



Notice to the Australian Stock Exchange

12 December 2005

HIGHER GRADE RESULTS FROM ADDITIONAL DRILLING EXTEND TRIPITAKA PROSPECT AND CONFIRM ITS RICH ZIRCON ENDOWMENT

The parties of the Colona Joint Venture, Adelaide Resources Limited and Iluka Resources Limited have received further drilling results from an additional five reconnaissance traverses over the Tripitaka Prospect. Additionally, further results have been received from infill holes drilled on the original discovery line 5084SE (as reported in the ASX Notice dated 11 November 2005).

These new laboratory results are listed in Attachment 1, and suggest the mineralisation may extend for up to two kilometres in a north easterly trend from EL3316 (Colona Joint Venture tenement) part way onto EL3233 (100% Iluka tenement), as shown in the plan in Attachment 1. Laboratory results from infill holes have also extended mineralisation to the east on the discovery line 5084SE. Lines 5061SE and 5094SE failed to return any significant intersections and have thus closed off the prospect to the north and south.

The Colona Joint Venture incorporates three granted tenements (EL2840, EL2841 and EL3316) located some 180 kilometres north-west of Ceduna SA (see location plan in Attachment 1). Iluka completed a minimum work program in 2004 and has spent in the order of \$400,000 towards the \$1 million required to earn a 51% interest in the Colona Joint Venture tenements.

The drill holes along regional traverse 5085SE have delineated a near surface continuous zone of mineralised sands approximately 1,000 metres wide and up to 20 metres thick. The geological character and setting of Tripitaka is very similar to Iluka Resources' Jacinth and Ambrosia deposits, located approximately 90 kilometres to the north-west. These new results are considered to be very encouraging as they not only demonstrate along strike potential of the Tripitaka prospect but have also defined a central high grade core (+3% Heavy Minerals) of significant dimensions (see further in Attachment 1).

Mineralogy of new Line 5085SE confirms the exceptional zircon levels previously reported for Tripitaka, with an average zircon content of 68% and 12% leucoxene. This assemblage compares favourably with the results reported for the Jacinth and Ambrosia deposits and demonstrates the Eucla Basin to have the potential to be a major, long term source of zircon. More closely spaced drilling is proposed as a matter of priority early next year to provide data to enable a resource estimate to be published.

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Attachment 1

Background

The Tripitaka Prospect is hosted within sands of aeolian dune character which disconformably overlie a sequence of beach sands. The geological character and setting of this discovery is very similar to Iluka Resources' Jacinth and Ambrosia deposits, located approximately 90 kilometres to the north west.

