

## New Style of Massive Nickel Sulphide Mineralisation Discovered at Mibango, Tanzania

21 September 2006

The Mibango Project is a joint venture between Goldstream Mining NL and Lonmin plc which enables Lonmin to earn a 60% interest from Goldstream by funding all exploration to the completion of a feasibility study and a further 5% by arranging Goldstream's share of development finance.

Diamond drilling of EM targets at Mibango has intersected massive nickel sulphide within basement gneisses adjacent to the main Kapalagulu Layered Intrusion (KLI). Drillhole KPD112 intersected massive, matrix and disseminated sulphides assaying 4.65% Ni over 0.50m within an 8.25m interval of 1.03% Ni.

Assays for hole KPD112 are summarised below;

Hole KPD	Depth (m)	Width (m)	Pt g/t	Pd g/t	PGE+ Au g/t	Cu %	Co %	Ni %
112	144.75	8.25	0.12	0.03	0.20	0.29	0.04	<b>1.03</b>
incl	144.75	1.50	0.12	0.03	0.21	<b>0.64</b>	0.10	<b>2.51</b>
incl	144.75	0.50	0.31	0.08	0.48	0.19	<b>0.19</b>	<b>4.65</b>

Four targets from the 2005 helicopter VTEM survey were detailed by ground EM surveys in July and are being drilled as part of an ongoing 5,000m diamond drill program. Three of the anomalies are located within the KLI whilst the fourth, designated MC6, is located within basement gneisses.

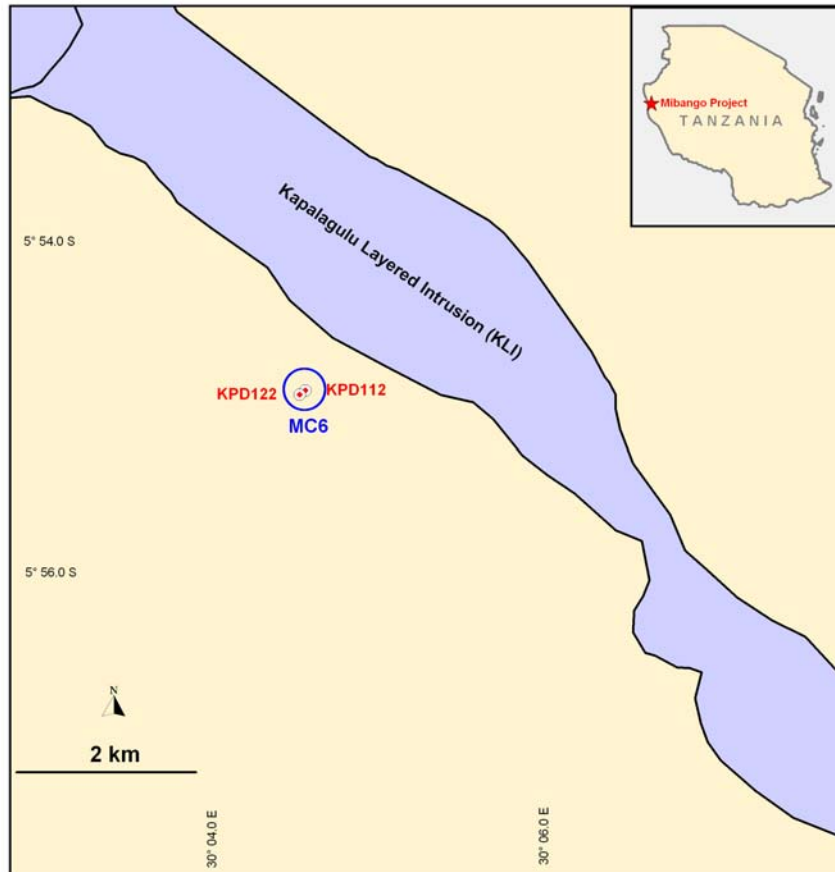


Figure 1: Location of EM anomaly MC6

Anomaly MC6 was originally detected as a single line VTEM anomaly. Two lines of ground EM confirmed the presence of a strong conductor with a 70° dip, 80m below surface, extending 270m along strike, and 220m down dip. Drillholes KPD112 and KPD122 were designed to intersect the conductor at 140m and 250m down hole depths respectively. Both holes intersected gabbro norite hosted nickel sulphide mineralisation (Photo 1 and 2).



Photo 1: KPD112 - Gabbro norite hosted blebby & disseminated sulphide



Photo 2: KPD122, Gabbro norite hosted massive, matrix & disseminated sulphide

A further 3 holes will be drilled on this anomaly this year to determine the extent and trend of the nickel mineralisation and to act as platforms for down hole geophysical surveys.

The relationship of this mineralisation to the nearby ultramafic hosted massive sulphides within the KLI has not yet been established. However, a study carried out by an independent expert has indicated similarities in the geological setting and geochemistry of the KPI and the Kabanga deposit (26.4Mt @ 2.6%Ni), located 300km to the north of Mibango. This recent discovery has therefore enhanced the potential for the Mibango project to host significant nickel sulphide deposits.

The diamond drill program is continuing with further holes planned to test the other EM anomalies as well as to test for near-surface, PGE-rich, disseminated sulphide mineralisation.

In addition to the current drilling; down hole EM, ground EM and geochemical surveys targeting other VTEM anomalies, including a 5km long magnetic feature extending from the discovery site, are planned for the remainder of the field season.

A handwritten signature in black ink, appearing to read 'D. McBain'.

**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.