



hindmarsh
resources limited

105 Tusmore Avenue
Tusmore 5065
South Australia
p: 08 8304 8224
f: 08 8304 8201

ABN 29 106 444 857

Monday, 10th September 2007

Stephen Fisher
Tenements Office,
Northern Territory Department of Primary Industry, Fisheries and Mines

Re: Relinquishment report for the block surrender on EL24253(Neutral Junction).

Stephen,

This letter is with regards to the relinquishment for tenement EL24253 (Neutral Junction). According to Section 32 of the Act, the submission of a report detailing all exploration undertaken and statement of expenditure for the relinquished area is required.

I would like to apologise for the delay with the issuing of this report, owing to the requirement being overlooked. I have collated a report of all exploration work completed and expenditure for the area relinquished on tenement EL24253.

Should you have any further questions regarding this block surrender, please do not hesitate to contact me directly via 0407 311268 or alternatively, please contact Mr John P. Howard at our Adelaide office via (08) 8304 8222.

Regards,

Gary Price
MegaHindmarsh Resources Limited
Monday, 10th September 2007

**SUMMARY OF EXPLORATION ACTIVITY FOR THE SURRENDERED AREA
ON TENEMENT EL24253 (NEUTRAL JUNCTION).**

Exploration work conducted included an examination of existing geological data and the completion of two brief site visits. No further exploration work was completed within the nominated area before the block surrender.

Geological work

Duration: 2 days

Brief program of geological reconnaissance were conducted within the surrender area by field staff from MegaHindmarsh Resources Limited on two occasions between September and November 2006.

Geophysical work

Duration: 3 days

An examination of available geophysical datasets (magnetics and radiometrics) was conducted by staff from MegaHindmarsh Resources Limited and Hawke Geophysics (geophysics consultant to MegaHindmarsh).

Geochemical work

No geochemical sampling was completed within the surrender area.

Expenditure

Total expenditure for both office and exploration field work by Hindmarsh Resources within the area nominated for surrender was calculated to be \$10,000-.

Gary Price
MegaHindmarsh Resources Limited
Monday, 10th September 2007

