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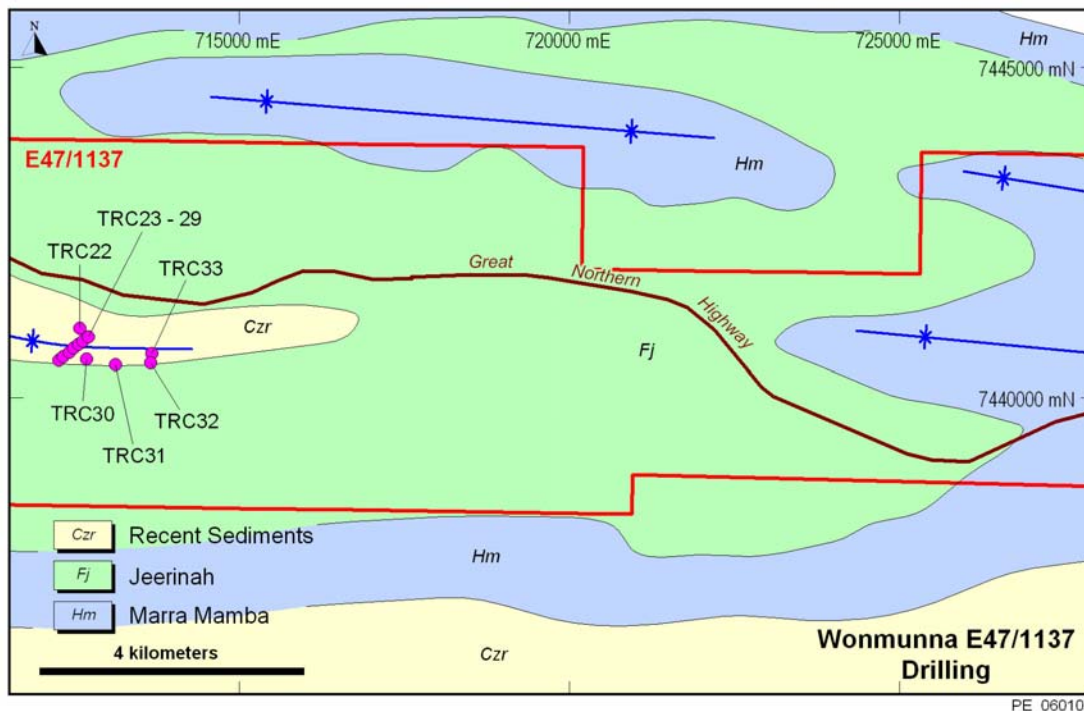
The Manager  
Company Announcements  
Australian Stock Exchange Limited  
Level 10, 20 Bond Street  
SYDNEY NSW 2000

## Joint Venture Exploration Results

### Wonmunna Drilling Results

Mount Gibson Iron Limited ("MGI") is earning a 60% interest in a private company Poondano Exploration Pty Ltd ("Poondano") which is exploring for pisolite and basement hosted iron ore in the Pilbara of WA.

Poondano reports that it has discovered ore grade Marra Mamba material in EL47/1137 which is held by Talisman Mining Limited with whom Poondano has an Iron Ore Exploration Agreement. The lease is located 85 km north of Newman and the discovery drill holes are one km south of the Great Northern Highway.



Wonmunna Tenement outline and drilling locations

Initially twenty one holes were drilled to test outcropping pisolite with only 10m to 18m thick intersections of low grade pisolite found. A further fifteen drill holes were drilled through thin pisolite and eight of these holes intersected underlying enriched Marra Mamba Iron Formation within an area of 1.5 km by 0.5 km with a strong probability of westerly extension.

