

# ASX RELEASE

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## Sabodala Gold Project – Outstanding Infill Drilling Results

**Recent infill drilling (Phase 2) at the company's flagship Sabodala gold project in southeast Senegal in west Africa has identified additional significant high grade mineralisation.**

The drilling has further confirmed the continuity of the zone within the limits of the Phase 1 programme of 450 metres by 300 metres.

The company had previously announced a preliminary gold resource of 1.26 million ounces within the limits of the recently concluded Phase 1 programme.

Equally as significant, the Phase 2 step-out drilling programme devised to identify the down-plunge extensions of up to 240 metres to the northwest from the Phase 1 programme has intersected similar mineralised structures to the main Sabodala zone (see Attachment 1). To date, the tenor and placement of the intersections suggest to the company that it is highly likely this 240 metre zone will be open pittable. The company is currently awaiting the gold assays.

There is also significant potential for resource expansion to the north and south along the Sabodala Shear and, at depth, the resource is open in most areas beyond the limits of the completed Phase 1 programme.

Through 10 March 2006, the company had completed 227 drill holes at Sabodala, including three water bore holes and four hydrological test holes, for a total of 34,647.6 metres including 22,824 metres of reverse circulation and 11,823.6 metres of diamond drilling. Assay data to hand represents some 80% of the completed drilling. All drill holes are inclined at 60 degrees.

Significant intersections from infill drilling are:

- **55 metres grading 12.2g/t from surface;**
- **49 metres grading 3.8g/t from surface;**
- **64 metres grading 4.9g/t from 90 metres downhole;**
- **14 metres grading 23.5g/t from 113 metres downhole; and**
- **45.7 metres grading 5.9g/t from 55 metres down-hole.**

Attached is a table (Attachment 2) of all the infill intersections encountered thus far within the limits of the Phase 1 programme.



The Phase 2 drilling programme of 27,255 metres includes infill drilling of the earlier wider spaced drilling and the step-out drilling to follow the down-plunge northwest extension. The completion of the infill drilling within the current resource area is designed to upgrade the existing Inferred resource to the Indicated category. On completion of the infill drilling programme, the hole density will be 20 metres by 20 metres. In general, the infill programme is testing mineralisation and identifying geological structure to a vertical depth of about 130 metres.

*The information in this report that relates to Exploration Results is based on information compiled by Mineral Deposit Limited's Chief Geologist, Chris Young BSc, who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Young has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken. He is qualified as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Young has consented to the inclusion of this information in the form and context in which it appears in this report.*

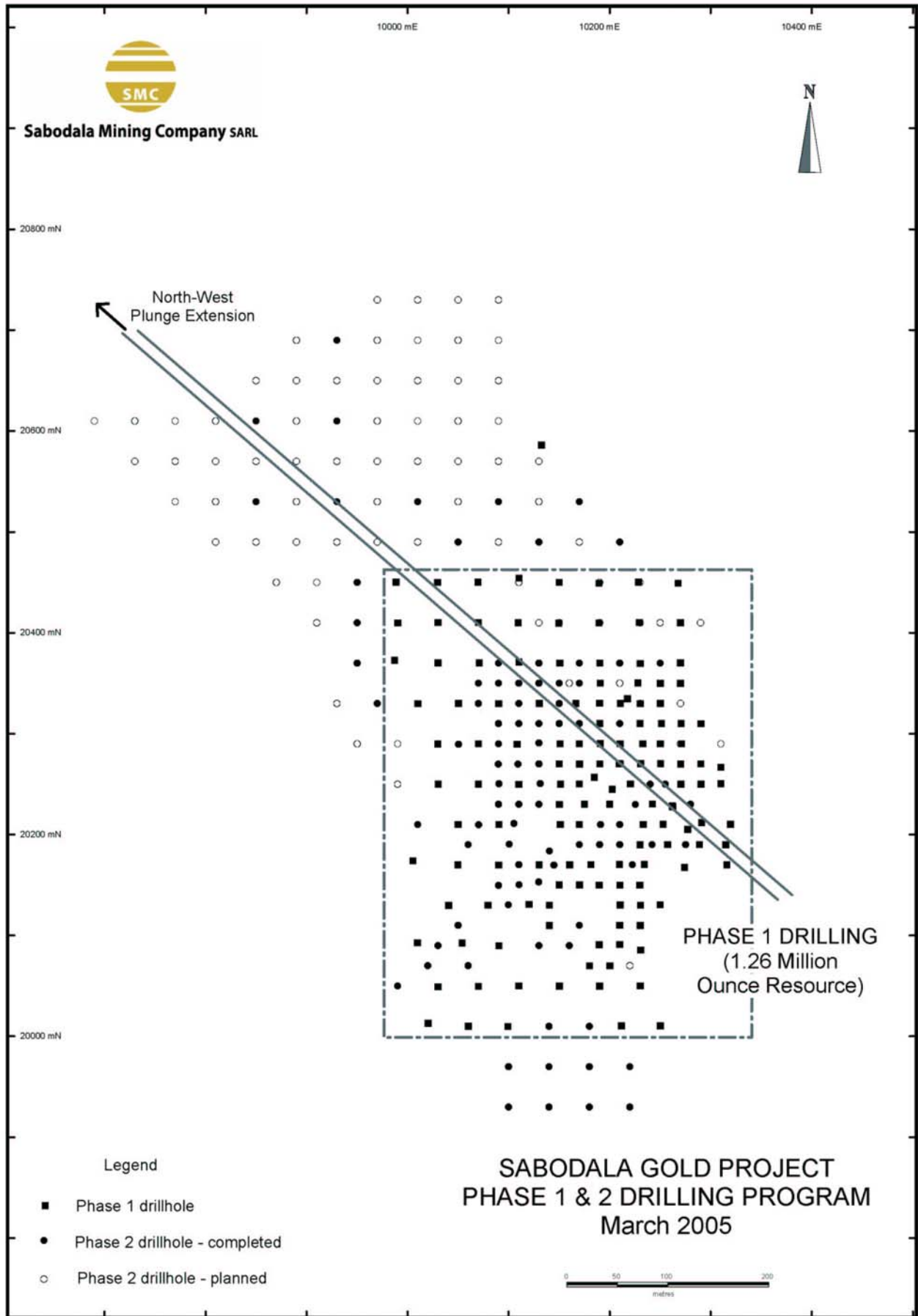
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**Table 1 – Best mineralisation intersections \* from the Sabodala Phase 2 drilling programme as at 10 March 2006**  
**All holes azimuth grid E and @ -60 degrees inclination**

