



PRECIOUS METAL RESOURCES LIMITED

Precious Metal Resources Limited
ACN 145 105 148

Level 2, 131 Macquarie Street
Sydney NSW 2000
Tel: +61 2 9251 7177
Fax: +61 2 9251 7500

Contact
Michael Leu
Managing Director

Email: mleu@pmrl.com.au

Latest News
www.pmrl.com.au

Directors / Officers

John Dawkins AO
Non-Executive Chairman

John Foley
Non-Executive Deputy Chairman

Michael Leu
Managing Director

Peter Kennewell
Chief Geologist

Bruce Dennis
Non-Executive Director

Peter Meers
Non-Executive Director

ASX Symbol: PMR

JORC STATEMENT

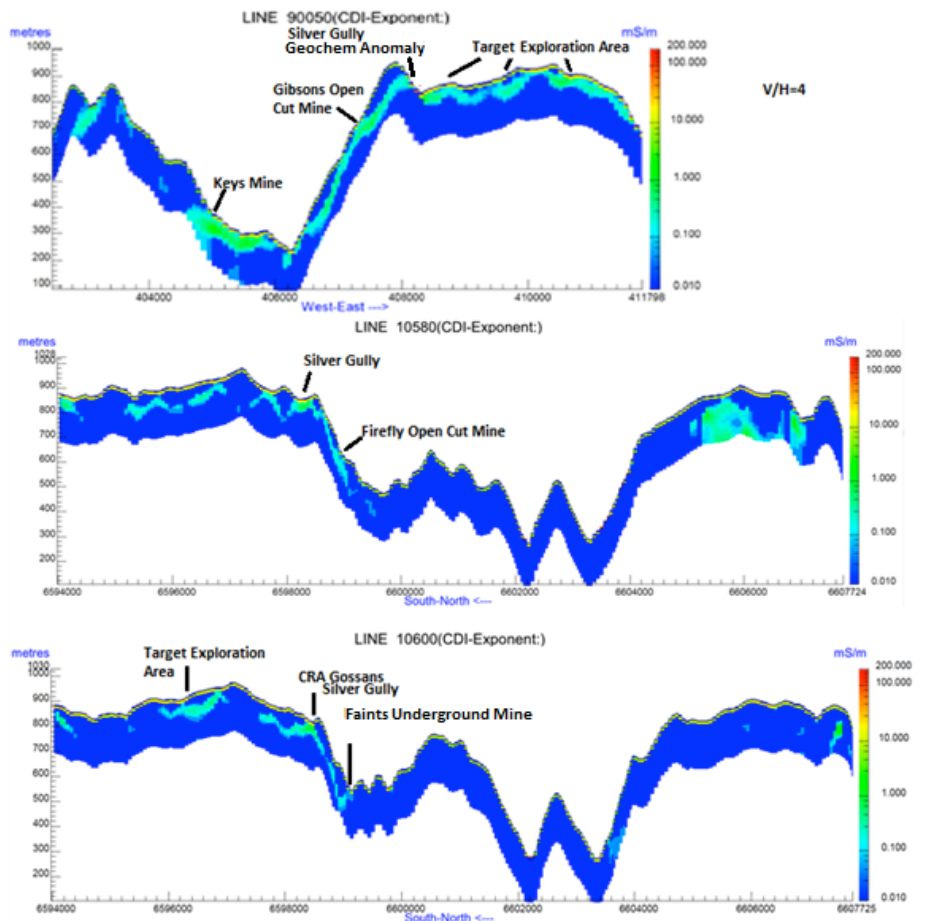
The information in this report that relates to mineral exploration is based on information compiled by Peter John Kennewell, who is a member of the Australasian Institute of Mining and Metallurgy. Peter John Kennewell is a director of Precious Metal Resources Limited, and has sufficient experience which 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 "Australasian Code for Reporting of Exploration Results, Identified Mineral Resources, and Ore Reserves". Peter John Kennewell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

EXPOSURES OF VTEM CONDUCTORS HOST FORMER SILVER-LEAD-ZINC-COPPER MINES, HALLS PEAK BASE METAL FIELD

Shallow VTEM anomalies are exposed at the surface at the former silver-lead-zinc-copper mines in the Halls Peak Province. This clearly demonstrates that the 10,000 tonnes of high-grade base metal mineralisation mined from the Halls Peak Province during last century was produced from electrically conductive beds recorded by the VTEM survey as shallow anomalies.

