

31 August 2011: ASX/Media Release



Cortona to Raise \$3.5M to Progress Dargues Reef Project Development and Near Mine Exploration Drilling

HIGHLIGHTS

- **Placement to raise \$3.5 million**
- **Cortona's mining contractor GBF Mining and Industrial Services to subscribe for \$1 million**
- **Funds will be used to progress long lead time items, commence site works, and recommence near-mine exploration drilling**

Placement

Cortona Resources Limited (ASX:CRC) is pleased to advise that it has resolved to raise up to \$3.5 million pursuant to the issue of up to 25 million ordinary shares at an issue price of \$0.14 per share. The issue was oversubscribed. Hartleys Limited is Broker to the Offer.

Demonstrating its support for Cortona and its confidence in the Dargues Reef Gold Project, Cortona's mining contractor GBF Mining and Industrial Services Pty Ltd has committed to subscribe for \$1 million pursuant to the placement. In addition, the placement was subscribed by leading international gold funds including a current substantial shareholder of Cortona.

Funds raised pursuant to the placement will be applied to early site works and design work in respect of key plant items, such as the ball mill and other long lead items required for the development of the Dargues Reef Gold Project. These costs are included as pre-production capital as outlined in the Dargues Reef Feasibility Study. Funds will also be used to recommence exploration drilling at Majors Creek, and for working capital.

During recent months Cortona has progressed arrangements for mining, construction, bank debt and concentrate treatment. This work, combined with the commitment to pre-production capital expenditure, should ensure that Cortona will meet its objective of becoming a significant gold producer in 2012.

The placement will be undertaken pursuant to Cortona's ASX Listing Rule 7.1 15% capacity.



COMPANY DETAILS

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ASX CODE: CRC, CRCO

Corporate Information
(30 June 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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Exploration to Commence Next Month

During the past few months Cortona has delineated several new near mine exploration targets. Highly significant targets at Copper Ridge and Excalibur have been advanced to drill-ready status. An RC rig has been identified and is expected to be secured and at site within a few weeks. Cortona eagerly awaits the arrival of this drilling rig to test these targets and follow up recent discoveries at Ruby Lode, Thompsons and Chinamans.

Mining Approvals Progressing

The Dargues Reef proposal is awaiting determination from the NSW Planning Assessment Commission (PAC), which visited the site and held a public meeting last week. The proposal has received a positive recommendation from the NSW Department of Planning and Infrastructure, and whilst mining approval has not yet been received, Cortona anticipates a PAC determination in the coming weeks.

Yours faithfully

Peter van der Borgh
Managing Director

ABOUT CORTONA

Cortona is an emerging Australian gold company which is focussed on the development of its 100%-owned Majors Creek Project, located 60km east of Canberra in New South Wales.

Majors Creek was the largest historic 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.