CORTONA
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RESOURCE GRADE DOUBLES AT DARGUES REEF FOLLOWING UPDATED RESOURCE ESTIMATE

PRELIMINARY ECONOMIC ASSESSMENT FOR MINING UNDERWAY

HIGHLIGHTS

- ***Updated Indicated and Inferred resource estimated;***
  - ***1.44Mt @ 6.2g/t gold for 286,000 contained oz***
- ***Resource grade almost doubled from 3.4g/t Au to 6.2g/t,***
- ***Excellent potential to further increase the resource, which remains open in several areas.***
- ***Diamond drilling at depth below "Plums Lode" intersects 30m zone of mineralisation – assays pending.***
- ***Preliminary economic assessment underway as the basis for a full Feasibility Study.***

Australian-based gold explorer, Cortona Resources Limited (ASX: **CRC** – "Cortona"), is pleased to announce that it has completed an updated resource estimate for its 100%-owned **Dargues Reef Gold Project**, located 60km east of Canberra in New South Wales.

The interim resource update has resulted in a **significant increase in the average grade of the resource from 3.4g/t to 6.2g/t**, with a significant component upgraded to the Indicated category and available for conversion to Ore Reserves. The previously announced resource was in the Inferred category only.

The updated Indicated and Inferred resource estimate, which was estimated by independent mining consulting services group, Runge Limited, is set out below.

Table 1: October 2008 Resource Estimate

Category	Tonnage	Au Grade (g/t)	Contained Gold (ozs)
Indicated	586,000	5.9	110,800
Inferred	858,000	6.4	175,200
TOTAL	**1,444,000**	**6.2**	**286,000**

The Mineral Resource complies with the recommendations in the Australasian Code for Reporting of Mineral Resources and Ore Reserves (2004) by the Joint Ore Reserves Committee (JORC). The deposit was estimated using Ordinary Kriging (OK) grade interpolation, constrained by resource outlines based on mineralisation envelopes prepared using a nominal 1g/t Au cut-off grade and a minimum downhole length of 1m. An Inverse Distance Squared (ID2) model was also estimated as a check model (see resource methodology attached).

Commenting on the announcement, Cortona's Managing Director, Mr Peter van der Borgh, said: "We are very pleased with the updated resource estimate, which is of a significantly higher grade and quality than the previously stated resource, primarily as a result of the successful exploration work carried out over the past year.

"Grade is king in the gold industry, particularly in a rising cost environment, and this updated resource, with an average grade of 6.2g/t, represents a very attractive mining and development proposition for the Company," he said. "Moreover, a significant proportion of the resource is in the Indicated category, making it available for conversion to Ore Reserves.

The updated resource has been estimated using a 2g/t cut-off, compared with a 1g/t cut-off previously. This reflects the increased geological understanding of the deposit following drilling programs conducted over the past year, which has resulted in a significant upgrade in the resource category and a substantial uplift in grade from 3.4g/t Au to 6.2g/t Au.

Importantly, substantial zones of high-grade mineralisation within the deposit occur within 25m of the surface, with the potential to provide early cash flow for any potential development. Mineralisation remains open down plunge and along strike in several areas.

Shallow high-grade mineralisation recently discovered at Plums Lode, which is located approximately 250 metres east of the main shaft, includes down hole intercepts of ***7m @ 6.44g/t from 37m, and 5m @ 9.94g/t from 48m in DREX094, and 14m @ 8.11g/t from 24m in DREX 95***.