The survey has mapped these beds at shallow depth beneath extensive areas of the company's exploration licences at Halls Peak. This demonstrates the potential of significant areas within the licences to host base metal deposits at relatively shallow depth.

The anomalies are shown in light blue/green below:



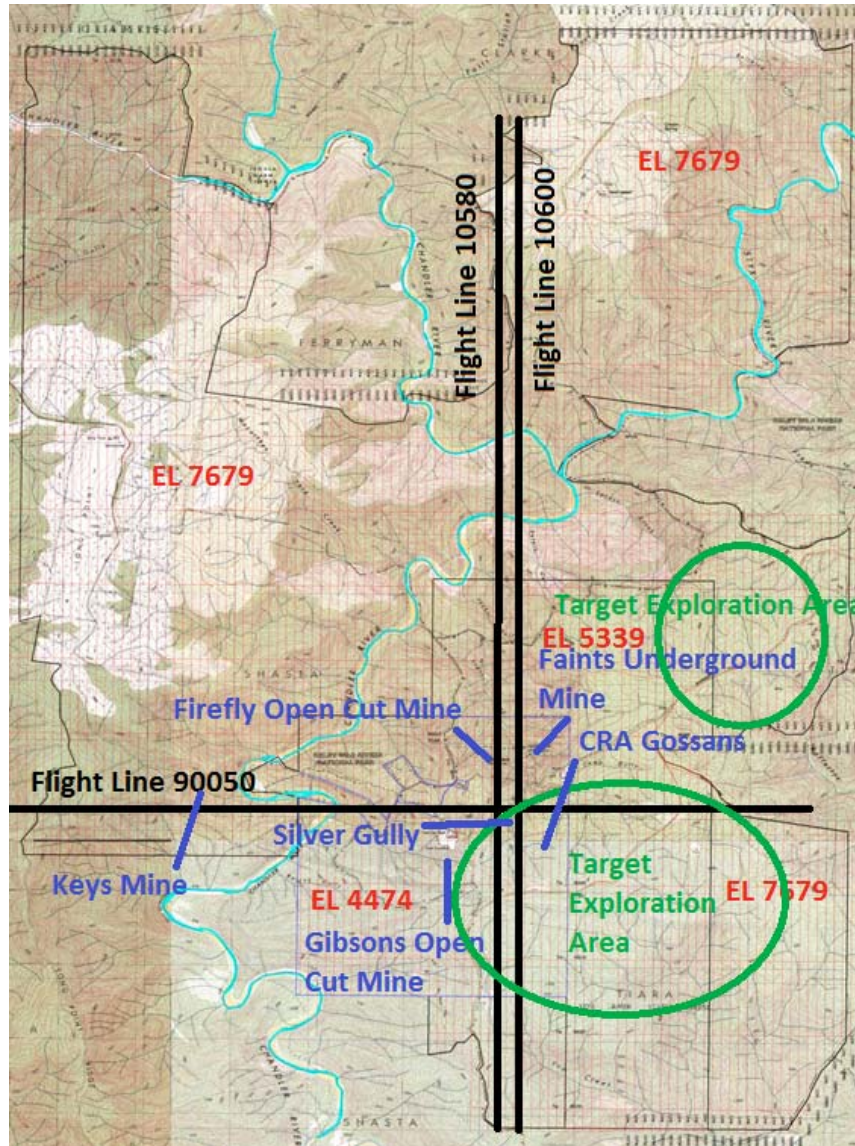
Reprocessing of the data to provide a more detailed outline of these conductive zones was carried out by James Macnae, who reports:

"To interpret the shallower conductors, vertically exaggerated CDIs were produced with 10 m resolution ("Shallow_NSlines" and Shallow_EWtielines"). The better conductors appear to have been well imaged by the VTEM system and EMFlow."¹

¹ James Macnae and Greenfields Geophysics consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.



A map showing locations of the flight lines illustrated is below:



A review of the processing and interpretation of the VTEM survey by Greenfields Geophysics concludes “The analysis included above tends to confirm the existence of a number of sub horizontal weak to moderately conductive horizons, sometimes at considerable depth, which may be related to a number of historical workings in the area.”*

A drilling program to further evaluate the anomalies within the Styx River State Forest is being planned.

