



19 April 2006

Level 5, 384 Eastern Valley Way
Roseville NSW 2069
Telephone: 02 9417 3588
Facsimile: 02 9417 8750
email: admin@compassnl.com.au
website: www.compassnl.com.au

COMPASS ANNOUNCES AN INCREASE IN OXIDE RESOURCES

The Board is pleased to announce an increase in oxidised copper, cobalt, nickel resources at its tenements near Batchelor in the Northern Territory. The oxidised base metal mineralisation now stands at 9.37 million tonne versus 6.6 million tonnes reported previously, an increase of approximately 40% in tonnes and 28% in contained copper, 29% in contained cobalt and 31% contained nickel.

Area 55

This Prospect located 3 kilometres west of Browns provided a large increase in the oxidised base metal resource compared to the previous estimate of 2.6 million tonnes at 0.99% copper, 0.17% cobalt, 0.18% nickel. Knox Partners re-estimated the Area 55 Resource using the latest version of Gemcom software but retaining the geological model and database used in the previous estimate. The main purpose of the re-estimation was to apply a significantly improved definition of oxidation surfaces recently retrieved from field lithological logs and available sulphur assays.

A series of copper cut offs were applied to select an optimised tonnage and grade of oxidised mineralisation for the Area 55 Prospect. The 0.3% copper cut off was selected as a good basis for planning additional resource definition drilling and pre planning of potential ore for delivery to the planned Browns Oxide Project plant. Obviously the redefining of the enlarged oxidation surface has resulted in a decrease of the sulphide resources at Area 55. This is quite minor given the Company's total global resource inventory of 84 million tonnes in the Northern Territory.

Area 55 Revised Indicated Resource

| Indicated | Mt | % Cu | % Co | %Ni |
|----------------------------|-------------|-------------|-------------|-------------|
| Oxidised | 5.48 | 0.78 | 0.14 | 0.15 |
| Sulphide | 1.19 | 1.08 | 0.29 | 0.24 |
| TOTAL *¹ | 6.67 | 0.83 | 0.17 | 0.17 |

*¹ Cut off 0.3% Cu (Knox Partners)

Browns

The Browns oxide resource was also re-estimated incorporating an additional 62 drill holes completed in 2005. The oxidised copper cobalt nickel mineralisation showed relatively minor variations in tonnage and grade at the selected cut off of 0.5% copper, 0.10% cobalt (within 10% of the previous estimate). It is summarised in the table below, which also includes a current total of the Company's oxidised copper, cobalt, nickel JORC compliant resources in the Batchelor region.

Browns Revised Oxidised Copper Cobalt Nickel Resource

| Browns | Mt | % Cu | % Co | %Ni |
|---------------------|-------------|-------------|-------------|-------------|
| Measured | 2.20 | 1.06 | 0.12 | 0.10 |
| Indicated | 0.32 | 0.80 | 0.11 | 0.10 |
| Inferred | 0.12 | 0.81 | 0.09 | 0.08 |
| Total ^{*2} | 2.64 | 1.02 | 0.12 | 0.10 |
| Area 55 | | | | |
| Indicated | 5.48 | 0.78 | 0.14 | 0.15 |
| Mt Fitch | | | | |
| Indicated | 1.25 | 0.57 | 0.21 | 0.20 |
| TOTAL | 9.37 | 0.82 | 0.14 | 0.14 |
| Contained Metals | Tonnes | 77,700 | 13,500 | 13,400 |

^{*2} Cut off grades 0.5% Cu or 0.10% Co

The oxidised lead resource at Browns was also re-estimated as part of the additional drilling in 2005 was directed at defining the western boundary of the copper dominant ore where it overlaps lead dominant ore which continues on to the west. The new and previous oxidised lead resource is summarised in the table below.

Browns Revised Oxidised Lead Resource ^{*3}

| | Mt | % Pb | % Cu | % Co | %Ni |
|----------|-----------|-------------|-------------|-------------|------------|
| Previous | 0.57 | 4.19 | 0.15 | 0.05 | 0.05 |
| New | 0.70 | 4.36 | 0.14 | 0.04 | 0.04 |

^{*3} Cut off grades 3% Pb where <0.5% Cu or <0.10% Co

The newly expanded copper cobalt nickel resources are close to that needed to ensure the Company's 10 years production target at 1 million tonnes per year is met from oxidised resources on the Company's tenements in the Batchelor region. Additional oxidised resources are yet to be re-estimated at Mt. Fitch and calculated for the first time at Browns East following a successful 2005 drill program.

The Batchelor region tenements are part of a regional joint venture comprising Compass (90%) and Guardian Resources Pty. Limited (10%).

For further information contact:

Max Boots

Phone: 02 9417 3588

Fax: 02 9417 8750

Email: admin@compassnl.com.au

The information in this announcement relating to exploration results, mineral resources, or ore reserves is based on information compiled by Dr. M. Humphreys and Dr. M.K. Boots, full time employees of the Company, who is a member of Aus.I.M.M. and who consents to the inclusion in this report of the information as presented. Dr. M. Humphreys and Dr. M.K. Boots have sufficient experience relevant to the style of mineralisation/type of deposit under consideration and to the relevant activity to qualify as a Competent Person as defined in JORC Code 2004 edition.