Tripitaka Prospect Location Plan



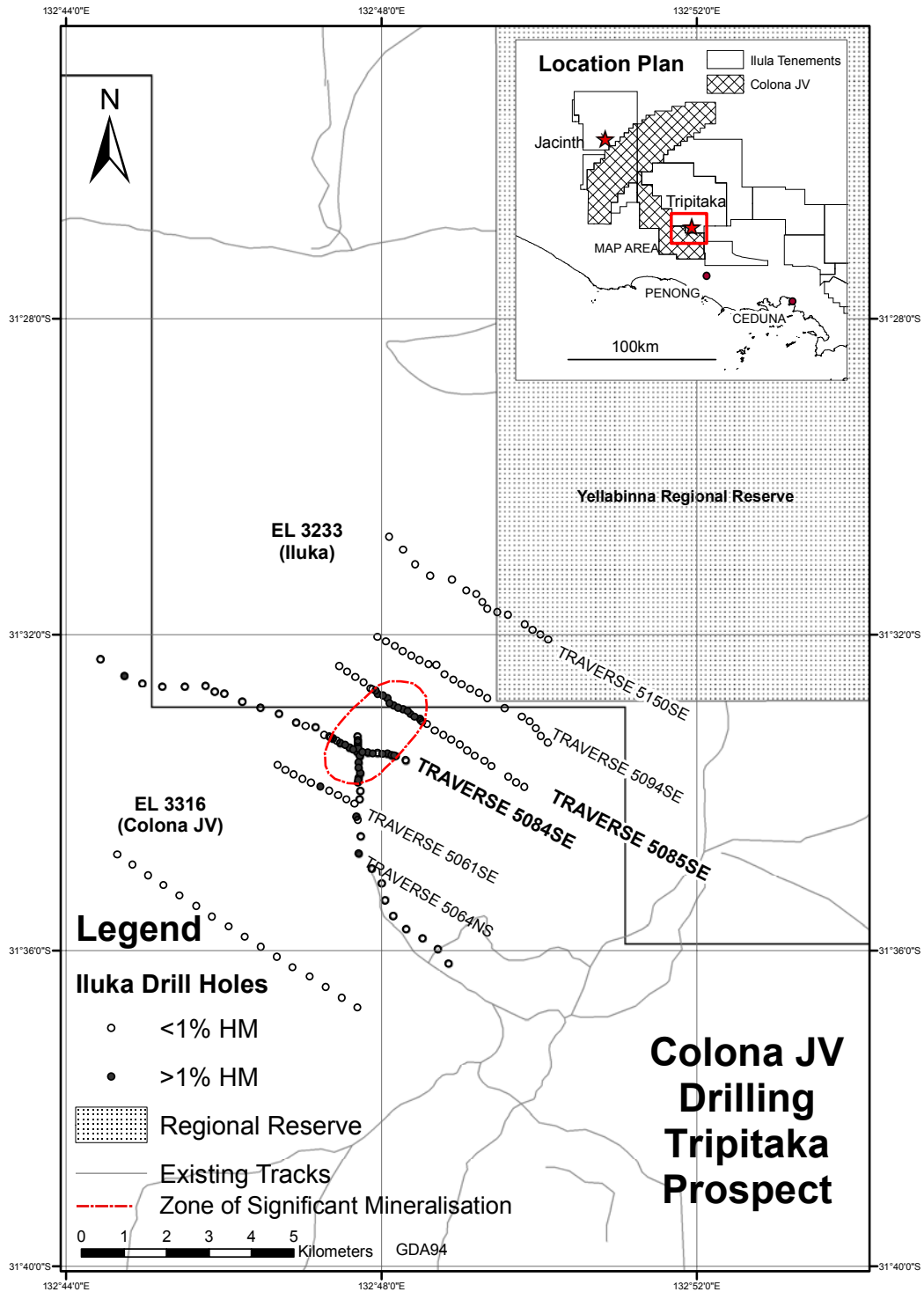
Exploration Results

Five reconnaissance traverses have been drilled across the Tripitaka Prospect using one of Iluka's air core drilling rigs, with hole locations shown on the Detailed Overview of the Tripitaka Prospect plan. All holes were drilled vertically and sampled at 1.5 metre increments. The samples were logged by Iluka geologists on site and the samples containing anomalous mineralisation were sent to the company's Adelaide laboratory for assay. Boreholes were located using handheld GPS equipment with sub-five metre resolution. Collar elevations were assigned from a digital terrain model derived from the Shuttle Radar Topography Mission (SRTM) data.

