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AIR CORE DRILLING COMMENCES, MALI SOUTH

Highlights

- Air core drilling on multiple targets commenced, with initial drilling targeting auger anomalism on the Diendo Project area.
- Surface sampling results with up to **1.37g/t Au** in termitaria samples received on the Nangalasso Project and air core drilling to commence subsequent to Diendo drilling.
- RC drill results received for initial scout drilling program at Diendo and Tanala Projects.
- The Company continues exploration programmes unhindered by political instability in the country and with no present danger to personal safety at project sites and no evident threat to project tenure.

International Goldfields Limited (ASX: IGS) ("IGS" or "the Company") is a gold exploration company focused on organic growth of gold resources in emerging mining districts of Brazil, Mali, Ivory Coast and Western Australia.

In Mali, IGS has received results for the Company's first drilling campaign, finalising the initial tests on a few select areas within extensive surface anomalies of the Diendo and Tanala Project areas. Results of the localised drilling has confirmed gold anomalism and structures with shear textures and associated pervasive foliation. The drilling has also redefined geological interpretations where surface mapping is complicated by the regolith environment and the results of the work have assisted on refining targets for continued exploration work.

As reported in the media, the junta that removed democratically elected Amadou Toumani Touré in late March, appointed an interim civilian government following regional pressure for the military to relinquish rule in the country. The interim government is led by Prime Minister Cheick Modibo Diarra, who reportedly is tasked with maintaining constitutional law in Mali, and taking the country to democratic elections. However, the junta still wields power and is heavily involved in defending the interim government from counter coup attempts.

At the time of this release, the situation in the country (other than continuing rebel conflict in the remote northern area of Mali) is calm, and the interim government is recognised locally and regionally and actively working towards stabilising the country. The main airport at Bamako has resumed normal domestic and international passenger operations.

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Multiple field crews continue to actively work at three of the seven projects in Mali South completing work programs on all projects in quick succession. Initial Auger programs have been completed on all seven project areas in Mali south in the past six months and additional auger drilling will be completed at the Kounian and Balena projects before the conclusion of auger drill activities for the 2011-12 field season in late May. First pass surface geochemical exploration continues at the newly acquired Sotian licence to define prospective areas in this large land holding of favourable Birimian greenstone.

The combination of auger, soil, and termitaria sampling this season has been effective in prioritising targets for IGS, and the area for future concentrated exploration activities is greatly reduced, providing drill-ready targets at Diendo and Nangalasso areas for testing in May.

TANALA-DIENDO

The Tanala Project (102km²) covers the northern extension of the same structural belt that hosts mineralisation at Tiekoumala (0.59M oz Au) resource, and gold occurrences across the Company's Diendo Project (5 licences totalling over 280km²) to the south.

Air Core Drilling

Air core drilling commences this week on three target areas within the Diendo Project area. With RC drilling confirming targeted structural zones consisting of shearing and pervasive foliation associated with anomalous gold values at multiple targets. The air core program will commence with 400m step-outs from RC drilling to located improved trap sites for gold mineralisation along the anomalous structural corridor for a total of 1,400m of drilling in 31 air core holes.

RC Drilling

IGS completed an RC drilling campaign in March with 15 holes totalling 990m at Tanala and 15 holes totalling 1,288m at Diendo. The combined drilling tested 6 target areas with 5 targets defined by IGS auger drilling (previously un-drilled), and a sixth single drill hole test following up historic air core drilling on the Diendo Project.

The drilling has confirmed structures with shear textures and associated pervasive foliation in both project areas, and revised geological interpretations for lithology in most areas that will be integrated into further targeting and exploration planning in the area. All samples were submitted for gold analysis in Bamako. Initial results, which are being verified by more detailed analyses, exhibit anomalism similar to surface mineralisation with no significant gold intercepts (>1g/t Au) returned in 3m composite sampling.

NANGALASSO PROJECT

Surface geochemical sampling at Nangalasso (345km²) has recently been extended and selectively in-filled across this undrilled target with an additional 898 termitaria, 130 soils, and 799 auger points collected over the past 7 weeks, and partial results received. The sampling includes shallow auger drilling focused on the two extensive gold anomalies defined in previous termitaria sampling, with additional termitaria sampling extending coverage to the eastern boundary of Nangalasso and into the adjacent Sotian licence where the structural corridor is host to several intrusions and strong deformation in the Birimian rocks, providing a geological setting analogous to both Morila and Tengrela style mineralisation across the project area.

