

# Falcon Minerals Ltd

ACN 009 256 535

## Company Announcement

Suite 19, 100 Hay Street, Subiaco WA 6008  
PO Box 8319 Subiaco East WA 6008

Telephone: +61 8 9382 1596  
Facsimile: +61 8 9382 4637

---

**Date:** 12<sup>th</sup> January 2011  
**To:** Companies Announcement Office, ASX  
**Electronic Lodgement:**  
**Number of pages:** 3

---

### **UPGRADED HIGH GRADE GOLD RESULTS - SAXBY PROJECT, QUEENSLAND (Falcon 49%, AngloGold Ashanti Australia Ltd. 51% earning 70%)**

Falcon is pleased to announce that recent high-grade gold intersections of 14m @ 4.61 g/t Au and 6.22 g/t Ag in SXDD014 released with the ASX on November 4<sup>th</sup> 2010 have been significantly upgraded following re-assaying by Fire Assay methodology with the revised gold results shown below.

<b>Drill Hole</b>	<b>East</b>	<b>North</b>	<b>From</b>	<b>To</b>	<b>Width (m)</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>	<b>Intercept</b>
<b>SXDD014</b>	<b>488145</b>	<b>7865870</b>	<b>701.00</b>	<b>716.00</b>	<b>15.0</b>	<b>9.09</b>	<b>5.96</b>	<b>15.0 m @ 9.09 g/t Au</b>
		<i>including</i>	<i>701.00</i>	<i>709.00</i>	<i>8.0</i>	<i>15.09</i>	<i>9.63</i>	<i>8.0 m @ 15.09 g/t Au</i>

NOTE: Check gold assays were performed using Fire Assay (50g) digest with an AAS finish.

Drill hole SXDD014 was part of a 5 hole diamond drilling programme completed in August 2010 to test for gold mineralised structures away from previous AngloAmerican drill hole SXDD005 that intersected 17m @ 6.75g/t gold from 631m to 648m (Figure 1). High-grade gold mineralisation has now been intersected over a strike length of at least 250m and is open in all directions

In particular it is encouraging to note that the mineralised intervals contain a high-grade gold component with several 1m intervals grading over 10g/t. Previous petrographic work indicates that the gold is largely non-refractory and found in quartz-chlorite pyrite veins and in interstitial cracks associated with brecciated clasts. It is felt that the disparity between the earlier Aqua Regia analyses and the recent Fire

Assay results is due to incomplete digestion of the gold by the acid digest in the presence of abundant iron sulphides (and/or tellurium).

Check Fire Assay analyses are currently being completed for all mineralised samples from the August 2010 diamond drilling programme and will be reported in due course.

On the back of these results it is felt that the Saxby JV project has excellent potential to host a major Tier 1 gold deposit and will be the subject of further drilling in 2011.

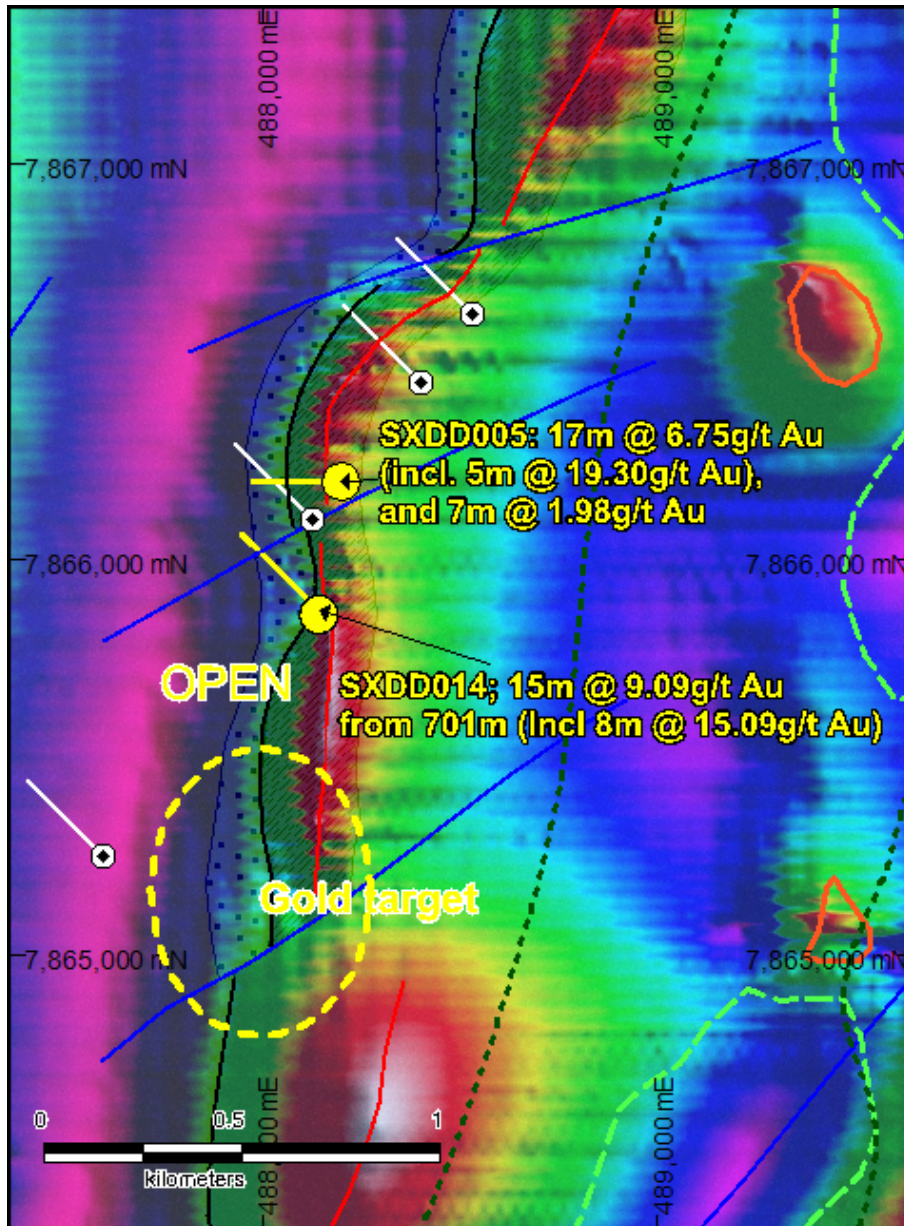


Figure 1 – Aeromagnetic image with interpreted geology and 2010 diamond drill holes

The information in this report to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Graeme Cameron, Technical Director for Falcon Minerals Ltd. Mr Cameron is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) 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, Mineral Resources and Ore Reserves”. Mr Cameron consents to the inclusion in the report of the matters based on his information, in the form and context in which it appears.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Richard Diermajer', with a large, sweeping flourish extending to the right.

---

**Richard Diermajer**  
**Managing Director**

For further details contact:

**Graeme Cameron**  
**Technical Director**  
**Falcon Minerals Limited**  
**Telephone: (61) 08 9382 1596**