

19<sup>th</sup> October 2007

## Positive RC Drilling Results and Exploration Update

### **Summary**

Cortona Resources is delighted to announce assay results from recent RC drilling at the **North Monger** Project 45km SE of Kalgoorlie. Better intercepts at *Wombola Dam* include:

- ✘ **2m @ 22.4g/t gold from 9m**
- ✘ **2m @ 14.6g/t gold from 47m**
- ✘ **3m @ 10.7g/t gold from 12m**
- ✘ **5m @ 8.6g/t gold from 26m**

The *Wombola Dam* prospect has now been drilled on a 25m x 25m grid to a vertical depth of ~45m. The results confirm the Company's belief that the inferred resource of 407,000t @ 2.4g/t can be upgraded, and a revised resource estimate will be commissioned immediately.

Elsewhere, mineralised structures were intersected (including **4m @ 3.37g/t gold from 85m and 2m @ 4.98g/t gold from 131m**, NMC022) in follow-up drilling at *Carillon* but did not repeat the spectacular intercept in the discovery hole. Further exploration is anticipated following a review of the new geological and geochemical data.

The first diamond drill hole has been completed at *Dargues Reef* in the **Majors Creek** Project in NSW. Core samples have been submitted to the laboratory and assay results are expected within a week.

The **Eugowra** exploration licence has been granted.

Managing Director Peter van der Borgh said "It's testament of the quality of our team that we are drilling on both sides of the country within three months of completing the acquisition of the NSW assets. *Wombola Dam* has produced more great results and the resource is set to grow. *Majors Creek* has kicked off with walk up drill targets, a high level of enthusiasm in the camp and \$1.5M budgeted for drilling over the next six months".

### **Wombola Dam Drilling**

Cortona Resources has received fire-assay results from a recent RC drilling program at its North Monger Project in WA. Fifty-three holes were drilled for a total advance of 3,315m at the *Wombola Dam* prospect to infill gaps within and beyond the current resource outline. The prospect has now been drilled on a 25m x 25m grid to an approximate vertical depth of 45m, and has now been closed off to the south and east.

The results are highly significant. Thirty-eight intercepts returned assays >5 gram metres of gold within 40m of the surface, of which thirteen contain >15 gram metres of gold (Table 1).

A revised independent resource estimate for *Wombola Dam* will be commissioned immediately.

**Table 1: Better intercepts from RC drilling at Wombola Dam, September 2007**

Hole ID	MGAE	MGAN	Azimuth	Dip	Depth (m)	From (m)	Interval (m)	g/t Au (Average)	Gram metres
WDC130	387564	6569501	135	-55	60	14	3	1.76	5.29
and						20	1	6.13	6.13
and						36	2	5.05	10.10
WDC131	387553	6569512	135	-55	60	12	3	10.70	32.10
and						30	1	8.13	8.13
WDC132	387661	6569431	135	-55	60	46	2	2.71	5.42
WDC134	387695	6569361	135	-55	60	16	4	5.84	23.37
and						26	5	8.60	43.00
WDC135	387678	6569375	135	-55	60	6	2	4.69	9.38
and						27	1	9.86	9.86
WDC136	387661	6569394	135	-55	60	18	2	3.11	6.21
WDC137	387611	6569448		-90	60	10	2	3.16	6.31
and						19	4	2.76	11.02
WDC140	387690	6569331		-90	60	9	2	22.42	44.83
WDC142	387768	6569325	135	-55	60	38	1	10.95	10.95
and						41	4	5.13	20.54
WDC143	387736	6569355	135	-55	60	10	2	3.10	6.20
WDC144	387720	6569369	135	-55	60	43	1	9.06	9.06
WDC145	387753	6569372	135	-55	60	4	1	9.08	9.08
WDC146	387738	6569386	135	-55	60	47	3	3.57	10.72
WDC147	387715	6569407	135	-55	70	23	3	5.24	15.73
WDC149	387589	6569497		-90	60	29	3	3.67	11.02
WDC152	387801	6569538	135	-55	60	21	2	2.73	5.46
WDC157	387732	6569536	135	-55	60	43	2	2.74	5.48
WDC161	387588	6569327	135	-55	60	11	5	1.91	9.54
WDC162	387545	6569359	135	-55	60	22	2	4.08	8.17
WDC163	387715	6569270	135	-55	60	29	3	1.92	5.77
WDC165	387678	6569308	135	-55	60	17	5	1.61	8.05
and			135	-55		44	1	15.40	15.40
WDC168	387752	6569307	135	-55	60	47	2	14.58	29.15
WDC169	387752	6569307	135	-55	60	21	4	5.87	23.48
and			135	-55		39	2	4.98	9.95
WDC171	387752	6569307	135	-55	60	22	1	5.62	5.62
WDC172	387752	6569307	135	-55	60	3	2	3.03	6.05
and						14	1	18.20	18.20
WDC174	387785	6569412	135	-55	60	6	2	12.18	24.36
WDC177	387786	6569378	135	-55	60	0	2	8.09	16.17
WDC182	387768	6569357	135	-55	60	47	2	8.19	16.38

