

28th June 2007

Proposed expenditure for Exploration License No 24666 period 16/03/07 to 15/03/08

In the forthcoming year Lagoon Creek Resources Pty Ltd plans to investigate the geophysical radiometric anomalies, established in last years' survey, using a series of ground based geological survey techniques. These include:

- Geological mapping,
- a comprehensive stream sediment survey,
- Rock chip sampling,
- Soil sample survey,
- Portable Scintillometry survey,

Our intention is to begin fieldwork as soon as weather permits, field staff will be based temporary 'fly-camps' or in local homesteads. Anticipated minimum expenditure on the tenement is at least \$150,000. This is a three-fold increase from last years' annual expenditure as we are confident that the climatic and personnel setbacks of last year will not hinder us this year.

Following is a break down of our predicted minimum costs :

Senior geologist Rate	\$30,000
Field geologist rate	\$30,000
Vehicle Hire	\$10,000
Field Assistants	\$20,000
Equipment	\$10,000
Fuel	\$10,000
Travel	\$8,000
Food	\$10,000
Accommodation	\$7,000
Geochemical analyses costs (600 samples @ \$25)	\$15,000
TOTAL	\$150,000

Drilling may be planned should this years' fieldwork warrant it.