| Hole ID  | Northing | Easting |     | From (m) | To (m) | Grade (g/t Au) | Interval (m) |
|----------|----------|---------|-----|----------|--------|----------------|--------------|
| SBDD005  | 20210    | 10170   |     | 41       | 64.6   | 5.23           | 23.6         |
| SBRC129  | 20130    | 10100   |     | 38       | 40     | 10.89          | 2            |
|          |          |         | and | 85       | 88     | 2.62           | 3            |
| SBRC130  | 20153    | 10130   |     | 0        | 4      | 4.65           | 4            |
|          |          |         | and | 10       | 15     | 2.76           | 5            |
|          |          |         | and | 50       | 57     | 1.57           | 7            |
| SBRC131  | 20150    | 10110   |     | 17       | 21     | 5.52           | 4            |
| SBRC132  | 20150    | 10090   |     | 2        | 10     | 1.55           | 8            |
|          |          |         | and | 76       | 86     | 1.96           | 10           |
| SBRC133D | 20170    | 10222   |     | 1        | 6      | 4.96           | 5            |
|          |          |         | and | 17       | 22     | 5.52           | 5            |
| SBRC134  | 20170    | 10145   |     | 5        | 20     | 1.72           | 15           |
| SBRC135  | 20170    | 10110   |     | 9        | 20     | 3.31           | 6            |
| SBRC136  | 20190    | 10275   |     | 4        | 9      | 16.79          | 5            |
|          |          |         | and | 15       | 24     | 8.43           | 9            |
|          |          |         | and | 33       | 39     | 1.44           | 6            |
| SBRC137  | 20190    | 10242   |     | 0        | 9      | 22.75          | 9            |
| SBRC138  | 20190    | 10190   |     | 20       | 47     | 4.51           | 27           |
|          |          |         | and | 57       | 61     | 2.81           | 4            |
| SBRC139  | 20184    | 10140   |     | 2        | 19     | 4.98           | 17           |
|          |          |         | and | 34       | 44     | 3.09           | 10           |
| SBRC140D | 20190    | 10100   |     | 0        | 4      | 2.25           | 4            |
|          |          |         | and | 9        | 15     | 3.33           | 6            |
|          |          |         | and | 20       | 26     | 2.58           | 6            |
|          |          |         | and | 34       | 51     | 1.69           | 17           |
| SBRC141  | 20210    | 10191   |     | 8        | 17     | 1.55           | 9            |
|          |          |         | and | 31       | 50     | 6.16           | 19           |
| SBRC142D | 20211    | 10105   |     | 16       | 40     | 4.20           | 24           |
|          |          |         | and | 46       | 51     | 1.19           | 5            |
| SBRC143D | 20210    | 10070   |     | 67       | 72.9   | 1.83           | 5.9          |
|          |          |         | and | 95.1     | 106.4  | 1.61           | 11.3         |
| SBRC144  | 20230    | 10225   |     | 0        | 10     | 2.6            | 10           |
|          |          |         | and | 16       | 30     | 6.32           | 14           |
| SBRC145  | 20230    | 10130   |     | 23       | 63     | 4.35           | 40           |
|          |          |         | and | 75       | 81     | 4.86           | 6            |
| SBRC146  | 20230    | 10110   |     | 31       | 50     | 2.77           | 19           |
|          |          |         | and | 86       | 95     | 1.16           | 9            |
| SBRC147  | 20230    | 10090   |     | 23       | 56     | 1.30           | 33           |
|          |          |         | and | 66       | 72     | 2.31           | 6            |
|          |          |         | and | 84       | 86     | 6.40           | 2            |
|          |          |         | and | 96       | 100    | 2.50           | 4            |