Two principal zones of gold anomalism defined in the initial termitaria sampling included a western, 6km long zone of anomalism which extends from a mapped granodiorite intrusion contact to the northern border of the licence. A combination of recent in-fill auger and termitaria extension sampling confirmed

and refined high priority drill targets along the 6km long western gold anomaly zone with termitaria reporting up to **1,370 ppb Au** and the highest auger value up to **290 ppb Au**.

A second zone of gold anomalism to the east has more than doubled in strike length over the previously reported samples. Incomplete results of recent termitaria extension sampling have increased the 2km wide gold anomaly to a strike-length exceeding 4km trending towards the adjacent Sotian licence. Awaited analytical results have the potential to further extend each of the existing gold anomalies.

Air Core Drilling

A maiden drilling program for Nangalasso totalling 2,000m of air core will commence subsequent to Diendo drilling. The air core program is targeting the two strongest anomalies based on current results, with the initial line of drilling transecting the 6km long western anomaly proximal to the 1.37g/t Au termitaria location.

About International Goldfields

International Goldfields is an active exploration company focused on organic growth of gold resources with excellent projects strategically located in some of the most exciting emerging gold mineralised districts in the world – the Birimian of West Africa, the Alta Floresta mineralised belt of Brazil and the Tropicana belt of Western Australia. We have the funding and the projects to ensure an active exploration program all year round and will be maintaining a strong news flow for investors.

Ends

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Competent person statement

The information in this report that relates to exploration results is based on information compiled by Mr Ross McConnochie. Mr McConnochie is the Exploration Manager of West Africa for International Goldfields Limited. Mr McConnochie is a member of The Australasian Institute of Mining and Metallurgy 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 McConnochie consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

