



GOLDSTREAM MINING NL

ABN 67 009 129 560

GOLDSTREAM CONFIRMS UNIQUE CAIRN HILL INFERRED RESOURCE

JOINT ASX AND MEDIA ANNOUNCEMENT

13 March 2007

Diversified mining company, Goldstream Mining NL (ASX:GDM) is pleased to announce an Inferred Resource of **11.3mt at 50.3% Fe, 0.4% Cu and 0.1g/t Au** at its Cairn Hill Project located 55 km south of Coober Pedy in South Australia.

The Inferred Resource was calculated by Snowden Mining Industry Consultants based on drilling completed to the end of 2006.

Goldstream Managing Director Duncan McBain said "achieving an Inferred Mineral Resource was an important milestone for shareholders and customers.

"The Inferred Mineral Resource enables our potential Chinese customers to better understand the mining grade and tonnage characteristics of the magnetite resource, which in turn assists them to plan their plants for processing the Cairn Hill ore," Mr McBain said.

"The Cairn Hill deposit is unique in its structure hosting iron, copper and gold, with test work and feedback from potential customers highlighting the relative ease of processing and value in use benefits."

The current Inferred Resource covers the proposed Initial Pit area (Figure 1), the extents of which are based on possible open pit mining parameters.

Cairn Hill February 2007 Inferred Mineral Resource Estimate – Magnetite Domain (above a 30% Fe equivalent cut-off)

Model	Tonnes (Mt)	Fe (%)	Cu (%)	Au (ppm)
In situ	10.6	52.7	0.4	0.1
Diluted	11.3	50.3	0.4	0.1

Two versions of the Mineral Resource were analysed. The first reports an in situ Mineral Resource, while the second presents a diluted Mineral Resource calculated by adding a 0.5 metre wide envelope of edge dilution to the in situ Mineral Resource.

All resource reporting is above an iron equivalent cut-off grade of 30% Fe for Goldstream's magnetite ore domain. The equivalence equation was based on three year average metal prices of US\$53.62/t iron, US\$2.03/lb copper and US\$490/oz gold and metal recovery factors of 88% for iron, 95% for copper and 89% for gold. An in situ bulk density of 4.3 t/m³ has been applied to the magnetite horizons and 2.9 t/m³ to the surrounding mineralised (copper/gold envelope) host rocks.

In early January 2007, Goldstream commenced an RC resource drillout program, covering the initial pit, and a potential eastern pit extension area (Figure 1). In addition, an eastern extension exploration area within 4km of the proposed initial pit was also tested. The completed program comprised:

	Holes	Metres
Initial Pit Area	72	8,821
Eastern Pit Extension	21	2,426
Eastern Extension Exploration	3	396
Total	93	11,643

Final assay results are now awaited.

The Initial Pit Area has now been drilled out to a maximum drill spacing of 40m by 40m with the aim of converting the current Inferred Resource into an Indicated Resource to be used for detailed mine planning. Increased density of drilling is aimed at gaining a greater understanding of the copper, gold and sulphur distributions, and the potential for high grade copper shoots.

