

17 June 2005

Company Announcements Office
Australian Stock Exchange Limited
Level 4
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

PRESS RELEASE

Please find to follow a press release to be issued by the Company today.

Yours faithfully

GR HEMMING
Technical Director

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This report accurately reflects information compiled by Mr G.R. Hemming, MAusIMM., MAIG., a Director of Roscoria Pty Ltd, who has sufficient experience which is relevant to the style of mineralisation 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 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve'. Mr Hemming consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

NEWS

• RELEASE •

FOR IMMEDIATE RELEASE

17 June 2005

ANOTHER BOOST FOR REEFTON'S NAMIBIAN PROSPECTS WITH SUCCESSFUL \$3 MILLION PLACEMENT

Reefton Mining NL's (ASX:RTM) expanding Namibian projects have received another boost following the announcement yesterday of a successful \$3 million placement of shares and options.

The capital raising follows the announcement last week of the Namibian Government's decision to renew prospecting licences covering Reefton's diamond areas, and to include the Industrial Mineral rights (for heavy minerals) within those licences.

Reefton's Chairman, Mr Bradley Moore, said the successful \$3 million raising – which closed significantly oversubscribed – enabled the company to “press the button” for new work on its Skeleton Coast Diamond and Heavy Mineral Sands Project, and the Erongo Polymetallic Project.

“For instance, at the Skeleton Coast Diamond and Heavy Mineral Sands Project we will now complete an analysis of a wide range of samples taken from our heavy mineral deposits, which have previously been reported to include high levels of quality Zircon,” Mr Moore said.

“We are also well placed to accelerate work on Reefton's Erongo Polymetallic Project, and are in a position to immediately commence work on the uranium potential of the Project if the Government processes the applications for inclusion of Nuclear Fuels in the same manner as the mineral sands and diamond licence renewals.

“The Government's decision on the mineral sands and diamonds licence areas is a significant milestone for Reefton and eliminates any uncertainty regarding the Company's presence in Namibia and the exploration of these promising prospects,” Mr Moore said.

“We now eagerly await a determination in respect to the final decision to be made by the Government, being the inclusion of Nuclear Fuels in the Exclusive Prospecting Licences covering our Erongo Polymetallic Project,” he said.

issued through

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Reefton's \$3 million capital raising involves the placement of shares and free attaching 2009 Options offered pursuant to a prospectus dated 10 June 2005.

"Directors have proceeded to allot and issue a total of 50,000,000 fully paid ordinary shares and 50,000,000 free attaching 2009 Options at an issue price of six (6) cents per share, raising \$3.0 million before costs," Mr Moore said.

These securities will be entered into uncertificated holdings today. Further, application will be made for the admission of the fully paid ordinary shares to trade on AIM.

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