

AUSTINDO

RESOURCES CORPORATION NL

ASX Share Code: ARX

EMERGING GOLD PRODUCER

AUSTRALIA

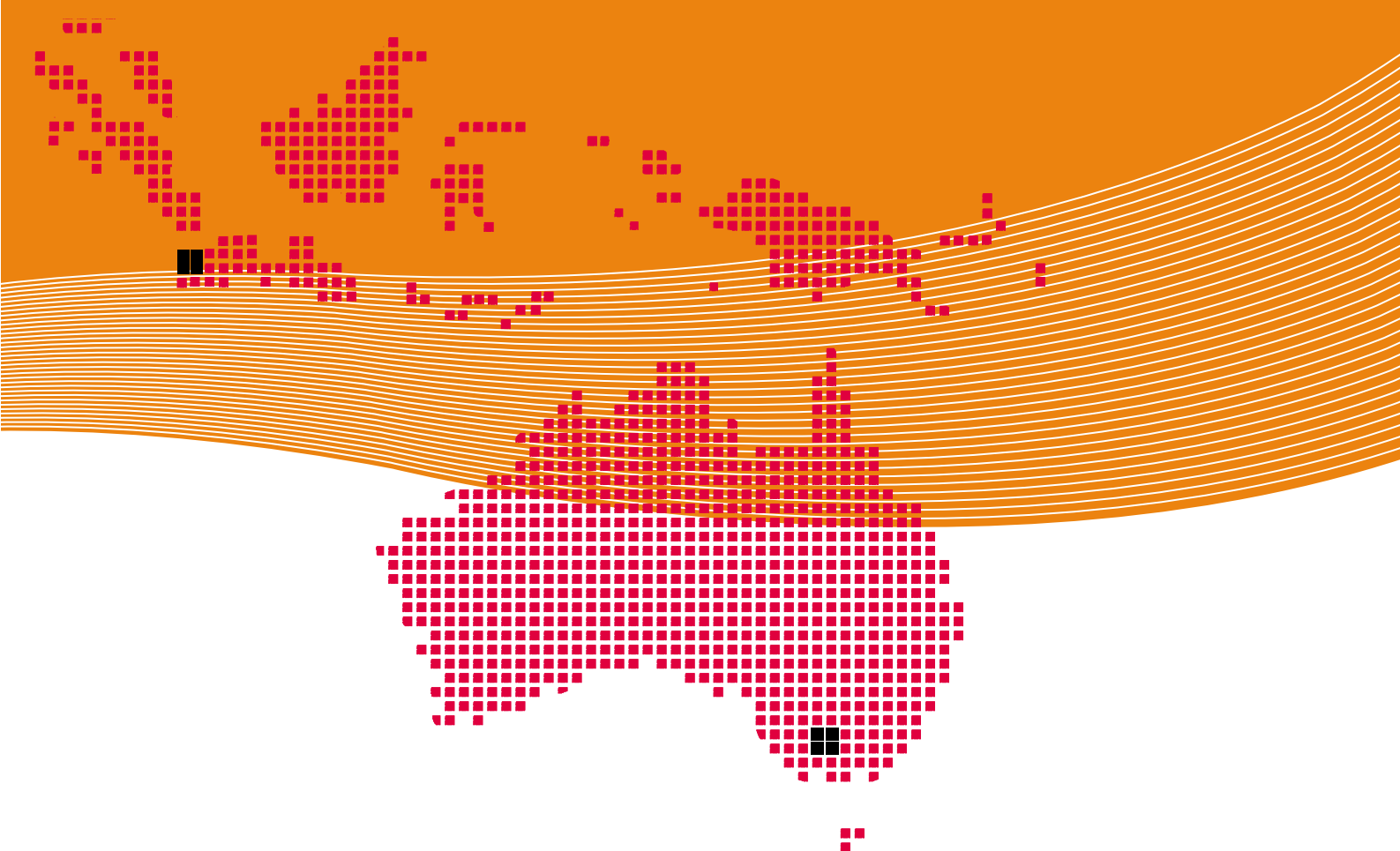
Alexander Resources IPO

INDONESIA

Green light for
Cibaliung Gold Project

Renewed exploration to
underpin expansion plans

Acquisition projects being screened



DELIVERING ON GOLDEN OPPORTUNITIES



AUSTRALIAN AND INDONESIAN OPPORTUNITIES

AustIndo Resources Corporation NL (ASX Code: ARX) is focussed on finding and producing gold in Australia and Indonesia.

