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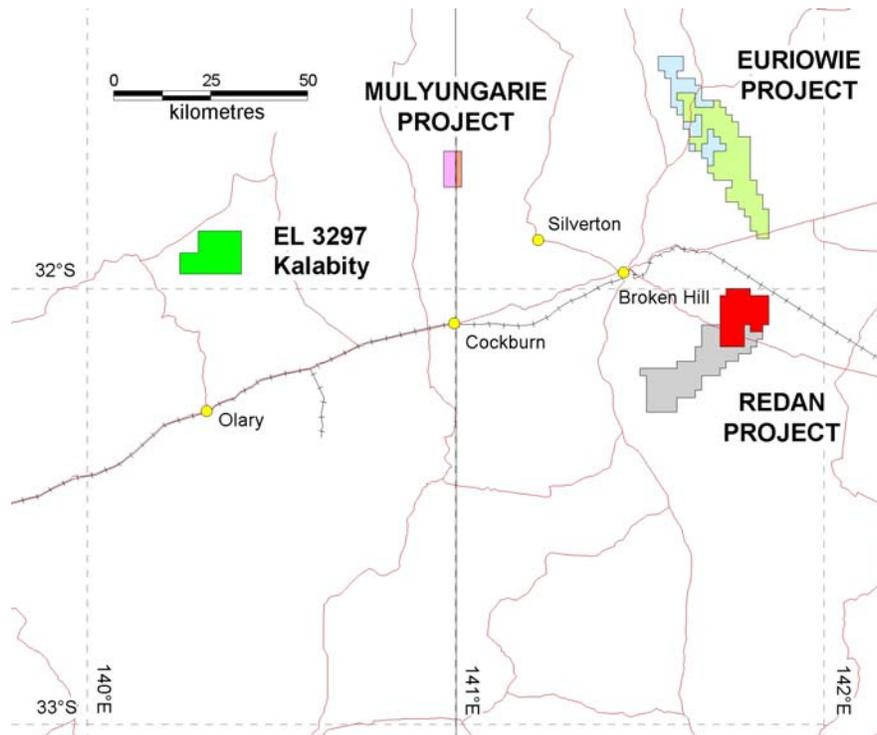
7 October 2005

The Company Announcements Office  
Australian Stock Exchange Limited  
Exchange Centre  
Level 6, 20 Bridge Street  
SYDNEY NSW 2000

