

MEDIA RELEASE

Pluton Resources announces 450 percent increase in Western Australian iron ore resource estimates

- Total resource estimates at Irvine Island, Western Australia, raised from 54 million to 294 million tonnes
- Drilling results and beneficiation trials support a significant and highly profitable iron ore operation at the site
- Potential to produce up to 108 million tonnes of 66 percent iron concentrate, with very low impurities
- Exploration has been developed with support and involvement of the Native Title Claimant Group – the Mayala People

June 4th 2010, Melbourne: Pluton Resources Limited (“Pluton”) has announced a substantial increase in the iron ore resource estimate at its Irvine Island project in Western Australia.

The Company’s exploration program is achieving better-than-expected results to take the current total iron ore resource estimate at Hardstaff Peninsula, Irvine Island from 54 million to 294 million tonnes.

The program is less than half completed and Managing Director Tony Schoer says the highest grade prospects are still to be explored.

Irvine Island is part of the Kimberley Iron Ore Hub, a three-island group which includes Koolan and Cockatoo Islands, where Australia’s first iron ore mining began 60 years ago. Koolan and Cockatoo Islands are still being mined today.

Pluton now expects the final Irvine Island resource, in terms of tonnage, to be bigger than the two original mine sites combined.

The latest increase in resource is a combination of new discoveries and successful beneficiation trials

CSIRO pilot scale test work has shown that magnetic separation can produce a concentrate with an iron content of 65.62% iron (Fe) and 2.49% SiO₂ with an iron recovery of 83.7% from Wonganin sandstones (ASX announcement, February 5th, 2010).

The sandstones were originally considered as waste but now represent an important additional resource.

Mr Schoer said today that the exploration results indicated the proposed mining operation at Irvine Island would be highly profitable. The iron ore can be loaded directly onto ships for the

Asian market. There is no need for expensive rail infrastructure and the access issues that rail brings.

“We are anticipating capital investment of around A\$350 million which includes beneficiation plants and ship loading facilities,” he said.

“With total cash operating costs (including royalties) of around A\$37/tonne on-ship, it is expected that a final product of 66% iron concentrate will produce tremendous profits and cash-flow for Pluton for many years.

“At this stage of the exploration program, to be able to announce an upgraded Inferred Resource of 294 million tonnes of quality feed to target production of up to 108 million tonnes of high grade concentrate is a fantastic result.

“This has the potential to be an operation of State and National significance – and an important economic initiative for the Mayala people.”

For more information contact Managing Director, Mr. Tony Schoer, on 0411 232 711 or tschoer@plutonresources.com.