



Announcement to the Australian Stock Exchange
("ASX"), Wednesday 31 May 2006.

Paron Gold Project-Peru

Review of historic channel and underground sampling confirms potential of Paron to host significant gold resource

Westmag Limited is pleased to announce that the on-going review and translation of historic data from the Paron Gold project in Peru has uncovered data from a number of channel, pit and underground samples taken and assayed by previous explorers.

The reports indicate that this sampling was undertaken during an exploration programme carried out in 1996.

Within the Paron property there are at least 100 old surface and underground workings which locals suggest commenced with Portuguese miners in the early 1700's.

All of the surface workings are shallow pits and the underground workings appear to be short tunnels, in both cases apparently chasing the higher grade gold bearing veins.

From the data sources interpreted to date it would appear that less than 10% of the workings have been sampled in detail.

The results of the tunnel sampling are summarised in the following table. All widths recorded are horizontal. It is important to note that the sampling of tunnel numbers 22, 23, 24, 25, 26, 34 and 35 appear to confirm the lateral continuity of the

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intersection recorded by the historic drill hole DDH-1 (16.5 metres from surface @ 3.3 g/t) and reported on 27 April 2006.

Tunnel number	Width (metres)	Au (g/t)
22	5 metres	0.59
23	12 metres	3.90
24	19 metres	1.68
25	8 metres	1.03
26	4 metres	15.15
34	8 metres	1.12
35	4 metres	7.08
7	8 metres	0.81
8	5 metres	3.75

It is also important to note that all these workings intersected ore grade mineralisation on their deepest headings, and the gold content of these workings is higher than corresponding results from nearby surface channel samples.

The review of the historic data has also recorded that around the same time as the tunnel sampling was being carried out, sampling of 44 pits, some up to 6 metres in depth were completed.

Results of this sampling are summarised in the following table:

Pit number	Au-bearing depth (metres)	Au grade (g/t)
7	3.5	0.87
8	2.7	1.63
9	2.8	0.60
6	3.0	2.74
5	3.1	3.83
21	1.3	0.99
4	2.8	0.57
42	1.2	3.75
41	1.8	2.50
20	3.8	0.56

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Pit number	Au-bearing depth (metres)	Au grade (g/t)
40	1.6	0.95
3	3.2	1.22
39	1.4	2.94
2	2.9	0.80
38	1.5	4.16
37	1.7	2.12
36	2.1	1.57

These sample results confirm that gold mineralisation is extensively developed throughout the Paron project. The samplings of these pits, together with the tunnel sampling also suggest that grade may increase slightly with depth.

The information from these results will assist with the development of our exploration and development model and provide information to allow better target definition with our planned drill programme.

In addition we expect the results to assist in the fast tracking delineation of a JORC compliant resource.

Westmag personnel are continuing to review all available data. Much of this data is in Spanish and is currently in the process of being translated into English.

Background

Westmag has been operating in Latin America since 2002, exploring for gold, copper and other base and precious metals. Our Peruvian operations are overseen by Executive Director, Simon Titchener who resides in Lima. The Exploration programme is in-house as well as consultant led field teams, both of which are led by experienced, local geologists with many years of Andean gold/base metal exploration experience.

Paron Gold project, Ancash Department, Peru.

Westmag announced on 27 April 2006 that it had entered into an agreement for an option to purchase the Paron Gold project in the Ancash Department of Peru. The project is located 40 km north of Barrick Gold's ("Barrick") Pierina gold mine (210 MT @ 1.1 g/t for 7.5 million ounces) and 120 km south of Barrick's Alto Chicama/Lagunas Norte gold mine (227 MT @ 1.1 g/t for 8 million ounces).

The total option consideration is US\$1.7 million payable in 5 tranches over a period of 16 months. Westmag have paid the first payment of US\$40,000.

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