



Company Announcement: 12 January 2011

Plums Lode Extended, Drilling Recommences at Majors Creek

Plums Lode extended ~150 metres below current resource, 2 RC rigs in operation targeting additional near mine resources

- Latest results extend Plums Lode a further 150m down plunge of current resource envelope
 - **6m @ 5.63g/t gold** from 478m (within a zone of 10m @ 4.07g/t from 474m)
- Two RC rigs have recommenced shallow drilling at Majors Creek targeting near mine prospects:
 - Extensions to Ruby Lode and Chinaman's
 - Other recent discoveries at Hughen and Carmine
 - New areas of interest

Cortona Resources Limited ("Cortona" "the Company") (ASX:CRC) is pleased to advise that drilling has recommenced at Majors Creek following the Christmas break. Two RC drilling rigs are operating on site, where Cortona has recently announced high grade gold and silver discoveries that have the potential to increase the resource inventory.

Results from a deep hole at Plums Lode have confirmed broad mineralisation grading **6m @ 5.63g/t gold** (within a broader zone of 10m @ 4.07g/t gold). The intercept is ~80m below the deepest previous hole, and 150m deeper than the current resource envelope, and demonstrates the potential to add significant ounces to the current resource.

Cortona's Managing Director Peter van der Borgh commented "*We have jumped out of the blocks at the start of what we believe will be the most exciting year in the Company's history, one that will see Cortona realise its ambition of transitioning from gold explorer to gold producer.*"

"In order to build on the base case of fifty to sixty thousand ounce per annum development currently under application, we shall be aggressively drilling a range of promising shallow targets that have the potential to add to the current resources and reserves, and rapidly grow this project into a leading Australian gold story."



COMPANY DETAILS

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Corporate Information
(12 January 2011)

Shareholders	~2,000
Shares on Issue	196M
Options (CRCO)	34M
Options (Unlisted)	16M

PROJECTS

Majors Creek (NSW)
Eugowra (NSW)
Christmas Gift (NSW)
Booths Reward (NSW)

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CORTONA
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Cortona has identified a range of shallow gold targets close to the planned development at Dargues Reef. These include the *Ruby Lode*, located approximately 150 metres northeast of Dargues Reef. The discovery hole at *Ruby Lode* returned **12.6m @ 9.90g/t** approximately 80 metres below the surface, and follow-up drilling has returned several other very significant intercepts along strike. More recently Cortona announced the discovery of high grade silver (**1m @ 687g/t, or 22oz/t**) at HUGHEN, ~600m north of Dargues.

Other key near-mine targets at Dargues include (see Figure 1):

- **Chinaman's Prospect:** where previous drilling returned returned **4m @ 28.0g/t** ~70 metres below the surface. Three follow up holes have returned results which include **0.7m @ 77.0g/t**. Chinaman's is located 100m south west of Dargues Reef;
- **Scarlet Prospect:** located ~200m west of Dargues Reef, where a soil anomaly is coincident with historic prospecting pits;
- **Carmine Prospect:** located 350 metres north of Dargues Reef which was discovered with an intercept of **3.4m @ 3.2g/t** high up in one of the deep step out holes at Dargues Reef;
- **Thompsons and Thompsons South Prospects:** sites of historic mining where previous drill holes have intercepted anomalous gold mineralisation; and
- Additional shallow near-mine targets including historic prospecting pits, soil anomalies and Dargues 'look-alike' structures.

Targets further afield that have returned promising results from initial drill holes include *Copper Ridge* (1km), *Hughen* (600m), *Tulloch* (800m), *Snobs* (1km) and *Dreadnought* (1km).

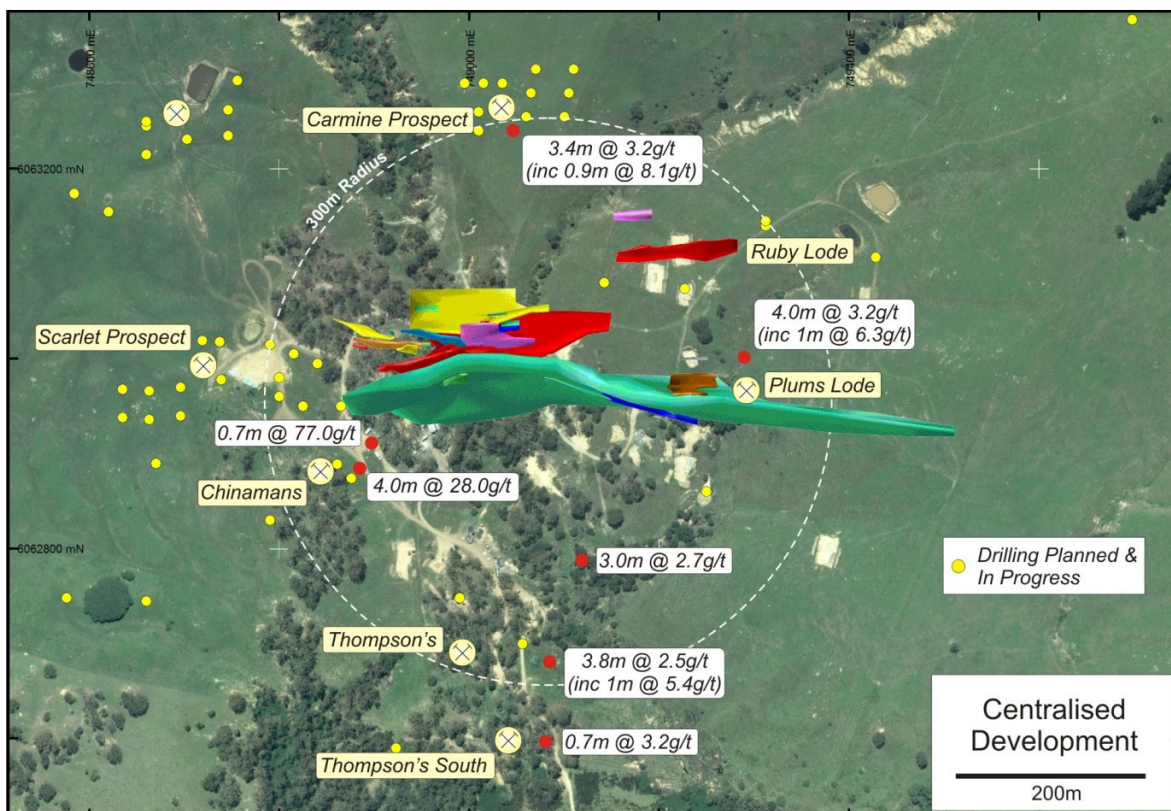


Figure 1: Location of the newly discovered Ruby Lode and other near mine targets that will be followed up in the near future.



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ABOUT CORTONA

Cortona is an emerging Australian gold company which is focussed on the exploration and development of its 100%-owned Majors Creek Project, located 60km east of Canberra in New South Wales, where it has recently completed a Feasibility Study on the Dargues Reef Gold deposit.

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 the positive Feasibility Study results which show strong cash flows from average annual production of 50,000 ounces over an initial mine life of 6 years.

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

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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