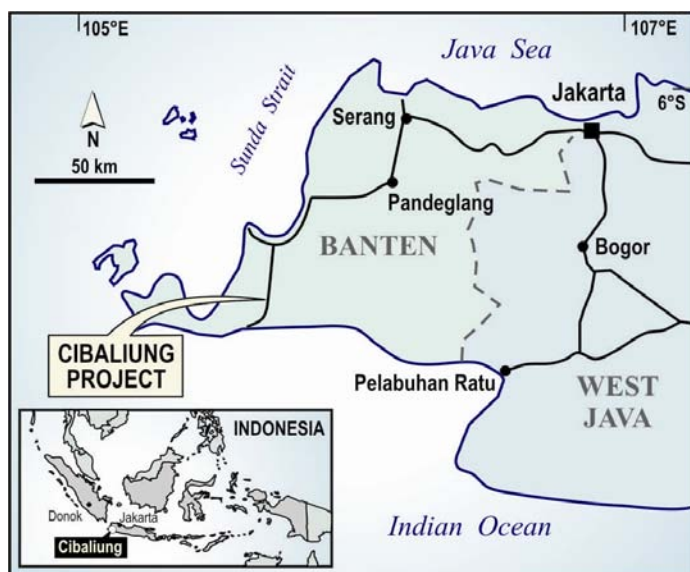


CIBALIUNG GOLD PROJECT – CASH OPERATING COSTS AT US\$215/Oz

Austindo Resources Corporation NL (ASX Code: ARX) is developing the Cibaliung Gold Project (ARX 89.75% as at 31 December 2005) in Indonesia which is operated by PT. Cibaliung Sumberdaya, a joint venture company established between the Company and PT. Antam Tbk.

Cibaliung is located in Banten Province near the western tip of the island of Java, 150km south west of Jakarta.



Development of the project is well advanced and the company anticipates that first gold pour will occur late in March 2007.

On 25 August the market was advised that the Board had engaged external consultants to verify operating costs associated with the Cibaliung Project.

Mining One Pty Ltd has now provided its final report which has confirmed cash operating costs of US\$215/ounce. The operating costs have been calculated by Mining One Pty Ltd applying The Gold Institute Production Cost Standard over the life of the mine.

	US\$ per Ounce
Direct Operating Expenses (including smelting and refining)	\$294
By Product Credits*	(\$79)
Cash Operating Costs**	\$215
* 7.4 ounces Silver per ounce Gold	
** Does not include Royalties payable of 3.75% for Gold and 3.25% for Silver	

A detailed update on development progress will be provided in the Company's Quarterly Activity Report for the September Quarter which is scheduled to be released on Wednesday 25 October 2006. Further details in relation to funding arrangements for the Cibaliung Gold Project will be provided as they are finalised.

Bruce J. Watson
Chairman
9 October 2006

ABOUT AUSTINDO RESOURCES CORPORATION NL (ARX)

Formed in 1983, Austindo Resources Corporation NL is an Australian listed gold company focused 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. Cibaliung is expected to produce at an annual rate of 70,000 oz (gold equivalent).

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. In addition the Company has a 95% joint venture interest with PT Sumber Mineral Nusantara in the Pekalongan and Trenggalek tenements located in Central and East Java respectively, areas prospective for low sulphidation epithermal gold/silver deposits similar to the Cibaliung project.