**NB: Only results >5.0 gram metres gold are shown. All results are 1m samples analysed by Fire Assay. Intersections in red are >15.0 gram metres gold.**

### **Carillon Drilling**

At the new Carillon prospect, eight holes were completed for a total advance of 871m, initially targeting the up-dip continuation of the 3m intercept averaging 16.8g/t gold in the discovery hole drilled in June. The weathering is intense and deeper than observed elsewhere in the project area. A number of mineralised structures were intersected in the weathered horizon.

The degree of weathering within and adjacent to the veins, in conjunction with low levels of gold from the assays, led to the interpretation that these structures have been depleted of gold by the weathering process as is common in the Eastern Goldfields. In light of this, NMC022 was drilled beneath the discovery hole, and intersected two mineralised structures in fresh rock, which returned encouraging results of **4m @ 3.37g/t gold from 85m and 2m @ 4.98g/t gold from 131m.**

As a consequence of this work, the target zone is now interpreted to be deeper than previously thought and remains very sparsely explored. The Company intends to review the new data and outline a plan for further exploration work.

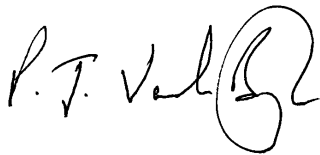
### **Majors Creek Update**

The first diamond drill hole has been completed at Dargues Reef. The core was photographed, logged, cut and specific gravity measurements were determined before being delivered to the lab for assaying. Results are expected within a week.

### **Eugowra**

Cortona has been notified that the Eugowra application has been granted. EL6880 covers an area of 500km<sup>2</sup> and encompasses the Eugowra granodiorite, which was targeted because of its similar age, geochemistry and structure to the Braidwood granodiorite that hosts the Majors Creek project.

Yours Faithfully



Peter van der Borgh  
Managing Director

### **ABOUT CORTONA RESOURCES**

***Cortona Resources is a Perth based gold explorer with projects in Western Australia and New South Wales hosting a resource inventory of ~370,000 ounces of gold. The Company has a dynamic exploration team based in offices in Orange (NSW) and Kalgoorlie (WA). Cortona has ~76M fully paid shares on issue, and a fully diluted position of ~106M shares.***

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**Competent Persons:** The contents of this report that relate to geology and historical exploration are based on information compiled by Mr Peter van der Borgh, who is a Professional Geologist and Fellow of the Geological Society of London. He has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a 'Competent Person' as defined in the 2004 Edition of the Australasian Code for Reporting Results, Mineral Resources and Ore Reserves. Peter van der Borgh consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.

### **RC Sampling/Assaying Procedure**

RC samples were split on the rig through a riffle splitter attached to the base of the cyclone, resulting in 1/16<sup>th</sup> of cuttings from each metre being collected in a calico bag, and the bulk in a large plastic bag. When required, e.g., for resource work, the splitter was modified to produce two 1/16<sup>th</sup> 'splits' into separate calico bags and the bulk into a large plastic bag.

Four-meter (4m) composite samples were collected by combining representative spear samples from four consecutive plastic bags. All 4m composite samples were assayed by the SGS laboratory in Kalgoorlie. Samples were pulverized to >95% passing through a 75 µm mesh. Gold was determined by aqua regia digest (code ARE133, 0.01ppm Au detection limit) with a standard atomic absorption spectrometer (AAS) finish. Returned assay values >0.25ppm Au were considered to be anomalous and these intervals, along with the four meters to either side, were resampled using the 1m splits in calico bags. Individual 1m 'splits' were assayed by the SGS laboratory in Kalgoorlie. Samples were pulverized to >95% passing through a 75 µm mesh. Gold was determined by fire assay (code FAA505, 50g charge, 0.01ppm Au detection limit).

Gold standards from Geostats of Perth were incorporated at a rate of 1 in 20 in both fire assay and aqua regia sample batches. Four gold standards of varying grades were used. All standards are described as composite gold ores from the Eastern Goldfields and all are pale red in colour.

Where duplicate samples were collected directly off the rig, duplicate samples were incorporated into fire assay sample batches at a rate of 1 in 20. Assay blanks were created by sampling unmineralised intervals in adjacent RC drill holes that were assayed during previous drill programs. The 'oxide blank', composed of strongly weathered red-brown clay after dolerite, was inserted into the fire assay sample batches at the start of every RC hole and, when possible, at the start of each ore zone in oxide material. The 'fresh blank', composed of fresh, unaltered dark green-black dolerite, was inserted into the fire assay sample batches at the start of each ore zone in fresh material.