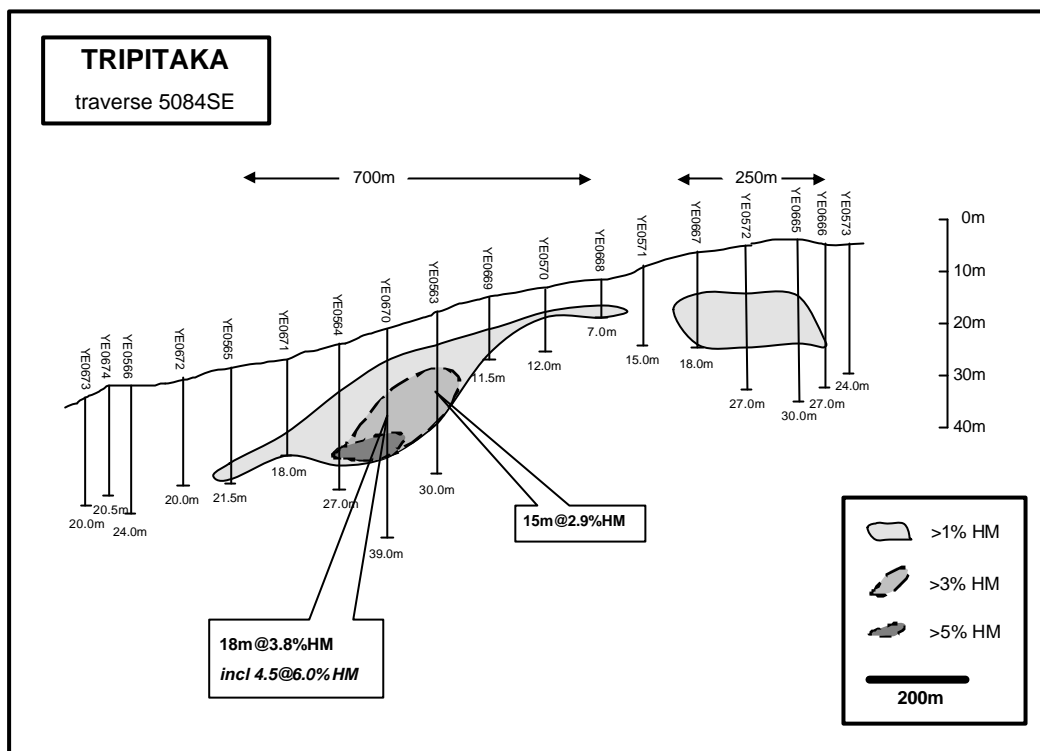
Laboratory results have been received for all traverses across the Tripitaka Prospect and significant intersections have been recorded on lines 5084SE and 5085SE. The additional Laboratory results suggest the Tripitaka mineralisation extends onto EL3233 (100% Iluka) on traverse 5085SE. Recent results have also outlined an additional zone of mineralisation on line 5084SE (Colona Joint Venture) which is reported below.

Laboratory results for lines 5061SE and 5094SE failed to record any significant results and thus appear to close off the prospect to the north and south. All mineralisation detected occurs in unconsolidated sands above the water table.

Detailed Overview of the Tripitaka Prospect.