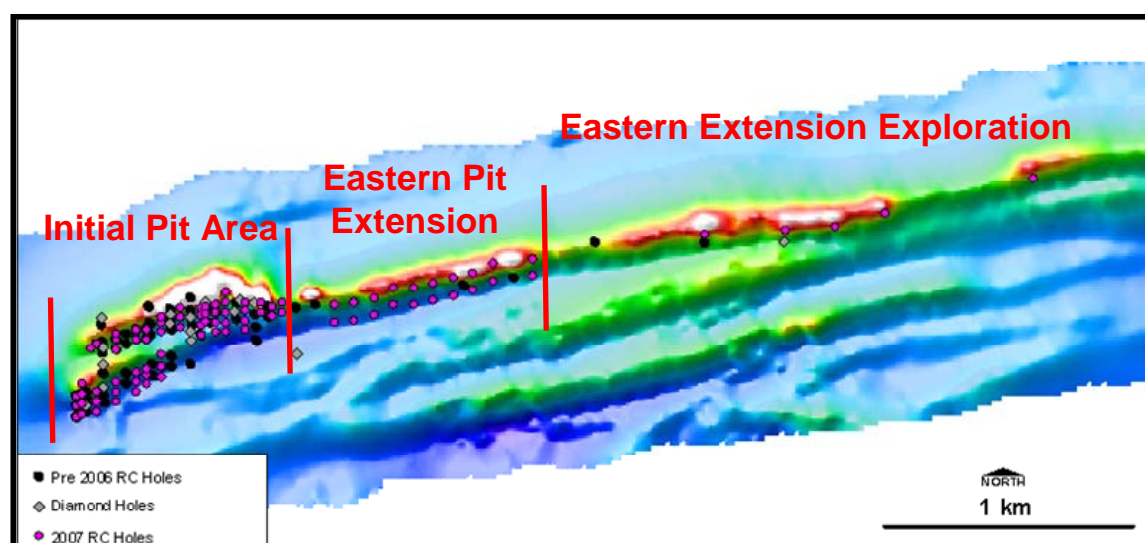


Figure 1 - Cairn Hill RC and Diamond Drilling

The Eastern Pit Extension (Figure 1) has been drilled on an 80m by 80m spacing with the aim of extending the resource a further 800m to the east of the initial pit area. Based on the density of drilling, it is envisaged an Inferred Resource will be able to be calculated for this area.

Drilling of the Eastern Extension Exploration area is purely testing the thickness and grade characteristics of the potential orebody over a strike length of a further 2.3km as a precursor to further exploration.

It is planned to have the next resource calculated by Snowden early in the June 2007 quarter.

Goldstream plans to fly a 810 km² detailed airborne aeromagnetic and radiometric survey over the northern portion of the Mt Woods Inlier to both cover the remainder of the 18km of the Cairn Hill magnetic ridge and other prospective stratigraphy (Figure 2).

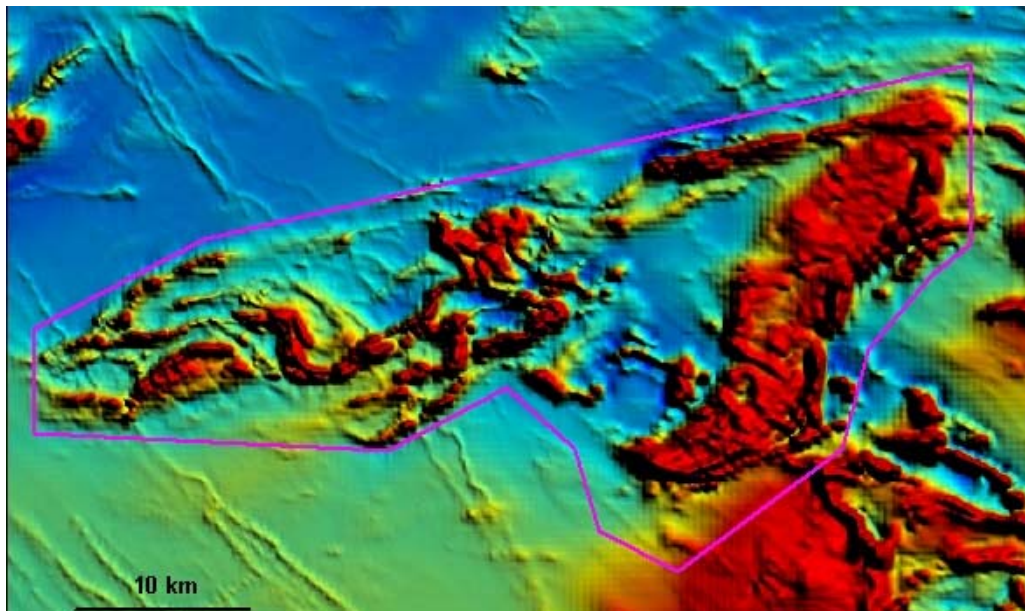


Figure 2 – Planned Mt Woods Detailed Aeromagnetics

DUNCAN MCBAIN
MANAGING DIRECTOR

For further information, please contact:

Duncan McBain
Managing Director
Tel: +61 8 9486 8688
E: duncan.mcbain@goldstreammining.com.au

Investor Relations:
Warrick Hazeldine
Purple Communications
Tel: +61 8 9485 1254
E: whazeldine@purplecom.com.au

The information in this Public Report that relates to Mineral Resources is based on, and accurately reflects, information compiled by Ms Bianca Manzi of Goldstream Mining NL and Mr. Richard Sulway of Snowden Mining Industry Consultants.

The Mineral Resource statement has been reviewed by Mr Paul Blackney of Snowden Mining Industry Consultants. Mr Blackney is a member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify 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 Blackney consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.