

22 June 2004

Company Announcements Office  
Australian Stock Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

Regulatory News Service  
London Stock Exchange Limited  
London EC2 1HP  
United Kingdom

Dear Sir/Madam

## **NINE NEW GOLD, COPPER, NICKEL PROJECTS IN EGYPT**

Gippsland is pleased to announce that it has been granted by the Egyptian Government the rights to explore eight gold areas and one copper-nickel area in the Wadi Allaqi region of Egypt.

His Excellency Dr Sa'aidi, Egyptian Minister of Industry and Technological Development, chaired the public signing ceremony which took place in Cairo on 21 June 2004. The event is a major milestone for the Egyptian resource industry and the Company as the Wadi Allaqi area is considered to have been a significant source of the gold produced within Egypt during the Pharaohic period.

The Wadi Allaqi district is located in the south-western part of the Eastern Desert of Egypt covering an area of about 12,000km<sup>2</sup>. The area, which is bounded to the west by Lake Nasser and to the east by the Red Sea, is readily accessible by a bitumen road.

Within the Wadi Allaqi district about 19 historical gold occurrences and deposits are known, most of which were superficially mined by the ancient Egyptians and Romans. A small number of the deposits were mined by the British during the late 1800s and early 1900s. The historical mining was focussed entirely on the near-surface high grade quartz veins and the associated alluvial gold.

Evidence of the historical mining activity is clearly seen in stoned out quartz veins at shallow depths by means of shafts and adits. Waste dumps and tailing are present at a number of these deposits indicating that they were sites of significant mining activity. Apart from limited regional exploration during the 1960s and 70s under the auspices of the United Nations there has been no exploration or mining since the early 1950s when Egypt became a republic.

The nine (9) areas, each 16km<sup>2</sup> in area, awarded to Gippsland are:

[Gold](#) - Umm Garayat, Koleit Umm Qurayyat, Nile Valley Block A, Nile Valley Block E, Seiga, Umm El Tuyer, Haimur, Umm Shashoba.

[Copper/Nickel](#) - Abu Swayel.





The geology of the Wadi Allaqi region comprises the most southerly part of the Late Precambrian Arabian Shield and contains a northwest and west trending belt of metasedimentary and metavolcanics schist, ophiolites and gabbro/granite complexes which are overlain unconformably by Nubia Group sandstones of Upper Cretaceous age.

Under the agreement executed, Gippsland, via its 100% owned United Kingdom registered subsidiary Nubian Resources PLC shall explore the areas over a four year period during which time any of the Exploration Licences can be converted to Mining Leases should a viable resource be delineated. A non-binding exploration programme has been agreed for year one and may be varied as exploration proceeds. Exploration in subsequent years will be determined and dependent upon progressive exploration results.

Upon the discovery of a viable resource in any or all of the nine Exploration Licences, Nubian Resources PLC shall establish a 50:50 Joint Venture with the Egyptian Geological Survey Authority (EGSMA) to undertake exploitation of such resources. The terms and conditions of the Joint Venture have been agreed to and make allowance for Nubian Resources to manage all exploration and subsequent exploitation stages of the project.

*Gippsland Chairman Jack Telford stated "We are very honoured to have been granted first choice of targets within Wadi Allaqi, an area in which our geologists have delineated numerous and quite obvious drilling targets. Seven of the eight gold Exploration Licences cover historical gold mining workings which is clearly a most attractive element of this new project".*

Subject to representing the best interests of Gippsland shareholders and at the appropriate time it is the Directors' intention to admit Nubian Resources to AIM (London Stock Exchange) whilst seeking to retain a substantial interest so as not to distract from the development of the existing Abu Dabbab and Nuweibi projects.

Gippsland is currently finalising a bankable feasibility study for the Company's 40Mt Abu Dabbab tantalum project also located within the Eastern Desert of Egypt. Gippsland directors believe that Abu Dabbab together with the nearby 98Mt Nuweibi tantalum deposit, have the potential to become the world's largest single supplier of tantalum. The bankable feasibility study is scheduled to be completed during July 2004.

Yours sincerely

RJ (Jack) Telford  
Executive Chairman

For further information please contact:

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