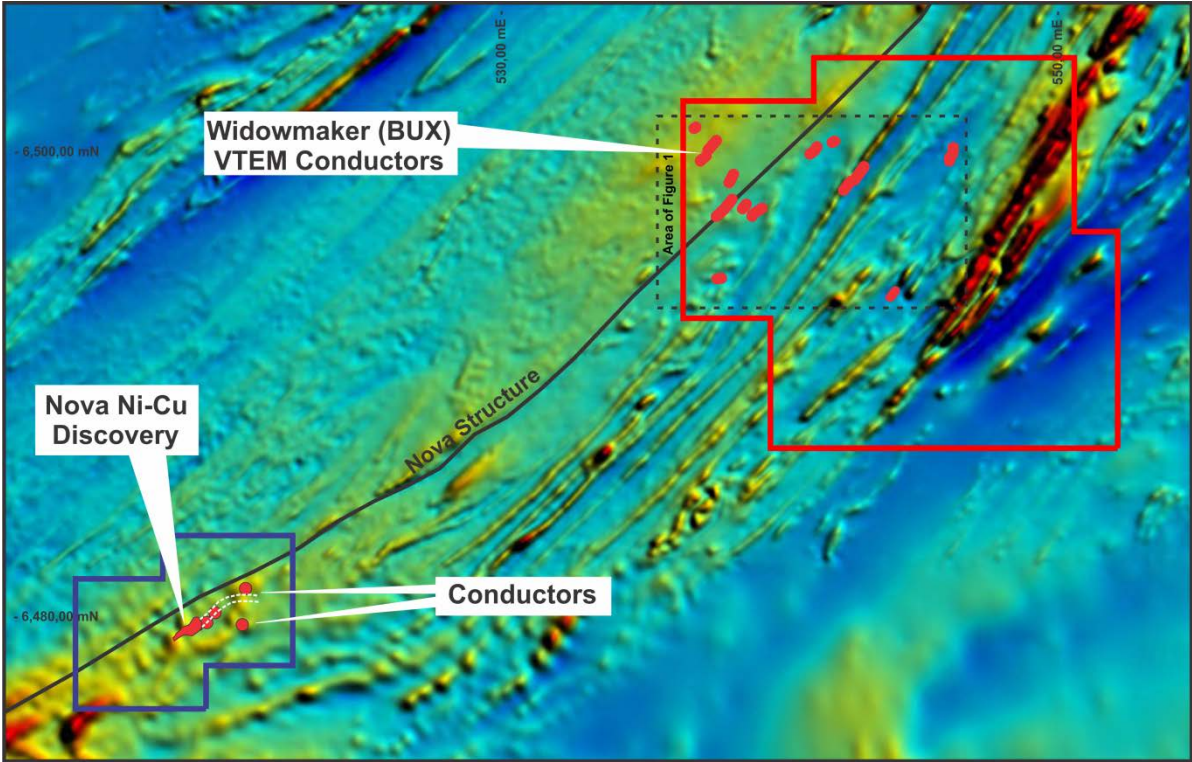


Figure 5. Widowmaker and Nova conductors over magnetic image.

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