



1st July 2011

MINING METHOD REVIEW INCREASES TONNES FOR DOLPHIN PROJECT

A technical review of the underground mining method to assess the use of paste-fill versus hydraulic-fill has been completed by Alan Fudge of Polberro Consulting, with a number of benefits identified.

The use of consolidated paste-fill instead of simple unconsolidated hydraulic-fill provides higher recoveries from bench and remnant stoping areas. Paste-fill mining with modified bench stoping is expected to produce a mining inventory in excess of the current reserve estimation based on hydraulic-fill. This improved mining method is expected to:

- Generate revenues in excess of the marginal costs associated with paste-fill;
- Increase the proportion of tailings incorporated in the fill;
- Reduce water handling;
- Reduce required support services;
- Permit extraction of previously sterilized areas; and
- Improve safety of underground operations.

As a result of this review it is estimated, based on figures derived from the May 2010 Dolphin Mine Reserve of 1,630,000 tonnes at 1.30% WO₃, that up to **230,000 additional tonnes at 1.46% WO₃** containing **330,000 metric tonne units (mtu = 10 kilograms)** can be recovered with a paste-fill mining method. This represents a 14% increase in tonnes at higher grades than previously estimated.

For further information, please contact:

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Explanatory Notes for Resource Statement: Competent Person and JORC Code

This review was prepared in accordance with the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code") by Consultant Mining Engineer Mr Alan Fudge of Polberro Consulting, who is a Member of The Australasian Institute of Mining and Metallurgy ("AusIMM") and has a minimum of five years experience in the estimation, assessment and evaluation of Mineral Reserves of this style and is a Competent Person as defined in the JORC Code (2004). This announcement accurately summarises and fairly reports his estimations and he has consented in writing to this review in the form and context in which it appears.