For further information please contact:

Michael Leu, Managing Director

Telephone: +61 2 9251 7177

Media enquiries:

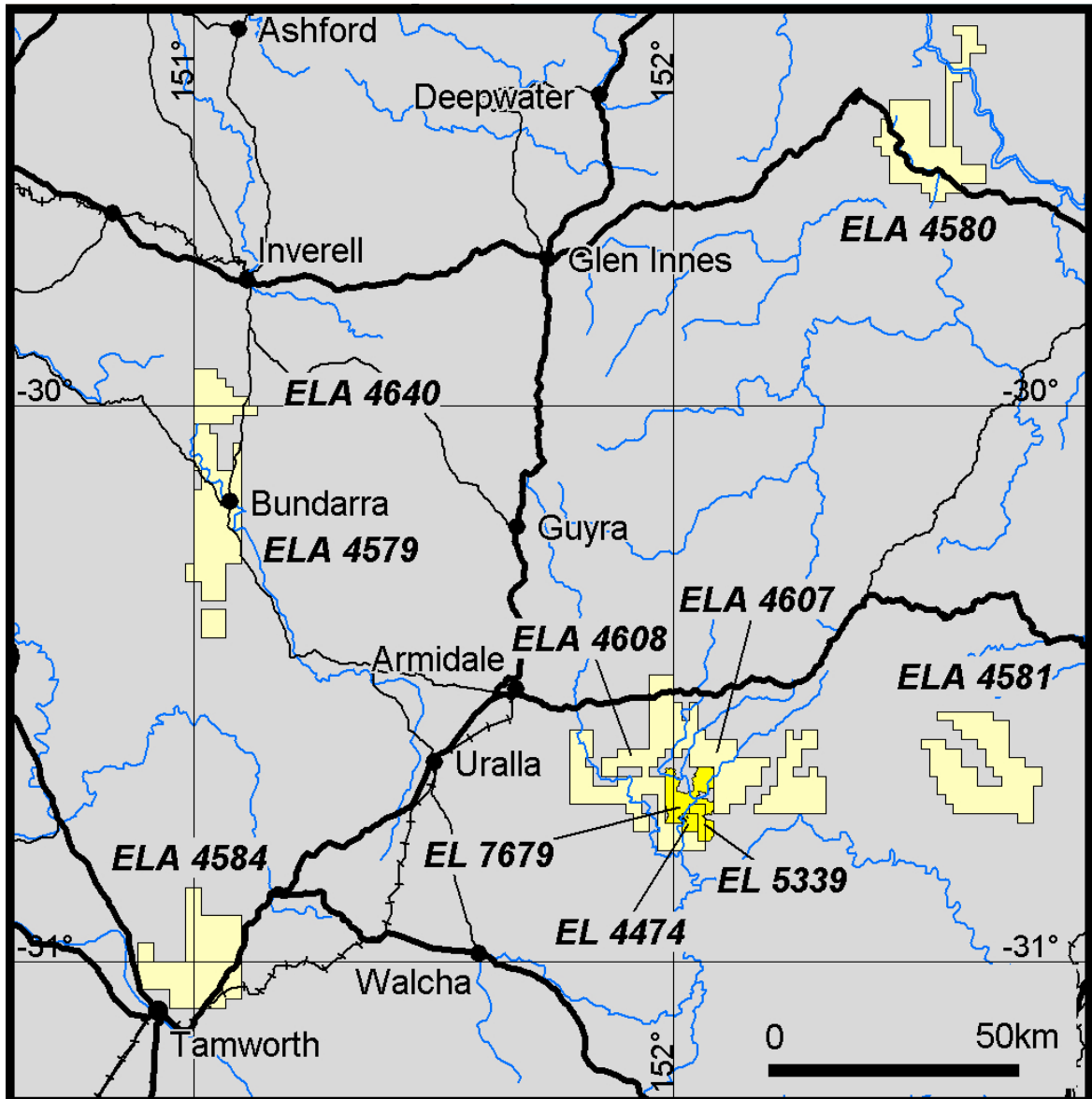
Justin Kelly, Mercury Consulting

Mobile: +61 408 215 858

Justin.kelly@mercuryconsulting.com.au



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Location map of PMR (Armidale) licences and applications