

WEDGETAIL GETS BANK SUPPORT

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INVESTEC Bank has backed junior explorer Wedgetail Exploration to the tune of \$4 million through a working capital facility to advance the final feasibility study on the 886,000 ounce Nullagine gold project in Western Australia. Wedgetail will grant Investec 30 million options at 5.5c each (expiring two years after issue) as part of the consideration for the facility. The feasibility study is expected to be completed within the next few months.

The company is looking at production of around 75,000-100,000 ounces per annum from mid-2006.

A pit optimisation study completed in July using a \$570/oz gold price pointed to a one million tonne per annum operation processing six Nullagine deposits and yielding 314,000oz at cash costs of \$359/oz.

The study indicated the Golden Eagle resource could alone underpin capital for project development, with a proposed \$20-25 million plant being positioned at the deposit.

Wedgetail said the potential remained to expand the resources at all the deposits.

Around this time last year shares in Wedgetail hit a 52-week low of 3.4c, before reaching a 52-week high of 6.7c in March. Shares in Wedgetail remained unchanged during early morning trade at 3.9c.