GOLDSTREAM MINING NL
ABN 67 009 129 560

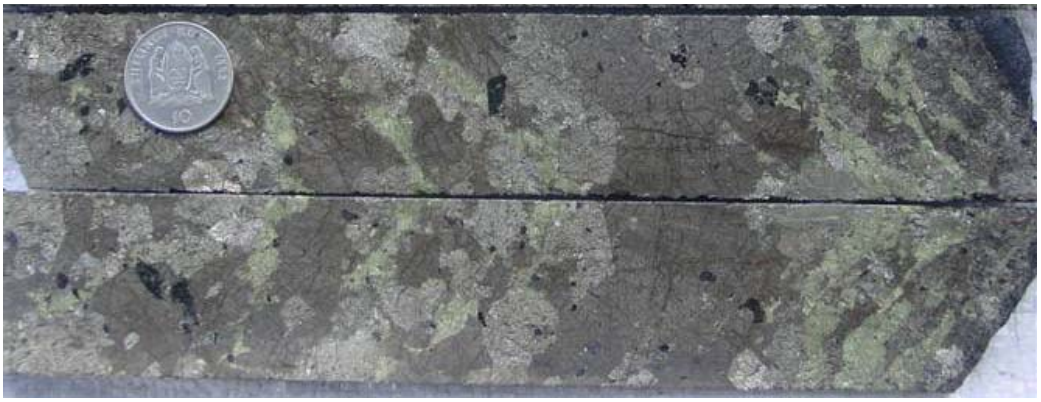
Outstanding Nachingwea Massive Sulphide Nickel Intersection

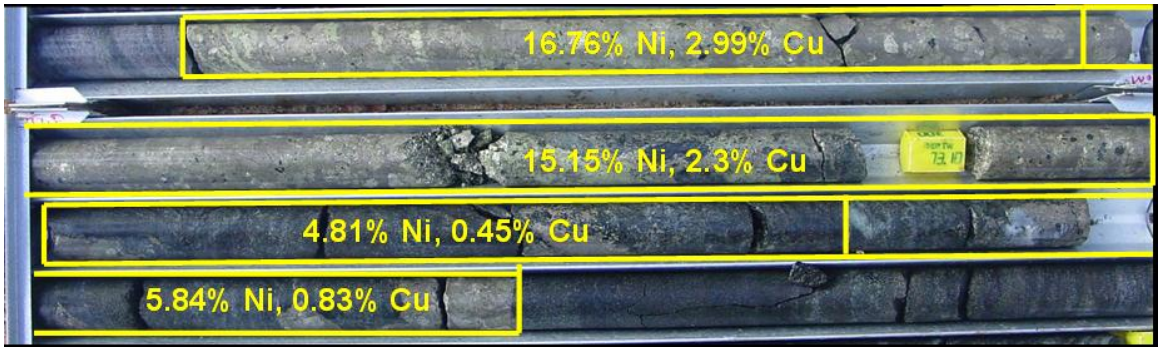
17 July 2006

The Board of Goldstream is pleased to announce the intersection of exceptionally high grade nickel sulphides at its 100% owned Nachingwea Nickel-Copper Project in Tanzania. The recently completed Ntaka drilling program at Nachingwea, intersected a **0.75m interval of 16.76% Ni** within a **3.0m zone assaying 11.23% Ni in hole NAD013.** This extremely coarse grained massive sulphide intersection occurs 60m below surface.

Hole	From	Interval	Ni	Cu
NAD013	**71.59m**	**3.00m**	**11.23%**	**1.74%**
incl	**71.59m**	**0.75m**	**16.76%**	**2.98%**
incl	**72.34m**	**0.93m**	**15.15%**	**2.30%**

In addition to very high grade nickel, the intersection also contains strong copper, cobalt and PGE values.





