

NICKEL-COPPER POTENTIAL IDENTIFIED AT ZANTHUS

Highlights

- Technical review of regional geophysical and geochemical datasets identifies strong Ni-Cu exploration potential at Zanthus
- Up to five separate, interpreted composite mafic-intrusive bodies occur wholly or partially within Buxton’s tenement
- Potential composite mafic intrusives show both positive (induced) and negative (remanent) magnetic signatures - a feature suggesting multiple magma pulses and consistent with Voisey’s Bay and Noril’sk complexes
- Historical surface geochemical sampling shows two areas of nickel and one area of copper anomalism, all of which occur over the interpreted mafic intrusive bodies
- Initial gravity survey planned to begin in the coming weeks

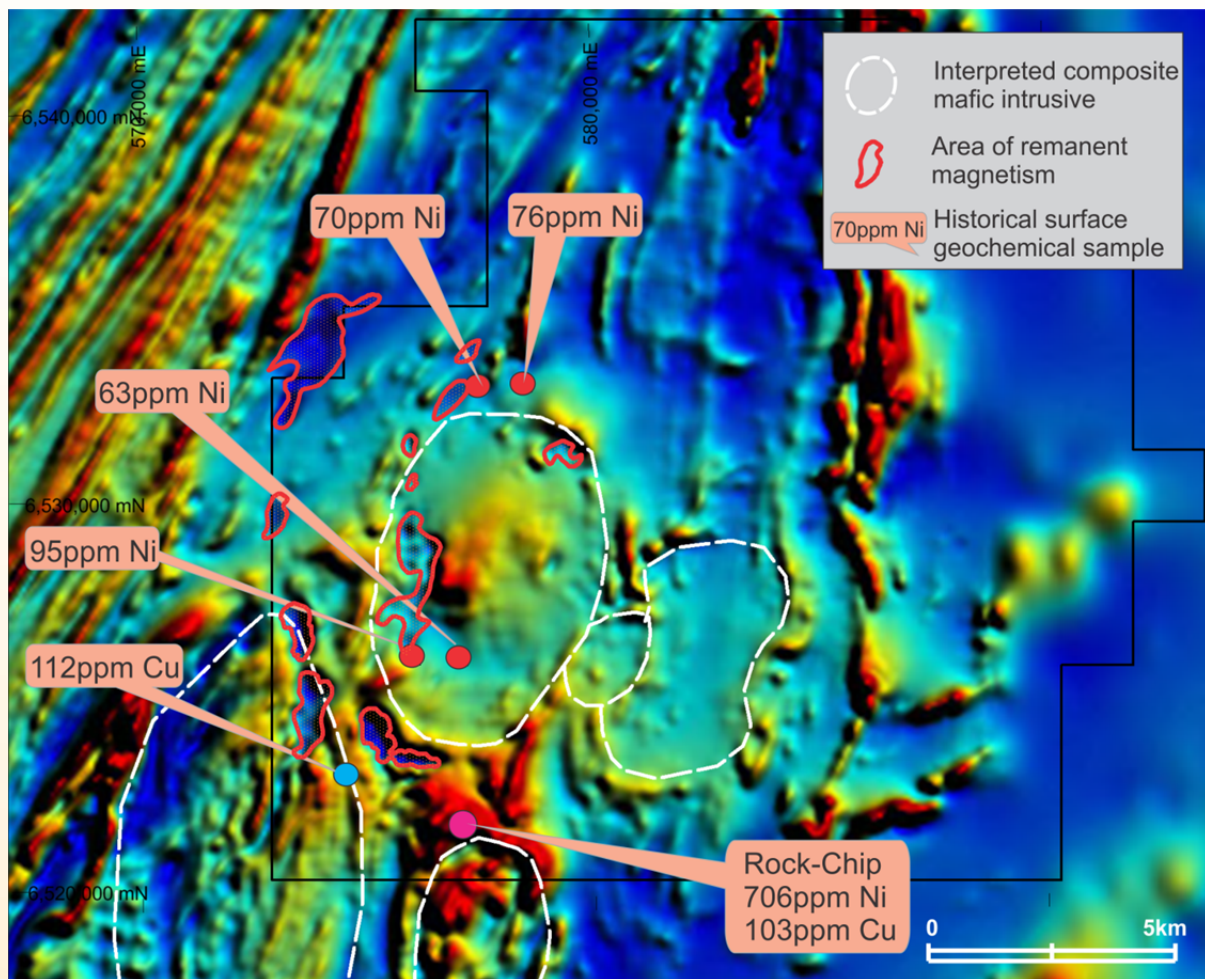


Figure 1. Interpreted potential composite mafic intrusive bodies with areas of remanent magnetism and selected historical surface and rock-chips samples shown.

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Summary

The directors of Buxton Resources Ltd (ASX:BUX) are pleased to announce that a technical review of regional geological, geochemical and geophysical datasets over its 100%-owned Zanthus Project has identified a complex containing wholly or partially up to five relatively large, potential mafic intrusive bodies. The interpreted mafic bodies are generally ovoid in shape and have long axes ranging from about 2km to 10km in length. These interpreted intrusions are located in a low strain area towards the western side of the Fraser Range Complex, approximately 70km north-east of the Nova discovery and 40km north-east of Buxton's Widomaker Ni-Cu project.

Importantly, the intrusive bodies and associated rocks have both positive magnetic response (induced magnetism) and negative magnetic signatures (remanent magnetism), suggesting potential for multiple magma pulses over a long period of time. These types of magnetic signatures are characteristic of the Ni-Cu-hosting intrusive rocks at the Voisey's Bay and Noril'sk complexes.

Two zones of surface nickel anomalism (peak 95ppm Ni) and one area of surface copper anomalism (112ppm Cu) occur over the potential composite mafic bodies. Additionally, a single historical rock-chip sample returned values of 706ppm Ni and 103ppm Cu. This sample was highly weathered and very ferruginous, but was nonetheless interpreted by the field geologist as possibly being of mafic origin.

The Company intends to begin field work with an initial gravity survey at Zanthus in order to better delineate denser rock types that may represent favourable hosts for accumulation of Ni-Cu sulphides. Subject to results, this program may be followed by either airborne VTEM or ground EM to identify potential conductors that could represent massive sulphides.

For further information regarding Buxton Resources Limited please contact:

Anthony Maslin

Managing Director

amaslin@buxtonresources.com.au

Competent Persons

The information in this report that relates to exploration results and geology 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.