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## NYC Funding

### Compass Raises Funds for its next steps in building a Mid-Tier Mining Company

The Board of Compass Resources NL is pleased to announce that it has agreed to issue 5.5 million shares to each of two major USA based funds; Harbinger Capital Partners and Citadel Investment Group. This issue totalling 11 million shares is expected to occur on 6 April 2006. It has also been agreed that Compass will issue a further 5.5 million shares to each of these funds, subject to shareholder approval being obtained at an EGM proposed for early May 2006. Harbinger Capital Partners and Citadel Investment Group have thus each agreed to subscribe for 11 million shares in two tranches making a total of 22 million new shares to be issued.

The placement price is A\$1.85 per share. Net proceeds (should the full subscription be approved by shareholders) after all fees and expenses will be A\$38.66 million, and will be used principally for funding construction of the Company's Base Metals Oxide Project in the Northern Territory and to further accelerate the Company's uranium exploration program in the area. The Board believes that this capital raising places the Company in a strong financial position to execute its development plans and that any future equity funding will be quite limited. Other initiatives still in negotiation including off-take and completion undertakings, will ensure Compass has more than adequate appropriately structured funding to implement the Company's very substantial development and exploration programs.

Harbinger Capital Partners currently manages over \$3 billion and is focused on special situation investments.

Citadel Investment Group, headquartered in Chicago, conducts its activities through several affiliates that deploy over \$12 billion in investment capital across nearly every major asset class and around the world.

Compass was assisted in this funding by KCA Associates a specialised financial services company based in New York City.

Gordon Toll, the Compass Chairman, said: "The Company is delighted to have gained the support of such significant US capital funds. This is a big vote of confidence in our plans to build Compass into a mid tier mining Company".

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