| Hole ID  | Northing | Easting |     | From (m) | To (m) | Grade (g/t Au) | Interval (m) |
|----------|----------|---------|-----|----------|--------|----------------|--------------|
| SBRC148D | 20250    | 10255   |     | 0        | 6      | 1.92           | 6            |
|          |          |         | and | 48.2     | 53     | 7.26           | 4.8          |
| SBRC149  | 20251    | 10131   |     | 2        | 8      | 14.17          | 6            |
|          |          |         | and | 26       | 29     | 2.53           | 3            |
|          |          |         | and | 37       | 42     | 2.51           | 5            |
|          |          |         | and | 48       | 56     | 7.92           | 8            |
|          |          |         | and | 65       | 69     | 1.93           | 4            |
|          |          |         | and | 82       | 86     | 10.65          | 4            |
| SBRC150D | 20250    | 10090   |     | 28       | 37     | 2.78           | 9            |
|          |          |         | and | 91       | 99.4   | 3.64           | 8.4          |
| SBRC151D | 20270    | 10130   |     | 50       | 93     | 4.27           | 43           |
| SBRC152D | 20270    | 10109   |     | 20       | 27     | 3.18           | 7            |
|          |          |         | and | 32       | 39     | 3.2            | 7            |
|          |          |         | and | 42       | 48     | 3.18           | 6            |
|          |          |         | and | 56       | 60     | 1.93           | 4            |
|          |          |         | and | 97.1     | 102    | 6.08           | 4.9          |
| SBRC153D | 20270    | 10090   |     | 36       | 52     | 2.81           | 16           |
| SBRC154D | 20291    | 10130   |     | 45       | 53     | 2.92           | 8            |
|          |          |         | and | 55       | 100.65 | 5.90           | 45.65        |
| SBRC155D | 20290    | 10090   |     | 46       | 71     | 4.597          | 25           |
|          |          |         | and | 78       | 119.2  | 8.7            | 41.2         |
| SBRC156D | 20290    | 10050   |     | 78       | 82     | 4.97           | 4            |
|          |          |         | and | 111      | 135    | 2.38           | 24           |
| SBRC157  | 20310    | 10210   |     | 3        | 6      | 1.55           | 3            |
|          |          |         | and | 59       | 65     | 4.39           | 6            |
|          |          |         | and | 71       | 85     | 5.11           | 14           |
|          |          |         | and | 100      | 110    | 2.05           | 10           |
|          |          |         | and | 114      | 143    | 4.09           | 29           |
| SBRC158D | 20310    | 10170   |     | 0        | 49     | 3.76           | 49           |
|          |          |         | and | 63       | 75     | 2.94           | 12           |
|          |          |         | and | 96       | 108    | 5.43           | 12           |
| SBRC159D | 20310    | 10150   |     | 0        | 22     | 6.78           | 22           |
|          |          |         | and | 43       | 46     | 8.12           | 3            |
|          |          |         | and | 78       | 93     | 3.12           | 15           |
|          |          |         | and | 94       | 113.15 | 9.35           | 19.15        |
| SBRC160  | 20310    | 10130   |     | 50       | 56     | 1.99           | 6            |
|          |          |         | and | 90       | 93     | 12.36          | 3            |
| SBRC161D | 20310    | 10110   |     | 34       | 39     | 2.01           | 5            |
|          |          |         | and | 51       | 55     | 2.78           | 4            |
|          |          |         | and | 96       | 115.5  | 7.35           | 19.5         |
| SBRC162D | 20310    | 10090   |     | 68       | 85     | 2.09           | 17           |
|          |          |         | and | 111      | 125    | 3.01           | 14           |
| SBRC163D | 20330    | 10150   |     | 20       | 26     | 2.28           | 6            |
|          |          |         | and | 31       | 35     | 1.41           | 4            |
|          |          |         | and | 49       | 91     | 2.58           | 42           |
|          |          |         | and | 94       | 124    | 8.75           | 30           |

