



## KAGARA LTD

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### **Commencement of Exploration at Forrestania**

Kagara Ltd wishes to advise shareholders that a substantial A\$5 million exploration diamond drilling program has commenced at the Forrestania nickel project in Western Australia.

The first holes of this program are targeting an extension of the Lounge Lizard ore body 250 metres further to the south and down plunge of holes KUG78 and KUG78a, which encountered 13.61 metres grading 5.9% nickel and 3.60 metres grading 7.1% nickel respectively. Hole LLDKN004W5 is currently at a depth of 525 metres and is expected to be at target in approximately two weeks time.

The overall drilling program will take 12 months to complete and predominantly test the 15 kilometres of ultramafics within Kagara's tenements along the highly prospective Western Belt at Forrestania.

**Kim Robinson**  
**Executive Chairman**

*This report, so far as it pertains to ore and mineralisation, is based on information compiled by and as reported upon by Mr Joe Treacy, an employee of Kagara Ltd, and who is a member of the Australian Institute of Geoscientists and has over five years experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Treacy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*