Dear Sirs

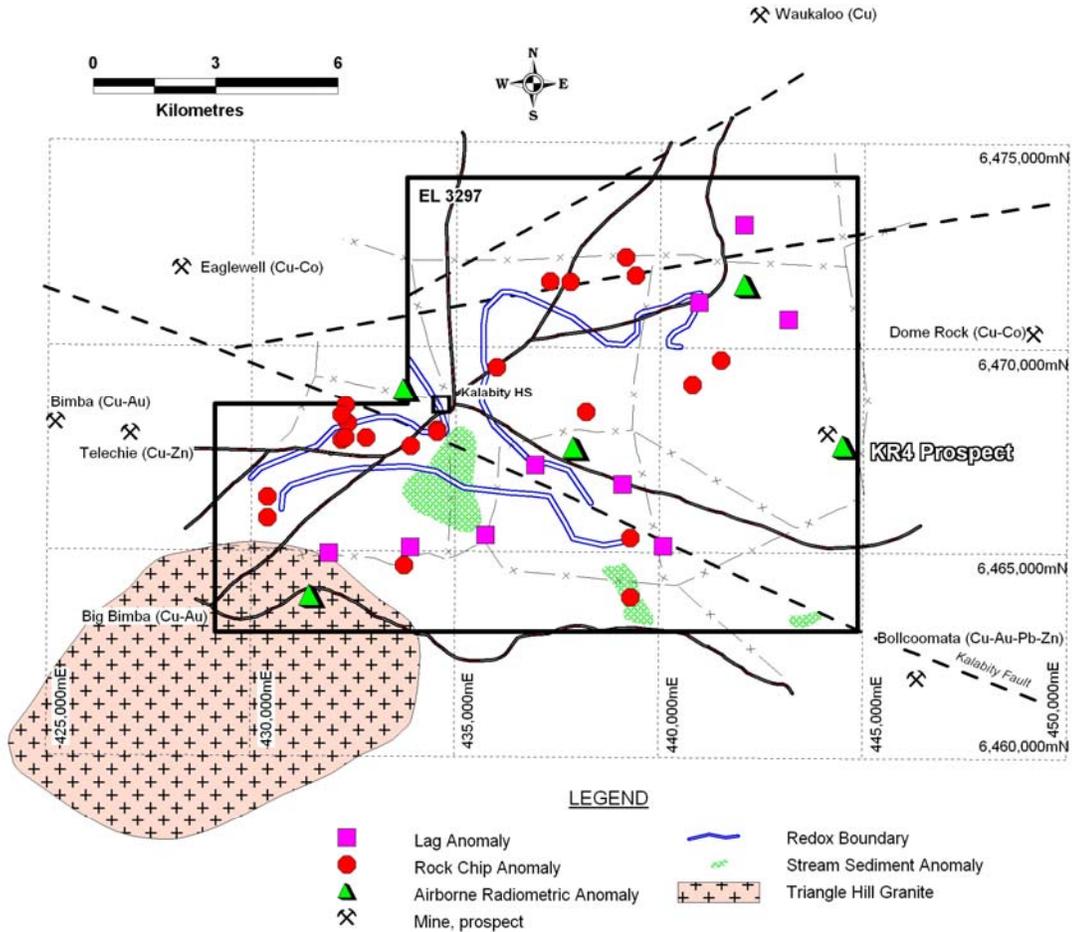
## WPG TO FARM INTO KALABITY URANIUM-GOLD-COPPER PROJECT IN SOUTH AUSTRALIA

Western Plains Gold Ltd (WPG) is pleased to announce that it has reached agreement to farm into the Kalabity Project in South Australia. Kalabity is owned by PlatSearch NL (80%) and Eaglehawk Geological Consulting Pty Ltd (20%). The location of EL 3297 at Kalabity which covers 148 square kilometres is shown below. This drawing also shows the locations of WPG's Euriovie, Redan and Mulyungarie Project areas.



The Kalabity Project area is prospective for uranium and rare earth element (REE) mineralisation, and for iron-oxide copper-gold (IOCG) deposits.

Compilation of rock chip, lag and stream sediment sample data from previous explorers has defined a significant number of geochemical anomalies that require follow-up evaluation as shown below.



The potential for the discovery of intrusion-related uranium and REE deposits is high. The Curnamona Craton has one mine producing uranium at Beverley and another well-known deposit at Honeymoon. It is one of the more prospective provinces in Australia for uranium and was the site for Australia’s first producing mine at Radium Hill.

Outcropping uranium mineralisation associated with a zone of quartz veining extending over a two kilometre strike length was discovered at the KR4 prospect within EL 3297 by a previous explorer. A bulk sample of radioactive float material collected along 1.5 kilometres of strike by PlatSearch assayed 3.46% uranium, 1.75% cerium and 2.75% lanthanum.

PlatSearch has also completed an orientation calcrete sampling geochemical survey at the KR4 prospect. Results show a definitive response over the known uriferous davidite mineralisation with analyses up to 500 ppm uranium. Davidite is a complex mineral whose composition is generally expressed as  $(\text{Ce,La})(\text{Y,U,Fe})(\text{Ti,Fe})_{20}(\text{O,OH})_{38}$ .

A review of previous airborne radiometric survey data has shown there are several potential uranium targets that require follow-up evaluation. The location of these anomalies is shown above. A high radiometric response was also recorded over the sub-cropping Triangle Granite in the south-west corner of the exploration licence. WPG consider these results to be encouraging since large areas of the tenement have extensive shallow soil cover that would generally mask any airborne radiometric response. Several lag samples collected by a previous explorer are also anomalous in uranium and REE.

EL 3297 also has considerable potential for epigenetic iron oxide hosted copper-gold mineralisation similar in style to the replacement (Starra, Osborne) and breccia (Ernest Henry) deposits of the Mt Isa area. These styles of deposits are the principal targets in WPG's Mulyungarie project area situated 57 kilometres to the east where the Company will shortly drill test the large magnetic-gravity anomaly at the K1 prospect.

Interpretation of aeromagnetic data indicates that the important Redox boundary that marks the transition between the Upper Albite sequence and the polymetallic Bimba Formation forms several tight isoclinal folds within EL 3297. Discrete magnetic anomalies that lie along this trend are favourable targets for IOCG mineralisation. The major north-west trending Kalabity Fault cuts across the centre of the tenement and also provides a favourable geological environment for this style of mineralisation. Several known copper-gold deposits including Kalkaroo, Hunters Dam and White Dam occur in similar structural settings in this general area of the southern Curnamona Craton.

WPG is planning an initial exploration program of systematic calcrete sampling in the areas of known but poorly defined geochemical and geophysical anomalies. Samples will be tested for their radiometric response with a hand held scintillometer and then analysed for base metals, gold, uranium and REE. Second phase exploration will comprise RAB bedrock sampling to accurately define targets for deeper drilling.

WPG has committed to spend a minimum of \$150,000 on the Kalabity Project and can earn a 50% interest in it by spending \$300,000 within two years from the date of commencement.

When WPG has earned a 50% interest each of the parties to the joint venture can:

- elect severally to continue to participate in further expenditure with their respective interest, or
- reduce to a free-carried interest to a bankable feasibility study (20% in the case of WPG, 16% in the case of PlatSearch and 4% in the case of Eaglehawk), or
- introduce another joint venture party to fund ongoing expenditure and dilute their interests pro-rata.

Upon completion of a bankable feasibility study, any non-funding party can participate or convert its interest to a royalty.

Yours faithfully



Robert H Duffin  
Chairman

### **Competent Person**

Information in this report which relates to exploration results is based on information compiled by Mr Gary Jones, a Member of the Australasian Institute of Mining and Metallurgy. He is a director of the Company and a full time employee of Geonz Associates Limited. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code).

### **Further Information**

For further information please contact Bob Duffin, Chairman, on (02) 9251 1044 or 0412 234 684, or Gary Jones, Technical Director, on 0410 358 280.