Drill hole NAD013 was designed to target an EM conductor interpreted as a 30^{o} dipping sheet with dimensions in the order of 60x120m. The nickel sulphide intersection occurs towards the upper margin of the conductor and is considered to be a probable true thickness. The hole was inclined at a 60^{o} dip. Reinterpretation of the ground EM data shows superimposed responses from up to 3 conductors at depth which are masked by the near surface conductor drilled by NAD013.

The NAD013 conductor was one of 25 EM conductors identified by both airborne and ground EM surveys within a strong regional nickel / copper soil geochemical anomaly (figure 1). Fourteen of the conductors which are coincident with anomalous nickel and copper geochemistry have been tested by single diamond drill holes, with most intersecting zones of disseminated, matrix and or massive sulphide with some traces of graphite. Assay results have been received for 9 holes including the priority massive sulphide zone from NAD013. Assay results are summarised below.

Hole	From	Interval	Co (%)	Cu (%)	Ni (%)
NAD001	121.00	3.00	0.02	0.13	0.45
NAD002	51.00	3.00	0.05	0.22	0.80
incl	52.50	1.50	0.06	0.22	**1.04**
NAD003	73.00	2.00	0.02	0.12	0.58
NAD004	56.00	6.00	0.03	0.17	0.84
incl	56.00	2.00	0.05	0.25	**1.36**
incl	56.00	0.50	0.08	0.34	**2.15**
incl	57.50	0.50	0.08	0.46	**2.00**
NAD005	48.00	10.00	0.02	0.12	0.44
	78.50	11.50	0.03	0.20	0.57
incl	79.00	1.00	0.05	0.19	**1.04**
incl	84.50	1.00	0.06	0.63	**1.14**
NAD007	125.00	3.50	0.05	0.17	0.52
NAD008	71.20	0.50	**0.11**	0.24	**1.07**
NAD009	34.00	23.00	0.04	0.19	0.63
incl	34.00	10.00	0.05	0.27	0.95
incl	41.00	1.00	**0.11**	0.18	**2.09**
NAD013	71.59 [(1)]	3.00	**0.15**	**1.74**	**11.23**
incl	71.59 [(2)]	1.68	**0.21**	**2.61**	**15.87**

[(1)] Pt 0.32g/t, Pd 0.23g/t [(2)] Pt 0.49g/t. Pd 0.32g/t

The results to date show extensive near surface nickel sulphide mineralisation including both disseminated, matrix and high grade massive sulphides.

