



ASX ANNOUNCEMENT & PRESS RELEASE
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CROESUS TO FLOAT NICKEL ASSETS

The directors of Croesus Mining NL announced today that Croesus proposes to divest its nickel assets via a new company, Nickel Australia Limited (NAL).

It is intended that NAL will seek to be admitted to the Official list of the Australian Stock Exchange Limited (ASX) in December 2003. Croesus shareholders will have a priority to subscribe for shares in NAL.

Tony Rovira, former General Manager – Exploration for Jubilee Mines NL, will be appointed Managing Director of NAL upon the company's ASX listing. Tony was instrumental in the discovery and development of the Cosmos and Cosmos Deeps nickel deposit and brings with him a wealth of sulphide nickel exploration experience.

Tony has had a distinguished exploration career having previously worked with Jubilee Mines, Pegasus Gold, Zapopan and BHP gaining extensive experience in nickel and gold exploration throughout Australia. Tony has recently resigned from Jubilee Mines to accept the position of Managing Director of NAL.

Croesus Nickel Assets

Croesus Mining NL through its gold mining and exploration activities holds over 2,000 km² of tenure that is actively being explored for gold but with little emphasis on nickel exploration.

A recent review of the nickel potential of this ground has highlighted the remarkable prospectivity of the tenements, particularly at Norseman where there has been **assays up to 1.5% nickel returned from outcrop**. The very limited drilling undertaken to date has reported nickel intercepts of;

20m @ 1.0%	10m @ 1.03%	3m @ 1.03%	2m @ 7.0%
14.5m @ 2.6%	2m @ 1.49%	2m @ 1.35%	

at a variety of prospects over a wide area.

The most prospective area appears to be in the Talbot Island ultramafic unit at Norseman which is highly anomalous in nickel and can be traced over **40 kilometres of strike** within the Croesus tenements at Norseman. Over this 40 kilometres of strike only 31 reverse circulation and diamond holes have been drilled for primary nickel mineralisation yet 11 of these holes reported nickel values above 1% with some of the more significant results including **20m @ 1.0%, 10m @ 1.03%, 3m @ 1.03% and 2m @ 7.0% nickel**. Clearly this is a fertile environment for nickel sulphides yet virtually no exploration has been conducted towards discovering high-grade massive nickel sulphide deposits.

Croesus Mining NL proposes to vend the nickel rights at its Norseman, Davyhurst and Beete projects, and 85% of all minerals at its Splinter project into NAL in consideration for 15 million \$0.25 fully paid ordinary shares in NAL. NAL will have the right to earn 100% of the Nickel rights (85% of all minerals in the Splinter project) in the tenements by completing a pre set minimum amount of exploration expenditure at each project. **Croesus will retain 100% of the gold rights in the tenements.**

IPO Structure

The proposed capital structure for NAL is as follows:

Seed capital and Croesus Vendor Shares	25,000,000
IPO shares	40,000,000
Total	65,000,000

In addition 8 million unlisted options will be issued to the directors of NAL (subject to satisfactory performance) as part of the terms and conditions of their employment. The exercise price for these options is \$0.25. The options will be able to be exercised annually at 20% of the amount issued.

The IPO is planned to raise \$10 million reflecting the very substantial exploration prospectivity and exploration requirements of the tenements for nickel mineralisation. The minimum subscription amount is \$6 million with an over subscription facility of 8 million shares to raise an additional \$2 million.

Croesus Mining NL Shareholders to have Priority

Croesus shareholders will have a **priority to subscribe for NAL** shares in the IPO. A pool of up to 50% of the IPO issue has been reserved for applications from Croesus shareholders who are on the Croesus share register as at 24th October 2003.

NAL Directors

The proposed NAL board forms a highly qualified, experienced and competent team of recognized professionals in the resources industry. The board and management have a proven track record in exploration discovery and successful mine development in Australia.

The board of NAL will comprise of

Cam Ansell	Non Executive Chairman
Michael Fowler	Non Executive Director
Tony Rovira	Managing Director
John Saleeba	Non Executive Director

Benefits to Croesus Mining NL Shareholders

The nickel assets held by Croesus currently represent unrecognized value within the company. However Croesus' key focus is to extend the gold reserves at its operating Davyhurst and Norseman gold operations where they are committing a minimum \$8 million to gold exploration this year. The nickel potential of the Croesus tenements is substantial and will require a similar level of financial and management resources to unlock that value for Croesus shareholders. The Croesus directors therefore resolved that the best mechanism for exploring and developing the nickel assets to their full potential is via a new entity, being NAL.

Croesus will also benefit by having extra exploration activity occurring on its tenements. Part of the terms of the NAL agreement allows for Croesus to nominate to have any drill or geochemical samples collected by NAL analysed for gold at Croesus cost. The areas targeted for nickel exploration are also gold exploration targets but under Croesus current timetable will not be actively explored for some years. **The formation of NAL provides the possibility for a gold deposit to be discovered by NAL for Croesus at no cost to Croesus.** NAL has the reciprocal right to nominate Croesus samples for nickel analysis at NAL's cost.

In addition to the above benefits Croesus shareholders will have a priority to subscribe for NAL shares in the IPO.

Fieldwork, including drilling, is planned to commence in the first quarter of 2004.

For further information please contact:

Graeme Smith
CFO & Secretary
Croesus Mining NL
Phone: (08) 9091 2222

Tony Rovira
Managing Director
Nickel Australia Limited
Phone: 0417 963 120

Or visit our website www.croesus.com.au