



Regional success for Wedgetail

Ben Sharples

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BUDDING gold miner Wedgetail Exploration has returned a series of high-grade hits within its emerging Nullagine project in Western Australia as it looks to bring the 70,000 ounce per year operation online early next year.

Wedgetail said RC drilling at the Falcon prospect had confirmed the results of RAB drilling conducted in late 2005, which indicated high-grade mineralisation spread over a strike length of 600m.

Project development manager Peter Woodman told *MiningNews.net* the company believed the region hosted a cluster of high-grade deposits in a concentrated area, and there was still around 4-5km of material to test.

"We're getting good grades, near surface. This is new virginal discovery stuff," Woodman said. "We plan to maintain our drilling up there because we're finding near-surface mineralisation, it's popping out of the woodwork.

"I'd say the best thing is to watch this space."

Hits at the Falcon prospect include 9m at 4.1gpt of gold from 58m, 14m at 3.11gpt gold from 6m, 4m at 18.1gpt gold from 42m and 4m at 14.4gpt gold from 2m. Mineralisation remains open along strike and at depth.

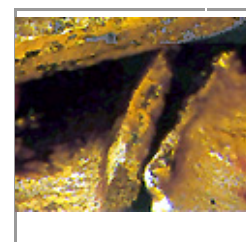
The prospect is located within 2km of planned mine, which is around 35km by haul road to the proposed plant site. Wedgetail is planning further RAB drilling of the Condor and Buzzard prospects, which are near the Falcon project, within the next month.

The company aims to bring the \$A43 million project online in the March quarter of 2007. The Falcon project is expected to have a mine life of almost five years, and cash costs are estimated at \$513 per ounce.

Woodman said it was too premature to speculate whether the planned annual output of the operation would increase if economically viable deposits are delineated but added "the design of the plant is such that we can do much more than stated in the nameplate capacity".

"If we can find some more of this material near surface in bulk, it would certainly displace any lower-grade material that would otherwise go in the plant," he said.

Shares in Wedgetail hit a 52-week high of 5c in December before losing ground to hit a 52-week low of 2.9c in March. The stock closed unchanged during Thursday's trade at 3.8c, capitalising the company at \$49.2 million.



Aspermont Limited
Street Address 613-619 Wellington Street, Perth WA Australia 6000
Postal Address PO Box 78, Leederville, WA Australia 6902
Head Office Tel +61 8 6263 9100 Head Office Fax +61 8 6263 9148
e-mail contact@aspermont.com website www.aspermont.com ABN 66 000 375 048