Tripitaka Prospect – Line 5084SE Cross Section

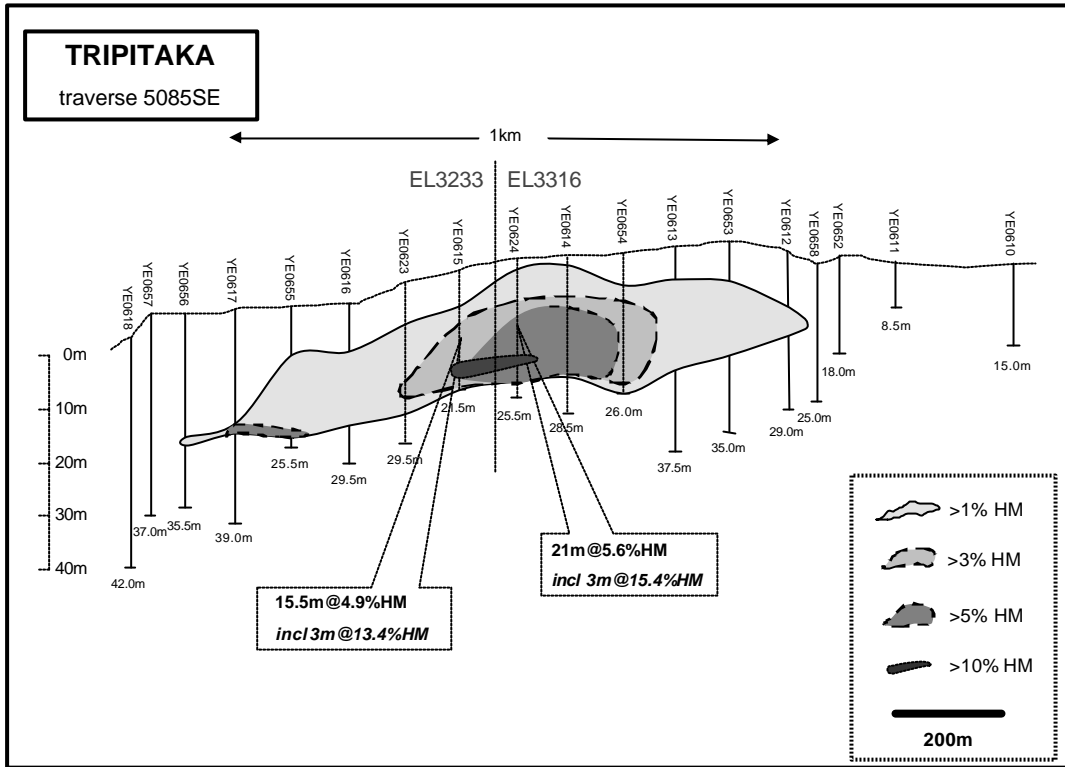


A listing of all significant intersections encountered on Line 5084SE is shown below in Table 1. Evaluations of the nearby Jacinth and Ambrosia resources have shown that mineralisation of greater than 1% HM is of significance. At this time no mineralogy data other than that previously reported has been obtained for this line.

Table 1: Significant Intersections (>1% HM) Line 5084SE

Hole	From (m)	To (m)	Interval (m)	%HM	%Clay (-53 microns)
YE0565	18.0	21.0	3.0	1.0	9.6
YE0671	13.5	18.0	4.5	1.1	13.0
YE0564	9.0	22.5	13.5	2.3	12.3
YE0670	6.0	24.0	18.0	3.8	13.8
YE0563	6.0	21.0	15.0	2.9	16.6
YE0669	6.0	10.5	4.5	1.9	24.7
YE0570	4.5	6.0	1.5	1.2	33.2
YE0668	4.5	7.0	2.5	1.3	25.2
YE0667	7.5	18.0	10.5	1.7	16.3
YE0572	9.0	19.5	10.5	1.4	11.4
YE0665	10.5	19.5	9.0	1.2	11.0
YE0666	18.0	19.5	1.5	1.0	9.2

Tripitaka Prospect – Line 5085SE Cross Section



A listing of the significant intersections encountered on Line 5085SE is shown below in Table 2.

Table 2: Significant Intersections (>1% HM) Line 5085SE

Hole	From (m)	To (m)	Interval (m)	%HM	%Clay (-53 microns)
YE0656	22.5	24.0	1.5	1.2	3.6
YE0617	21.0	22.5	1.5	5.8	2.2
YE0655	9.0	24.0	15.0	1.9	12.2
YE0616	9.0	22.5	13.5	1.6	11.8
YE0623	7.5	24.0	16.5	2.7	10.6
YE0615	6.0	21.5	15.5	4.9	10.2
YE0624	1.5	22.5	21.0	5.6	16.0
YE0614	1.5	22.5	21.0	4.1	19.8
YE0654	6.0	25.5	19.5	3.5	15.2
YE0613	6.0	22.5	16.5	1.9	16.8
YE0653	7.5	21.0	13.5	1.2	17.3
YE0612	10.5	15.0	4.5	1.2	15.2

Three composite samples from Line 5085SE have been analysed to determine an average indicative mineralogy and grain size. The results are listed below in Table 3 and confirm the expected enriched zircon levels. Sizing analysis shows zircon grain size with a d50 of 115 microns and the ilmenite reporting a d50 of 137 microns.

Table 3: Tripitaka Prospect Indicative Mineralogy – Line 5085SE

Traverse	% Zircon	% Leucoxene*	% Ilmenite
5085SE	68	12	11

*The leucoxene percentage contains a rutile component yet to be defined.

Whilst considerable additional work is required to accurately determine mineralogy distribution across the prospect and to predict potential product qualities, the results are very encouraging and indicate the material has the potential to generate market acceptable products using conventional processing technology.

The description of the exploration results is based on information compiled by Iluka staff under the review of Peter McGoldrick who is a member of The Australian Institute of Mining and Metallurgy and a full time employee of Iluka. Peter McGoldrick has sufficient experience which is relevant to this style of mineralisation to qualify as a Competent Person as defined in the 2004 Edition of the JORC code and consents to the inclusion in the report of the matters based on information in the form and context in which it appears.