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Company Announcements Office  
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## **CRATER MOUNTAIN GOLD PROJECT --- Exploration Update**

### **Summary**

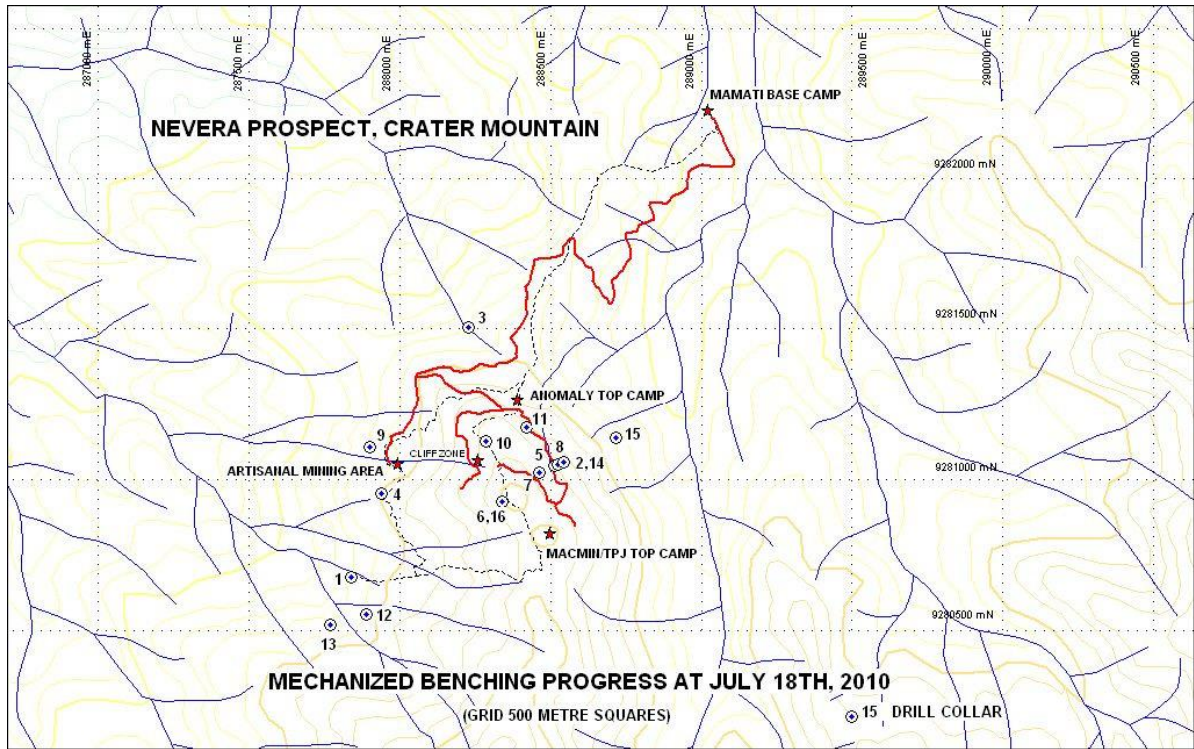
- 4 benches now progressing well, 3 on the western side of the Nevera slopes in the “haematite cap” area, one on the eastern (Maviana Creek) side through the previously drilled area
- Benches now giving considerable new information about geology and structure
- More benches underway and planned
- Mapping and sampling progressing with samples sent to Intertek in Lae for sample preparation and gold FA50 assay.
- Benching to date highlights the possibility of a coherent mineralised zone extending east for a horizontal distance of 350 metres and a vertical distance of 200 meters from the artisanal mining area.

### **Detail**

The mechanical benching program on Gold Anomaly’s Nevera Prospect at Crater Mountain in Papua New Guinea is progressing well, with four benches currently being extended southwards, three on the western (Nevera Creek) slopes of the prospect, in the “haematite cap” area, and one on the eastern (Maviana Creek) slopes. These benches are cutting through the previously drilled area (see accompanying map) and are throwing considerable new light on the geology and structure of this part of the prospect. Other benches are planned to be commenced shortly, in particular lower benches on both the western and eastern slopes of the prospect.

Geological mapping and sampling is progressing. One hundred and five (105) five-metre channel samples totalling 525 metres taken by July 18<sup>th</sup> have been submitted to the Intertek sample preparation facility in Lae, where following sample preparation the samples will undergo FA50 gold assay and splits of the pulps will be sent to Jakarta for Ag, Cu, Pb, Zn and As analysis.

Massive high-level porphyries predominate in that part of the Nevera Prospect opened up to date by the benching program (the northwest area), except south of the cluster of diamond drill holes Nev 2/14, Nev 5 and Nev 8 where highly altered, clayey, pyritic hydrothermal breccia appears to have exploited an older wide north-south breccia zone separating porphyries on the west from andesites on the southeast. At the bench junction 120 metres south of Nev 2/14, irregular northerly trending and westerly dipping veins up to 30 cms wide of galena and sphalerite with pyrite and less common chalcopyrite and rare bornite occur in a 5-metre wide section within the epiclastic/hydrothermal breccia.