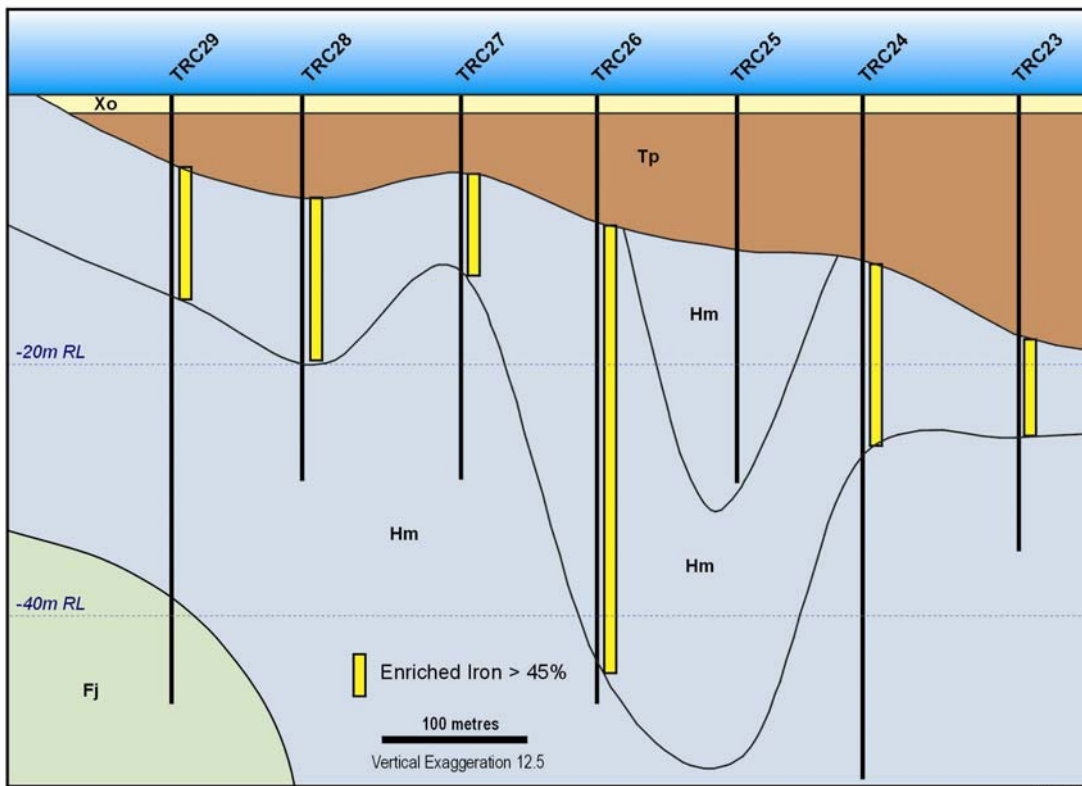
The enriched bedrock is considered to belong to the Mt Newman Member of the Marra Mamba Iron Formation similar to the orebodies at Rio's West Angelas and Marandoo deposits. The geometry and location suggests that the mineralization lies in a synclinal keel structure similar to Hope Downs No 2 deposit which lies due north of the lease.

**Wonmunna Drilling Best Intersections**

Hole	From	To	Interval	%Fe	%SiO <sub>2</sub>	%Al <sub>2</sub> O <sub>3</sub>	%P	%LOI1000°C
TRC23	24	26	2	55.62	7.98	2.00	0.113	9.63
TRC24	12	24	12	57.60	6.45	2.70	0.066	7.83
TRC26	12	32	20	58.60	4.83	2.68	0.084	7.85
TRC27	14	16	2	57.46	4.74	4.37	0.111	8.03
TRC28	12	20	8	59.98	3.44	2.17	0.054	8.05
TRC30	12	30	18	58.40	5.45	3.13	0.067	6.94
TRC31	18	32	14	57.08	6.35	3.40	0.058	7.93
TRC32	14	36	22	60.81	3.12	2.09	0.106	7.14
<b>Weighted Average</b>				<b>58.75</b>	<b>4.92</b>	<b>2.71</b>	<b>0.079</b>	<b>7.59</b>

Assays by NATA Laboratory

The above grades are to be expected in the hardcap zone, with higher silica and alumina and lower iron. A total 94 m in 6 holes (intersections greater than 2m) averaged 58.8% Fe, 4.86% SiO<sub>2</sub>, 2.69 Al<sub>2</sub>O<sub>3</sub> and 0.077% Phosphorous. The six holes averaged 16 m intersections and the Fe grades were up to 62.9% (over 6m) in TRC 32 which appears to be underneath the hardcap zone.



**Section at Wonmunna looking West**

Note: TRC 30,31 and 32 off section to the east.

Further drilling will investigate the possible occurrence of further buried Marra Mamba in three other locations on the lease, which includes the Western Extension of the currently identified area as well as the Eastern and Western Synclines.

## **OTHER EXPLORATION**

The next phase of drilling will also test the South Fortescue area (north of Marandoo) and Newman East area (adjacent to the BHPB railroad 30 km north of Newman) where both pisolite and basement iron ore targets exist. Subject to drill rig availability the drilling will be done in the March to June, 2006 period.

The initial drilling at the North Tom Price area on the Nanutarra Wittenoom road did not find significant pisolite and the areas were relinquished.

*The exploration results have been prepared by Mr Peter Schwann, Ass.App.Geol. FAIMM CP, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to be considered a Competent Person as defined in the JORC Code.*



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