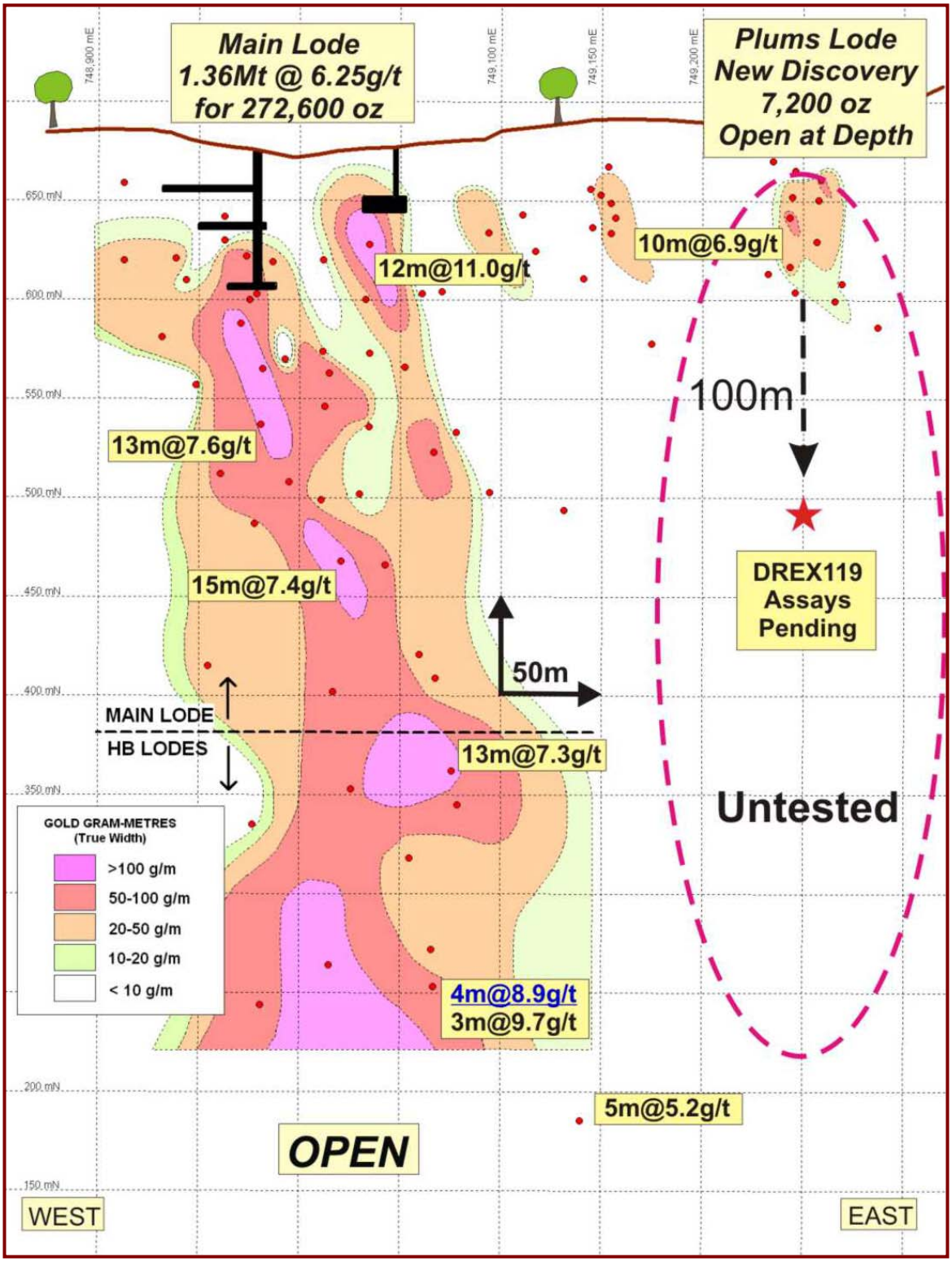
A recently completed diamond drill hole (DREX119) has intersected a 30m zone of mineralisation approximately 100 metres below the current resource boundary at Plums. Assay results are awaited for this latest drilling, however visual inspection of the drill core indicates that the favourable geology continues at depth, highlighting the potential for significant extensions to the mineralisation.

"We have already commenced a preliminary economic assessment of the Dargues Reef Project," Mr van der Borgh continued. "If this assessment is positive, we will move immediately to a full feasibility study. The updated resource represents another significant step forward for the Company towards our objective of developing a long-term gold business for our shareholders."

Yours faithfully

Peter van der Borgh
Managing Director

Figure 1: Long section showing true-width gram metre contours through Dargues Reef Resource.



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ABOUT CORTONA RESOURCES

Cortona is an emerging Australian gold company focused on the exploration and development of the Dargues Reef Gold deposit, part of its 100%-owned Majors Creek Project, located 60km east of Canberra in New South Wales.

Majors Creek was the largest historical alluvial goldfield in NSW, with historical production of 1.25 million ounces. The Dargues Reef underground mine was operated between 1870-91 and 1914-16 by numerous shafts to a maximum depth of 70 metres with initial mining of oxidised ore by open cut methods to depths of up to 10m.

Cortona is an energetic explorer, with aggressive exploration programs underway targeting an increase in the updated Indicated and Inferred Resource at Dargues Reef of 1.44Mt @ 6.2g/t for 286,000oz to underpin a long-term gold business.

The Company has a portfolio of gold and nickel projects in Western Australia and NSW.