***Epiclastic/hydrothermal breccia with base metal sulphide veining 120 metres south of Nev 2/14***



Feldspar porphyry predominates over feldspar-quartz porphyry, and less common younger greenish (when fresh) feldspar-hornblende porphyry. Phyllic (sericite-pyrite) alteration is very penetrative and widespread, with a variable overprinting of argillic (clay-pyrite) alteration. Iron oxides including haematite and goethite occur in joints and fractures and commonly deeply penetrate the rock.



***Bench exposure of porphyry in the “cliff zone”***

Deeply oxidized porphyry with strong oxide-filled fractures up to several centimetres wide forms a zone on the bench approaching the ridge-line 120 metres southeast of diamond drill hole Nev 10, on the eastern side of the ridge; free gold was previously panned (by TPJ) in a trench on the other (west) side of the ridge, high above the “cliff zone” trenches. The occurrence raises the possibility of a coherent mineralized zone extending east from the artisanal mining area, through the “cliff zone” to this occurrence, a horizontal distance of 350 metres and a vertical distance of 200 metres; such a zone is also suggested by TPJ from their collation of rock chip assays.

The benching and sampling program will provide new information on the lithological and structural controls of the deeper large-scale gold potential which will be the focus of the next phase of drilling. The program is also expected to define weathered zone supergene gold targets in the “hematite cap” area which includes the artisanal mining zone, which can be fast tracked to develop an initial surface mining operation and processing facility using gravity recovery of gold.





***Well mineralized porphyry exposed approaching the ridge-line 120 m southeast of Nev 10***

### **ABOUT CRATER MOUNTAIN**

Gold Anomaly's Crater Mountain project is a widespread gold target area based on gold and base metal anomalies in soils and rock chips over a 3.5km by 2.5km area with a coherent gold-in-soil (>20ppb) anomaly centred on the Nevera volcanic complex.

Previous drilling located an extensive zone of gold mineralisation on the disrupted and brecciated sediment-volcanic contact approximately 300 metres east of an artisanal mining zone. The mineralised contact zone has only been intersected in 5 holes as listed below:

### **Previous Drilling Results**

- NEV 02 ; 121 metres at 1.77 g/t Au .
- NEV 05 ; 151 metres at 1.38 g/t Au , incl 24 metres at 6.55 g/t Au
- NEV 08 ; 178 metres at 1.30 g/t Au, incl 32 metres at 2.76 g/t Au
- NEV 10 ; 129 metres at 0.61 g/t Au, incl 25 metres at 1.60 g/t Au
- NEV 11 ; 205 metres at 0.86 g/t Au, inc 25.5 metres at 2.36 g/t Au

Near surface artisanal gold mining has been carried out since 2005 following the discovery of high grade gold mineralisation in trench sampling. While all intervals are anomalous, the best ones are:

## **Trenching**

- 48 metres at 10.20 g/t Au
- 26.5 metres at 6.27 g/t Au
- 45 metres at 2.90 g/t Au
- 35 metres at 3.10 g/t Au

Production from artisanal mining has been from rudimentary shallow workings and gravity separation. The artisanal underground mining is being shut down by government authorities. Gold Anomaly will investigate developing its own mining operation after completion of the current road works and benching program.

The project work is being directed by exploration director Peter Macnab. Mr Macnab is a widely experienced exploration geologist who has worked in PNG for over 40 years and is a widely respected expert in PNG geology. He was the discoverer of the giant Lihir deposit (45m ozs gold) as well as being the discoverer and co-discoverer of other world class deposits in PNG including Wafi (7m ozs gold), Frieda River (7.5 m tonnes copper, 14.3 m ozs gold), Misima (3.7m ozs gold, 18.1m ozs silver) and Simberi (5.7m ozs gold).

## **ABOUT GOLD ANOMALY**

The company's immediate focus is commencement of gold mining activities at the high grade gold project at Sao Chico in Brazil and the continuing evaluation of the potentially large Crater Mountain gold project. It is also progressing its Fergusson Island gold project in Papua New Guinea and seeking a joint venture partner for its encouraging vein style polymetallic discovery (zinc-tin-copper-silver dominant) at Croydon in north Queensland.

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### **Competent Person Statement for Crater Mountain**

The information contained in this report relating to exploration results at Gold Anomaly's Crater Mountain project is based on information compiled by Mr Robert McLean, Director of Gold Anomaly Limited. Mr McLean is a Member of the Australasian Institute of Mining and Metallurgy and has the relevant experience in relation to the mineralisation being reported upon to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McLean consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.