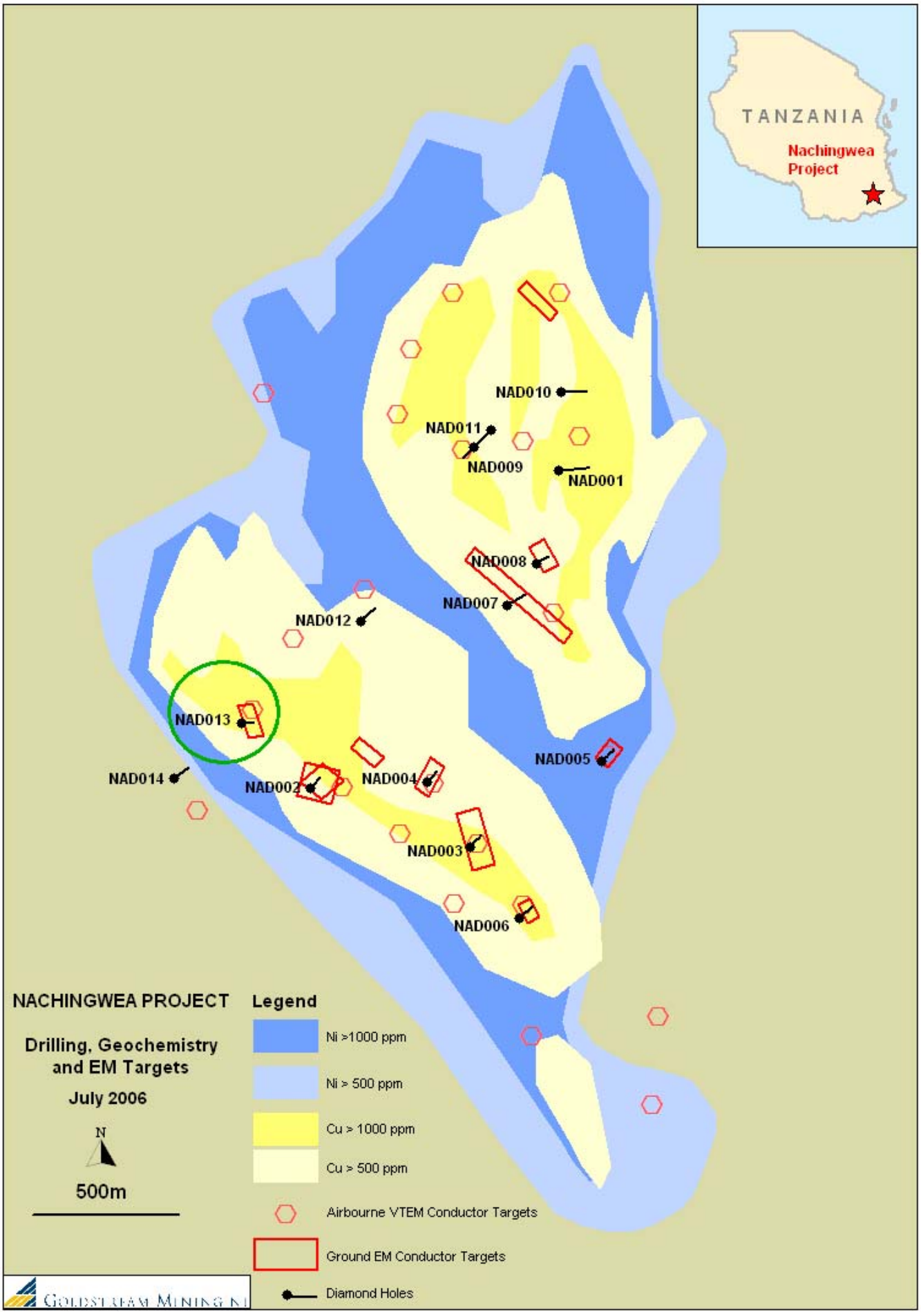
Three diamond drill holes (NAD015-017) were sited 8km to the south of the main Ntaka geochemical anomaly close to another open ended nickel / copper soil geochemistry anomaly. The holes were positioned to test targets from reconnaissance EM traverses outside the geochemical anomaly and intersected graphite and sulphide mineralisation. Results from the remainder of the drilling are awaited.

The greenfields discovery of the Nachingwea nickel sulphide province is a major achievement for a first pass drilling program and is the culmination of several years of exploration endeavours.

The Board of Goldstream plans to accelerate exploration within its highly prospective 100% owned Nachingwea tenements to follow-up these very exciting results.

DUNCAN MCBAIN
MANAGING DIRECTOR

Information in this announcement relating to exploration results is based on data compiled by Bianca Manzi who is a Member of the Australian Institute of Geoscientists, and who is a full-time employee of the Company. Bianca Manzi has sufficient relevant experience to qualify as a Competent Person under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Bianca Manzi consents to the inclusion of the data in the form and context in which it appears.


TANZANIA
Nachingwea Project
NAD010
NAD011
NAD009
NAD001
NAD008
NAD007
NAD012
NAD013
NAD014
NAD002
NAD004
NAD005
NAD003
NAD006
NACHINGWEA PROJECT
Drilling, Geochemistry and EM Targets
July 2006
N
500m
Legend
Ni >1000 ppm
Ni > 500 ppm
Cu > 1000 ppm
Cu > 500 ppm
Airbourne VTEM Conductor Targets
Ground EM Conductor Targets
Diamond Holes