| Hole ID  | Northing | Easting |      | From (m) | To (m) | Grade (g/t Au) | Interval (m) |
|----------|----------|---------|------|----------|--------|----------------|--------------|
| SBRC164D | 20330    | 10110   |      | 63       | 78     | 3.67           | 15           |
|          |          |         | and  | 103      | 107    | 3.02           | 4            |
|          |          |         | and  | 121      | 135    | 5.50           | 14           |
| SBRC165  | 20330    | 10070   |      | 10       | 14     | 6.08           | 4            |
|          |          |         | and  | 83       | 108    | 4.42           | 25           |
|          |          |         | and  | 114      | 121    | 4.00           | 7            |
|          |          |         | and  | 126      | 135    | 2.84           | 9            |
| SBRC166D | 20350    | 10170   |      | 85       | 99     | 2.95           | 14           |
|          |          |         | and  | 103      | 133    | 2.32           | 30           |
| SBRC167D | 20350    | 10150   |      | 83       | 140    | 8.80           | 57           |
|          |          |         | inc. | 113      | 127    | 23.48          | 14           |
| SBRC168D | 20350    | 10130   |      | 32       | 37     | 2.29           | 5            |
|          |          |         | and  | 41       | 52     | 4.23           | 11           |
|          |          |         | and  | 56       | 58     | 6.47           | 2            |
|          |          |         | and  | 90       | 154    | 4.85           | 64           |
| SBRC169D | 20350    | 10110   |      | 103      | 112    | 3.38           | 9            |
|          |          |         | and  | 124      | 134    | 2.29           | 10           |
| SBRC170  | 20350    | 10070   |      | 61       | 69     | 2.04           | 8            |
|          |          |         | and  | 75       | 78     | 13.37          | 3            |
|          |          |         | and  | 92       | 101    | 2.42           | 9            |
|          |          |         | and  | 134      | 148    | 6.13           | 14           |
|          |          |         | and  | 163      | 180    | 13.27          | 17           |
| SBRC173D | 20370    | 10170   |      | 116      | 145.25 | 3.46           | 29.25        |
| SBRC174D | 20370    | 10130   |      | 85.25    | 103    | 2.08           | 17.75        |
|          |          |         | and  | 110      | 146    | 4.80           | 36           |
|          |          |         | and  | 151      | 158    | 1.00           | 7            |
| SBRC175D | 20370    | 10090   |      | 54       | 58     | 5.06           | 4            |
|          |          |         | and  | 66       | 68     | 6.07           | 2            |
|          |          |         | and  | 129      | 152    | 4.24           | 23           |
| SBRC178  | 19930    | 10100   |      | 18       | 22     | 2.83           | 4            |
| SBRC179  | 19930    | 10140   |      | 90       | 93     | 2.41           | 3            |
| SBRC198D | 20350    | 10090   |      | 116      | 153.45 | 3.80           | 37.45        |
| SBRC214D | 20410    | 9950    |      | 298.8    | 305.4  | 17.51          | 6.6          |
| SBRC251D | 20530    | 10010   |      | 58       | 64     | 1.71           | 6            |
| SBRC253D | 20530    | 10090   |      | 140      | 157    | 4.61           | 17           |
| SBRC255D | 20530    | 10170   |      | 144      | 154    | 4.20           | 10           |
| SBRC278  | 20190    | 10170   |      | 0        | 6      | 1.57           | 6            |
|          |          |         | and  | 18       | 28     | 5.05           | 10           |
|          |          |         | and  | 32       | 47     | 4.52           | 15           |
|          |          |         | and  | 53       | 61     | 4.88           | 8            |
|          |          |         | and  | 70       | 72     | 11.02          | 2            |
| SBRC279  | 20190    | 10210   |      | 0        | 9      | 2.50           | 9            |
|          |          |         | and  | 16       | 37     | 4.83           | 21           |
|          |          |         | and  | 43       | 47     | 2.45           | 4            |
|          |          |         | and  | 57       | 61     | 1.41           | 4            |
|          |          |         | and  | 82       | 85     | 2.23           | 3            |

| Hole ID | Northing | Easting |     | From (m) | To (m) | Grade (g/t Au) | Interval (m) |
|---------|----------|---------|-----|----------|--------|----------------|--------------|
| SBRC280 | 20210    | 10210   |     | 17       | 38     | 6.92           | 21           |
|         |          |         | and | 49       | 53     | 1.79           | 4            |
| SBRC282 | 20250    | 10240   |     | 0        | 55     | 12.22          | 55           |

The intervals are based on 1m composite assays, a minimum down-hole width of 4m, with a maximum internal dilution of 2m. The grade cut-off is 1.0g/t Au. \*The morphology of the orebody is yet to be determined and it is therefore believed that these intervals may not represent true widths.