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 Australasian Institute of Mining and Metallurgy. 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.*

Resource Statement and Parameters

Dargues Reef Deposit October 2008 Resource Estimate (>2g/t Au Cut Off Grade)							
Type	Indicated		Inferred		Total		
	Tonnes T	Au Cut g/t	Tonnes T	Au Cut g/t	Tonnes T	Au Cut g/t	Au Cut Ounces
Transitional	4,000	4.9	2,000	8.2	**6,000**	**6.2**	**1,200**
Fresh	583,000	5.9	855,000	6.3	**1,438,000**	**6.2**	**284,800**
Total	**587,000**	**5.9**	**857,000**	**6.4**	**1,444,000**	**6.2**	**286,000**

The resource estimate was completed using the following parameters:

- The Dargues Reef resource area extends over a strike length of 425m (from 748,880mE – 749,305mE) and includes the 555m vertical interval from 690mRL to 135mRL.
- Drill holes used in the resource estimate included 50 surface RC holes, 31 surface diamond/RC holes and 3 underground diamond core holes for a total of 1,020m within the resource wireframes.
- Holes in the Dargues Reef area were drilled at section spacings of approximately 25-50m, extending out to greater than 80m on the deposit margins.
- CRC conducted RC drilling using $4^{7/8}$" drill bits with samples collected using a composite 2m spear sample or 1m spear sample in mineralisation. Composite samples returning greater than 0.5g/t were then resplit through a 87.5/12.5 splitter and sent for re-assay. From hole DREX096, 2m composite samples have been taken by spear and all obvious mineralisation has been sampled as 1m samples by riffle splitter. Sample quality was excellent with only rare wet samples being obtained.
- Diamond drilling by CRC used oriented HQ core from surface to fresh rock and then NQ2 core to end of hole. Sampling was undertaken at 1m intervals or to geological boundaries. Historic core drilling used either NQ core (DDH1-9), HQ core (DRU1-10) or HQ from surface to fresh rock with NQ to end of hole (DRS1-8).
- All logging and sampling methods have been reviewed by Runge and are considered to be of a high standard.
- Recent drillhole collars have been accurately surveyed by DGPS in MGA94 grid by licensed surveyors, Bradley Surveying and Design Pty Ltd (Bradley). Where possible historical collars were also located and surveyed by Bradley, although numerous drillholes had been rehabilitated and therefore could not be surveyed. Nominal coordinates transformed into MGA94 grid were used for these holes.
- The majority of recent drillholes have been downhole surveyed using Eastman camera or Gyro instruments. Diamond holes were originally surveyed every 30m or 50m by single shot Eastman camera, whilst RC holes were only surveyed for dip at bottom of hole and halfway down hole (with an assumed azimuth at the collar based on the rig set-up). Downhole Surveys Pty Ltd has resurveyed all CRC diamond core holes using a Flexit Gyrosmart tool and has re-entered the RC holes where possible. Historic holes up to DREX014 generally have nominal surveys, although some have a single Eastman survey at the end of hole.
- A site visit was conducted in August 2008 by Aaron Green (Runge) to review the project and deposit geology, drill core and site procedures.

- Sample preparation and analysis has been shared between ALS Chemex's laboratories in Orange, NSW and Brisbane, Qld. MOL samples were wholly assayed in Orange, whereas the CRC samples were assayed for Au in Orange and the remaining elements in Brisbane.

- All sampled were assayed using the Fire Assay technique with a 50g charge (FA50) and AAS finish. The remaining elements including Ag, As, Bi, Cu, Mo, Pb, S and Zn were assayed using the aqua regia ICP-AES technique.

- Comprehensive QAQC was carried out by both MOL and Runge. The results indicate that sampling and assaying is reliable.

- Database verification within the area covered by this resource has been ongoing and completed by CRC and Runge. Spurious data related to any holes in the database has contributed to the hole/s being omitted from/included in the resource.

- The mineralisation wireframe was constructed using cross sectional interpretation based on a 1.0g/t Au cut-off grade. A minimum downhole length of 1m was used with no edge dilution. Generally up to 3-4m of internal dilution was included. Resource outlines were generally extrapolated to half the distance of the nearest drillhole.

- Samples within the wireframes were composited to even 1.0m intervals based on analysis of the sample lengths in the database. A high grade cut of 40g/t was used for all lodes. This resulted in a total of 5 samples being cut.

- The Surpac block dimensions used in the model were 20m EW by 4m NS by 10m vertical with sub-cells of 2.5m by 0.5m by 1.25m.

- Ordinary Kriging (OK) interpolation with an oriented 'ellipsoid' search was used to estimate Au. A first pass search radius set to slightly exceed the total range of the experimental variogram (50m) was used for all wireframe objects. It was doubled for the second pass. Greater than 99% of the blocks were filled in the first two passes. A third pass radius of 250m was used to fill any unestimated blocks.

- Bulk density values used were 2.50t/m^3 for 'transitional' material (TR_WASTE and TR_RES), 2.70t/m^3 for 'fresh waste' (FR_WASTE) and 2.80t/m^3 for 'fresh' mineralisation (FR_RES). Density values were supplied to Runge by CRC and were based on 939 core samples measured using the Water Immersion method.

- The deposit was classified as Indicated and Inferred Mineral Resource. The Indicated portion of the resource was defined where the drill spacing was generally less than 30m by 30m. The Inferred portion included areas of the resource where sampling was greater than 30m by 30m and small isolated pods of mineralisation outside the main mineralised zones.