

ASX Announcement

February 26, 2010



Dargues Reef: Further High-Grade Hits Confirm Continuity of Mineralisation

Additional strong intersection outside current stope design



HIGHLIGHTS

- **Further significant drilling intersections from Dargues Reef including:**

11m @ 6.5g/t gold from 108m

9m @ 5.7g/t gold from 48m

- **Drilling and feasibility in full swing**

Cortona Resources Limited (ASX: **CRC**) is pleased to report **further significant high-grade gold intersections** from ongoing resource extension drilling at its 100%-owned **Dargues Reef** Project in New South Wales.

All three of the most recent Reverse Circulation (RC) holes intersected **significant widths of high-grade gold mineralisation** within the current JORC compliant resource of **1.44Mt @ 6.2g/t Au for 286,000oz**.

DREX177 tested ~15m beneath the current upper level Main Lode stope design. The hole intersected **5m @ 4.9g/t gold** in the Main Lode position, and has the potential to increase the resource and improve the early production scenario.

In-fill holes DREX178 and 179 tested the upper parts of Main Lode towards the west of the resource, and intersected **9m @ 5.7g/t and 11m @ 6.5g/t gold** respectively. Both intercepts are at least in line with those predicted by the resource model.

Cortona's Managing Director, Mr Peter van der Borgh, said the ongoing program of near-mine drilling, which is designed to convert resource ounces to reserve and increase the existing JORC resource, was proving to be very successful.

"I have maintained for a while now that the continuity of the mineralised widths and grades at Dargues sets it apart from many gold deposits where 'nugget effect' and 'pinch and swell' geometries can seriously complicate resource modeling and mining," he said.

COMPANY DETAILS

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Corporate Information
(1st February 2010)

Shareholders	~1,200
Shares on Issue	170M
Options (CRCO)	35M
Options (Unlisted)	11M

PROJECTS

Majors Creek (NSW)
Eugowra (NSW)
North Monger (WA)

JORC Resources 366,300oz

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“The results so far this year further confirm the robust nature of the mineralisation,” Mr van der Borgh continued. “The holes drilled beyond the current stope design are within 100m of surface and should add to the early production schedule at Dargues.”

Feasibility Study Update:

All relevant consultants have now been engaged and have commenced the required work to complete the *Environmental Assessment* and specialist studies. The following provides an overview of the status of the critical components of these studies:

- ☑ Preliminary Environmental Assessment – To be completed in time for Project Focus Meeting.
- ☑ Power – Trade-off study completed.
- ☑ Water Requirement – Surface water and groundwater studies completed, recommendation pending
- ☑ Air Quality, Ecology, Heritage, Traffic and Soil Assessments – Studies commenced and initial reports expected in the coming weeks.

The Feasibility study is well underway and progressing through to the detailed mine design phase.

-ENDS-

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ABOUT CORTONA

Cortona is an emerging Australian gold company with a portfolio of advanced gold projects in New South Wales and Western Australia. The Company is focused on the exploration and development its 100%-owned Majors Creek Project, located 60km east of Canberra in New South Wales, where it is currently undertaking a Definitive Feasibility Study (DFS) on the Dargues Reef Gold deposit (1.44Mt @ 6.2g/t gold for 286,000oz).

Majors Creek was the largest historic alluvial goldfield in NSW producing more than 1.25 million ounces. The Dargues Reef deposit is expected to be the Company’s first operating mine following positive scoping study results indicating average annual production of 45,000 ounces over an initial mine life of 5 years.

Cortona’s multi-pronged plan is to progress the Dargues Reef DFS in conjunction with aggressive near-mine and regional exploration programs to underpin a long-term gold business.



Table 1: Significant intercepts during 2010

Hole ID	GDAE	GDAN	Dip	Azi	From (m)	Interval (m)	Est. True Width (m)	Gold (g/t)
Results Reported Herein								
DREX177	748935	6062944	-62	007	98	2	1	3.51
and					125	5	2.5	4.88
DREX178	748940	6062944	-50	030	48	9	4.5	5.66
DREX179	748977	6062914	-60	008	108	11	5.5	6.54
Previous 2010 Results								
DREX170	748897	6062965	-58	020	64	30	15	3.72
including					74	12	6	6.31
DREX176	748934	6062944	-54	008	75	13	7	4.81
including					80	6	3.5	7.62
and					96	2	1	4.83

Sampling and Assay Procedures

A bulk sample from each metre interval is collected from the drill rig. A representative sample (approx 3kg) is collected via a PVC spear and submitted to ALS in Orange for analysis. Standard samples of known gold concentration are inserted every 25 samples and a blank sample is inserted at the start of each hole. On occasion a blank is also inserted following visually determined high-grade mineralisation.

In each case the entire sample is pulverised in a LV5 mill to 85% passing 75 microns. A sub-sample is selected for analysis. Gold is analysed by a 50gram fire assay with AAS finish (0.01ppm detection). Silver (0.2ppm), Arsenic (2ppm), Bismuth (2ppm), Copper (1ppm), Lead (2ppm), Molybdenum (1ppm), Sulphur (0.01%) and Zinc (2ppm) are analysed by Aqua Regia digest and ICPAES finish.

Competent Persons: Information in this report relating to Mineral Resources has been completed by Mr Aaron Green of Runge Ltd., who is a member of the Australian Institute of Geoscientists. Mr Green has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'competent person' under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Green consents to the inclusion of the data in the form and context in which it appears. 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. 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 JORC Code. Mr 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.