

# ASX Announcement

February 16, 2010



## Dargues Reef Drilling Strengthens Early Production Potential

*High-grade gold intersected immediately west of stope design*



### HIGHLIGHTS

- **Significant drilling intersections from the first two holes at Dargues Reef in 2010 including:**
  - 12m @ 6.3g/t gold from 73m with 8m @ 0.43% Cu**
  - 13m @ 4.8g/t gold from 75m with 7m @ 0.15% Cu**
- **Four drilling rigs now operating in NSW**
- **Assay results pending for a further seven RC and several diamond holes**

Cortona Resources Limited (ASX: **CRC**) is pleased to advise that the first two drill holes completed at its 100%-owned **Dargues Reef** Project in 2010 have intersected significant widths of high-grade gold mineralisation immediately adjacent to the current mineable resource.

The RC (Reverse Circulation) holes represent the first phase of a major near-mine drilling program at Dargues designed to convert resource ounces to reserve and increase the existing JORC resource of 1.44Mt @ 6.2g/t Au for 286,000oz.

DREX170 tested an area ~20m to the west of the current Main Lode stope design. The hole intersected **12m @ 6.3g/t gold** in the Main Lode position ~55m below surface, and has the potential to increase the mineable resource and improve the early production scenario.

DREX176, which tested the Main Lode towards the west of the resource, intersected **13m @ 4.8g/t gold**. This result significantly exceeds that predicted by the resource model.

The drilling program continues as planned. Four rigs are active on site, and results are pending for a **further seven** completed RC holes and several diamond holes. Visible gold, which is rarely seen at Dargues, was observed in diamond core in one intercept.

Other key aspects of the Dargues Reef Feasibility Study such as water, power, metallurgy and flora/fauna are also proceeding well.

### COMPANY DETAILS

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**ABN:** 98 117 848 790  
**ASX CODE:** CRC

**Corporate Information**  
(Correct at 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

CRC is a trade name of  
**CORTONA**  
resources limited



Cortona is also pleased to report that it has been advised that the NSW Director General's Office has confirmed that the Dargues Reef development has qualified as a Major Project for State Planning Approvals under Section 3A of the Environmental Planning and Assessment Act, 1979.

**-ENDS-**

For further information please contact:

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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 reported herein**

Hole ID	GDAE	GDAN	Dip	Azi	From (m)	Interval (m)	Est. True Width (m)	Gold (g/t)
<b>Dargues Reef</b>								
DREX170	748897	6062965	-58	020	64	<b>30</b>	<b>15</b>	<b>3.72</b>
including					74	<b>12</b>	<b>6</b>	<b>6.31</b>
DREX176	748934	6062944	-54	008	75	<b>13</b>	<b>7</b>	<b>4.81</b>
including					80	<b>6</b>	<b>3.5</b>	<b>7.62</b>
and					96	<b>2</b>	<b>1</b>	<b>4.83</b>

**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.

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