

# ASX and Media Release

8 March 2007

## **DIVESTMENT OF GOLD BUSINESS: FURTHER TECHNICAL WORK AND SUSPENSION OF DAISY MILANO EXTRACTIVE OPERATIONS**

Perilya announced today that it has suspended its extractive operations at the Daisy Milano gold mine, effective immediately.

As has been previously advised, Perilya is pursuing a focussed base metals strategy and the group's gold assets are being divested as part of the implementation of that strategy. A structured divestment process is currently underway.

The suspension of mining operations is to facilitate the conduct of further technical work to assist the divestment process, to better focus management resources as well as allowing for a broader range of divestment options. In announcing the suspension, CEO Len Jubber said "While it is always difficult to make a decision to suspend an operation, in this case our focus is on ensuring that we maximise the realised value of the asset and we have identified this as the appropriate course of action to achieve that end." The financial impact of this decision to suspend mining operations is not considered to be material.

Perilya anticipates that the recommencement of mining at Daisy Milano will occur following divestment and under the management of the new owner.

### **For Further Information:**

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