

DAVYHURST OFFICIAL MINE OPENING

MAY 11TH, 2001

By: Ron Manners, Chairman
Croesus Mining NL

Ore bodies are like girls; they come in varying shapes and sizes.

And I'll tell you something; I've never really seen an ugly one yet.

Naturally, everything is relative and emotions are generated by varying degrees of desperation.

Croesus Mining, in its 15 year history, has already had intimate relationships with 23 ore bodies¹ and all but one have been particularly satisfying affairs (the one exception was the time where we were caught with our pants down when the gold price halved and the cyanide price quadrupled simultaneously).

All others have been very meaningful affairs and we are all gathered here at Davyhurst ready for the ride of our lifetime.

Our team is salivating at the starting stalls. With 8 ore-bodies lined up here plus Fort William ready for mining back at Binduli.

It may be no co-incidence that amongst our collection of 8 ore-bodies here, we've had some success with Lady Gladys, Lady Eileen and Lady Jane and with the strangely named ore-body Two Gums (presumably that's upper and lower gums).

The past successes of our exploration team led by Michael Fowler under the watchful eye of Mike Ivey has set a very high benchmark and in readiness for the excitement ahead, Tony Webb, Felicia Binks and David Preedy, have already given our Mill a dose of Viagra. It's now a "Super Balls " Mill.

Our maintenance team led by Lindsay Rowan has also performed miracles in a very short time -frame with the mill now operating at full capacity just 3 weeks after commissioning.

When Mike asked me to officially open our Davyhurst operations today, I was delighted as in the past we had asked some well known figures to do the opening honours. Included have been:

George Compton

Professor Martyn Webb

Professor Geoffrey Blainey

David Reed

Mark Creasy

I understand that our Giles Mine at Davyhurst is Western Australia's first gold mine to be opened this century² and Mike thought I would enjoy this task. He knows how proud I am to be Chairman of our dynamic team at Croesus Mining.

It also gives me a chance to thank a lot of people who have gone before us on this very significant 560km² of prospective ground. (That's 30 km long x 20 km wide)

Previously, Consolidated Gold had done a great job of consolidating the regional holdings of ..

WMC who in 1986 constructed a 300ktpa treatment plant and mined the Golden Eagle and Waihi pits. WMC sold the project to Cons Ex in 1987. At about the same time that Cons Ex mounted their successful takeover of Jones Mining and their ground in the Davyhurst area.

Aberfoyle – 1993/95 mined the Lights of Israel and Cons Ex mined the Great Ophir pits both trucking the ore to Bardoc

Pancontinental – in 1993/94 mined several shallow pits in the Mulline area and trucked the ore to Paddington

In 1996 Cons Ex became Cons Gold and purchased the Aberfoyle ground holdings

Dec 1996 Cons Gold purchased the Bardoc treatment plant and moved it to Davyhurst.

Plant commissioned in 1997

Cons Gold appoints an administrator March 1998

Rothschild Australia inherited the assets in October 1998

Rothschild's continued processing until April 1999.

Our calculations show that gold production in this area since WMC started in 1986 totals 600,000 ounces.

Rothschild Australia then continued the task of maintaining and interpreting the holding in a very professional fashion, that enabled us to quickly take over the reigns from them in June 2000. We have enjoyed working with Michael Mulrone, Jim Keogh and James Guy at Rothschild and they recognised Davyhurst's potential and took part equity in Croesus to cover the upside. Our team have moved quickly to develop sufficient ore positions to bring mining and milling up to speed just in time for today's opening.

Now that's all history and it's just background to the exciting future that Mike Ivey has just outlined.

So in now officially opening Croesus Davyhurst operations let me sincerely thank you all for your attendance.

You are all concerned in some way with the success of this venture and we are sincerely appreciative of the part you play.

There is something very satisfying in being part of the productive process of "*Turning Ideas into Gold Bars*", which in turn benefits the whole community.

Australia would be a better country if exploration and mining was actually encouraged instead of being discouraged but don't let me start on this; that's why we are building the Mining Hall of Fame so it can spread that message.

Meanwhile, we are proud to have you all here today. Many thanks for coming all this way and please enjoy the rest of the day and may you all have a safe and happy homecoming tonight.

Note 1

Previous Ore-Bodies For Mining at Davyhurst

Hannan South Giles

Wombola Golden Eagle

Queen Lapage Lady Gladys

Cookes Pit Lights of Israel

HS2 Waihi

Mystery Mint Lady Eileen

Pitman Charlie

Choctaw Two Gums

Centurion

Centurion South

Kaska For Mining at Binduli

Ben 1 Fort William

Ben 2

Blackfoot

Navajo Note 2

Navajo North Mining Commenced at

Navajo South Giles Jan 22, 2001

Beaver

Mayday

Mirror Magic

Transfind

Joanne and Jenny (both at Jupiter)