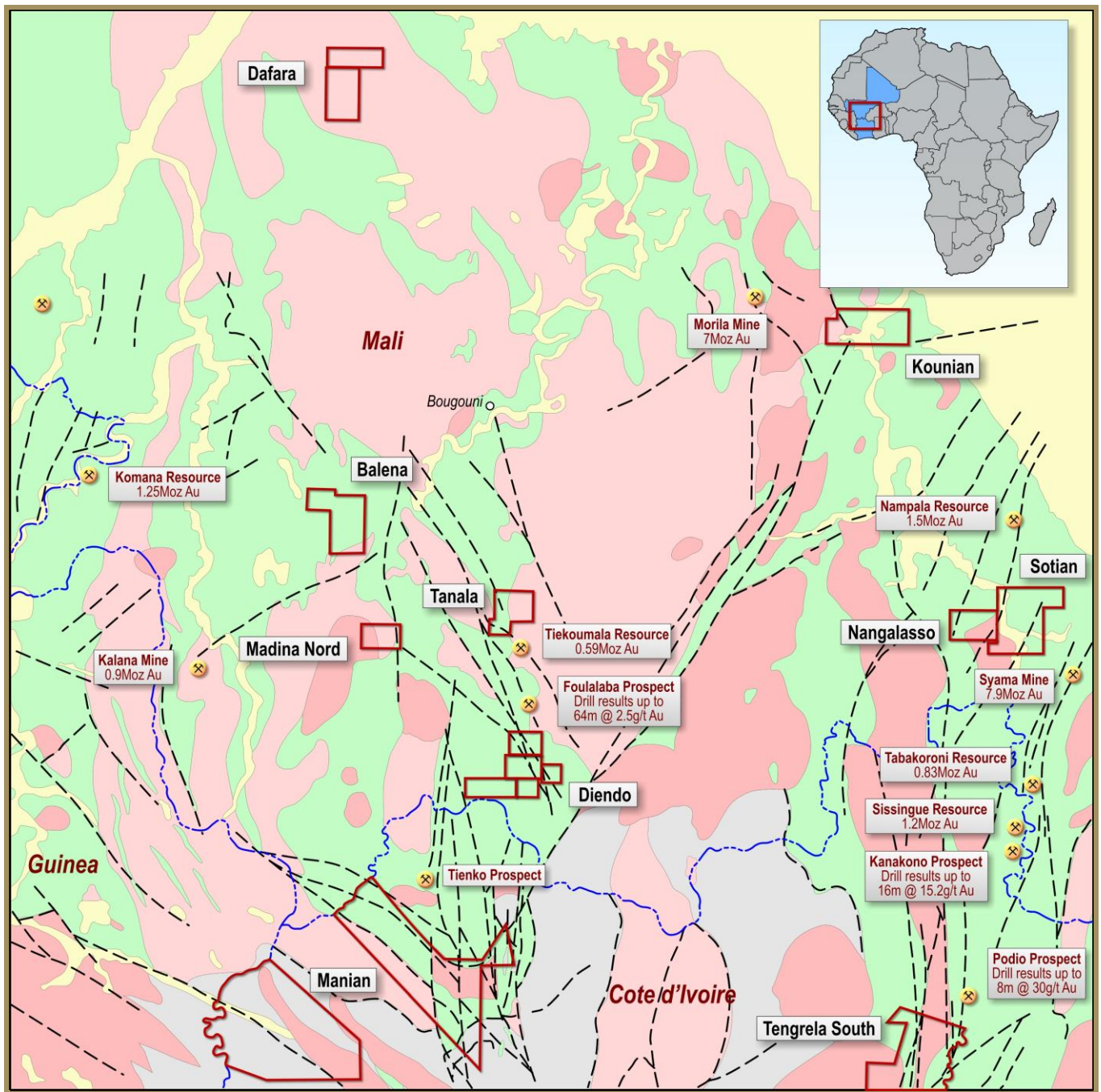


Figure 1:- Mali South Project locations and regional summary geology

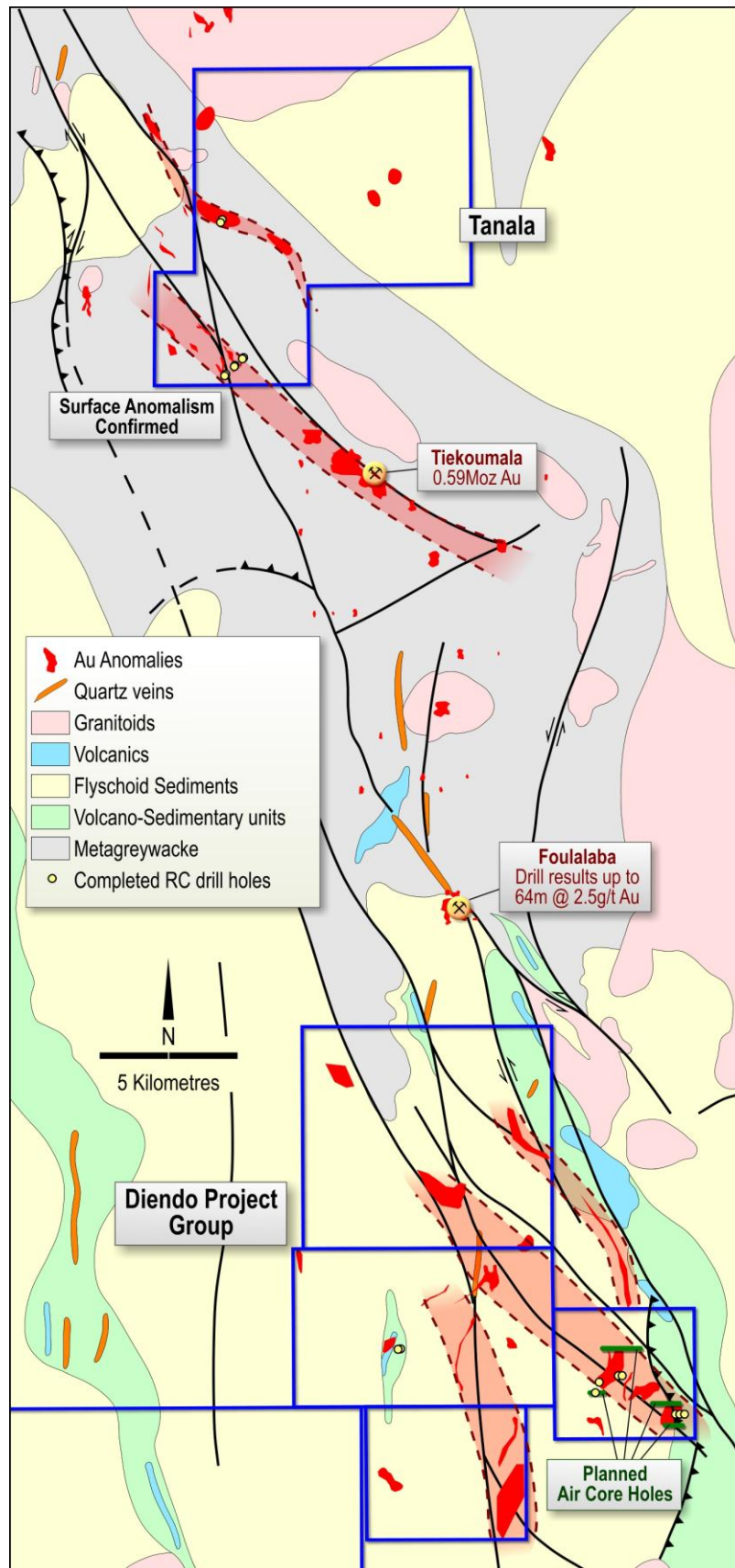


Figure 2: Tanala-Diando regional geology and gold anomalism with RC drill hole locations and proposed air core drilling locations

