

EXPLORATION IDENTIFIES GEOCHEMICAL ANOMALIES

PEKALONGAN GOLD PROJECT, CENTRAL JAVA

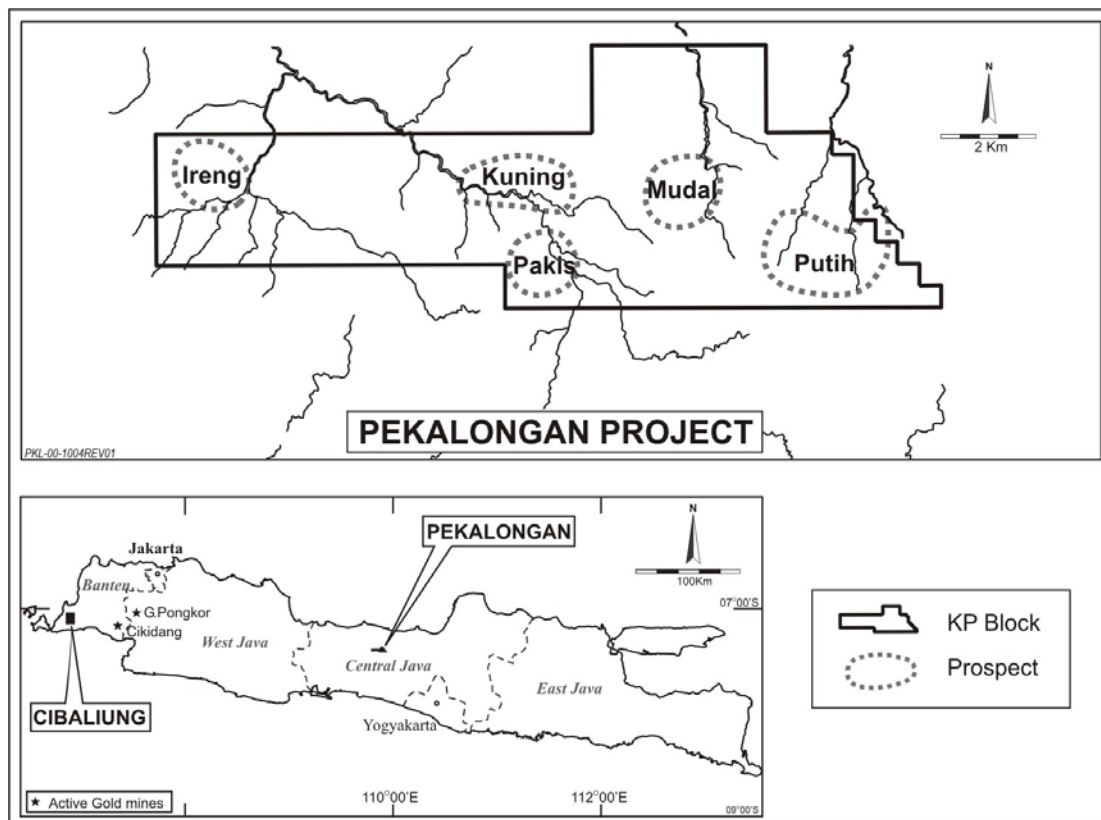
Several geochemical anomalies have been identified by Austindo Resources Corporation NL (Austindo) following the first stage of exploration at the Pekalongan Gold Project, located in Central Java, Indonesia and these have been defined as exploration prospects.

Austindo is developing the Cibaliung epithermal gold project (85% Austindo) in Banten Province, western Java and selected the Pekalongan Project as the first new area to apply its expertise to locate similar styles of mineralisation to fulfil its aim of becoming a significant gold producer in Indonesia. The selection priority was based on Austindo's view of the favourable exploration potential.

Austindo has a joint venture interest in the project with PT Sumber Mineral Nusantara (SMN) and is also the operator.

The tenement was granted in May 2005 covering an area of 5,618 Ha. An extensive program of stream sediment sampling, collecting 291 samples of -80# sediment has just been completed. The -200# fraction of the samples were analysed in a certified laboratory (PT Intertek Utama Services) in Jakarta for gold, silver, copper, lead, zinc, arsenic, and antimony. Some areas were identified having anomalous geochemical values in which five of them are anomalous for gold (0.1 to 0.83 ppm), arsenic (60 to 173ppm), and/ or antimony (5 to 7 ppm). In one of the anomalous areas (Kuning), quartz veins and vein lets were identified in several zones trending northwest-southeast, and enveloped by smectite-illite-kaolinite alteration. The quartz veins/ vein lets are millimeters to centimeters in thickness, characterized by fine- to medium-grained quartz with crustiform-colloform banding textures, which are indicative of potential epithermal gold silver mineralisation.

The next stage of exploration is now underway with detailed mapping being carried on each of the prospect areas. Targets identified by this work will then be assessed for possible drilling in 2006.



The information in this report that relates to Exploration Results is based on information compiled by Mr Sukmandaru Prihatmoko, who is a Member of the Australasian Institute of Mining and Metallurgy.

Mr Prihatmoko is a full-time employee of PT. Indonusa Mining Services, a wholly owned subsidiary of the Company.

He has sufficient experience which is relevant to the style of mineralization 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 Prihatmoko consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ian Price
Managing Director & CEO
7 December 2005

ABOUT AUSTINDO RESOURCES CORPORATION NL (ARX)

Formed in 1983, Austindo Resources Corporation NL is an Australian listed gold company focussed on developing projects in Indonesia. The company's key project is Cibaliung, a high-grade epithermal gold/silver vein system located southwest of Jakarta in Banten Province, western Java. Production at Cibaliung is expected to begin during calendar 2006, with an annual production rate of 70,000 oz (gold equivalent) at an average life of mine cash operating costs of approximately US\$200 per ounce.

Two key strategic alliances in Indonesia are taking Austindo closer to achieving its growth objective. In association with Anglo American Group, the company is exploring for large porphyry copper/gold deposits in Papua, and also has a significant joint venture interest with PT Sumber Mineral Nusantara in the Pekalongan tenement in Central Java, an area prospective for low sulphidation epithermal gold/silver deposits similar to the Cibaliung project.