Current Projects

AustIndo currently has three projects in Australia and one in Indonesia.

The three Australian projects are held within wholly owned subsidiary – Alexander Resources Limited. The Indonesian Project is held within a Joint Venture company - PT Cibaliung Sumberdaya (CSD). AustIndo holds 83.76% with local partner PT Antam Tbk holding the remaining 16.24%.

Central Victorian Goldfields

The Central Victorian Goldfields projects are located within the world class Bendigo structural zone. This zone has accounted for 2% of the world's entire gold production.

A fresh exploration approach

AustIndo's geologists have integrated all field geological data with a \$28m Government sponsored regional geological database and created a predictive geological model.

Six drill-ready, shallow, high-grade reef exploration targets have been identified with the potential for up to 0.5 million ounces of high grade gold per target.

Proposed IPO to raise \$5m

AustIndo has previously announced plans to raise about \$5m in Alexander Resources by offering shares to the public.

Alexander is raising approximately \$0.5m in private equity to ensure adequate working capital ahead of the planned IPO towards the end of the year.

Focused independent companies

The IPO of Alexander will result in Alexander being self-funded and able to pursue its objectives in the Central Victorian Goldfields. AustIndo will retain an interest through its remaining substantial shareholding.

Cibaliung Gold Project – Indonesia

The Cibaliung Gold Project is located in Banten Province, West Java, Indonesia. Following the float of Alexander Resources, AustIndo will be able to concentrate on the Cibaliung Gold Development Project in Indonesia – and pursue opportunities for acquisition.

Resources

Two high-grade, sub-vertical, epithermal gold veins have been discovered in the Cibaliung Gold Project area, with strong indications that other high-grade shoots will be discovered in the immediate area.

AUSTINDO'S PLANNED ANNUAL PRODUCTION OF AT LEAST 70,000oz GOLD EQUIVALENT WILL RANK IT AS ONE OF THE TOP 15 ASX LISTED GOLD PRODUCERS.

Planned production

Current resources support production of 70,000oz/yr (gold equivalent).

Expansion potential

The Cibaliung project is being designed to facilitate expansion should additional resources be discovered. Exploration success would boost annual output to 100,000oz (gold equivalent).

Development timing

Subject to relevant regulatory, partner and shareholder approvals, the Cibaliung Gold project has the potential to be the next gold mine to commence operations in Indonesia and the first new major investment in this sector for many years. Construction is expected to commence in the first half of 2005 with production in the following year.

FEASIBILITY STUDY

AustIndo completed a bankable feasibility study for the Cibaliung Gold Project in August 2004. The key findings of the study include:

- Resources of 467,000oz.
- Production rate of 220,000tpa.
- Annual production of 70,000oz.
- Processing using conventional CIL plant to recover gold & silver.
- Initial capital US\$34m.
- Life of mine average cash operating costs <US\$200/oz.

Exploration Drilling

A new phase of exploration commenced in September 2004 to test additional prospects within the project area. Antam – AustIndo's JV partner – is supplying drilling crews and geotechnical personnel for these activities.

Finance & construction

Two banking consortiums have been short-listed to consider debt funding options for the project. In due course, one of these groups will be given the mandate to provide a competitive debt funding package for the project.

December quarter planned activities

- Raising \$0.5m private equity in Alexander Resources.
- Raising about \$5.0m through a float of Alexander Resources.
- Exploration drilling at Cibaliung
- Selection of banking syndicate for project debt funding.
- Finalising equity funding component.



DIRECTORS

Chairman: Mr Pieter Greeff
Managing Director: Mr Ian Price
Non-Executive Directors: Mr John Carlile,
Mr Christopher Melloy, Mr Bruce Paterson
and Mr George Tahija.

For further information

Mr. Ian Price
Telephone: +61 3 9620 3110
Email: iprice@arx.net.au
www.austindoresources.com.au
ACN 002 678 640