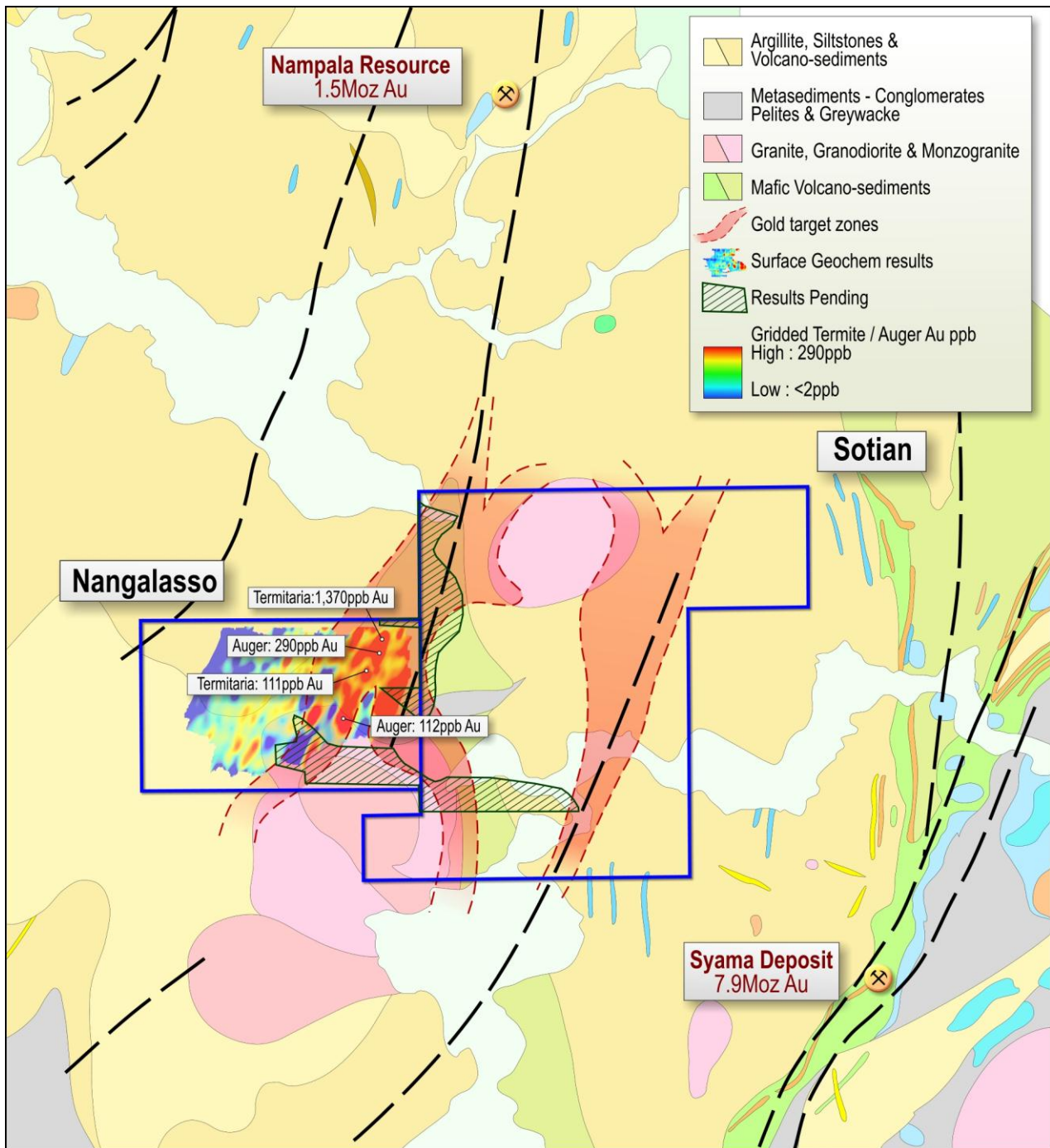


Figure 3: Nangalasso-Sotian regional geology with Nangalasso Project gold anomalism in termitaria and auger sampling, and gold target zones