ANNUAL REPORT
EXPLORATION LICENCE
EL 25893
Mt TOLMER
NORTHERN TERRITORY

FOR THE YEAR END
31st MAY, 2008.

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ATTACHMENTS
1. Exploration Expenditure Report EL 25893
1. PROPERTY DESCRIPTION AND TENURE

EL 25893 was granted to Corporate Developments on 11\textsuperscript{th} of October 2007 for a period of six years. This grant is subjected to the condition that a minimum of $12,500.00 is spent on exploration in the first year, as well that the licensee shall comply with all other conditions and stipulations as stated in the Mining Act.

The Exploration license comprises 7 sub blocks with an area of 18.28 km\textsuperscript{2} and is located 100km south of Darwin and is bounded by the longitudes 130° 40’ 00’, and 130° 43’ 00” and the latitudes -13° 12’ 00” and -13° 18’ 00”.

Tenement details are in Table 1.

<table>
<thead>
<tr>
<th>EL</th>
<th>Sub-blocks</th>
<th>Grant Date</th>
<th>Expiry Date</th>
<th>Expenditure Commitment Yr 1</th>
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</thead>
<tbody>
<tr>
<td>25893</td>
<td>7</td>
<td>11.10.07</td>
<td>10.10.2013</td>
<td>$ 12,500.00</td>
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</tbody>
</table>

Figure 1: Location of EL 25893
2. ACCESSIBILITY AND INFRASTRUCTURE

The project area can be accessed from Batchelor 10km off the all weather Stuart Highway that runs between Darwin and Alice Springs. EL25893 is approximately 45km WSW of Batchelor.

The area is subject to the summer monsoons and quite often roads can be cut off during this period due to flooding.

No infrastructure such as buildings or development exist on the Licence area.

3. GEOLOGICAL SETTING

Mt Tolmer is situated east of the Waterhouse Complex which comprises Mount Partridge Group sediments (Whites and Wildman Siltstone Formations) and the Burrell Creek Formation which hosts the radiometric and uranium prospects within the licence area. The Burrell Creek Formation also hosts 14 known uranium prospects and historical mines in the Pine Creek Orogen.

The Wildman Siltstone is a pale grey siltstone and shale forming low, rubbly hills. These outcrops often show evidence of silicification, brecciation and quartz veining. The Acacia Gap Quartzite forms a steep strike trending in a NE direction composed mostly of quartzite, commonly pyritic; sandstone; interbedded shale and phyllite.

The main structural features include two major NE-SW trending faults which are situated in the central and eastern portion of the licence. The Mt Tolmer tenements are highly prospective for vein type uranium deposits. Extensive radiometric anomalies have been identified with excellent correlation between uranium prospects. The Burrell Creek formation, which hosts the radiometric and uranium prospects, also hosts fourteen (14) known uranium prospects and historical mines in the PCO including, Adelaide River, George Creek and Lady Josephine. In addition, similarities exist between the lithologies mapped in the Mt Tolmer area and those of the Pine Creek uranium mineral fields.
4. PREVIOUS EXPLORATION

Extensive radiometric anomalies cover most of EL25889 with excellent correlation between the uranium prospects. Similarities are known to exist between the lithologies mapped in the Mt Tolmer area and those of the Pine Creek Uranium Mineral Fields. Project areas have been shown to contain a number of first and second order radiometric anomalies.

5. WORK COMPLETED DURING 2007/2008

During 2007 a proposal was made by ‘Outback Metals Ltd’ to acquire ‘Corporate Developments Pty Ltd’. In anticipation of this transaction being completed a decision was made to suspend all activities until the transaction was finalised.

Since the above mentioned transaction was proposed all associated work in this site has been associated with the business side of the transaction including acquiring an Independent Geologist Report which was carried out by Al Maynard and Associates Consulting Geologists. Consultant Pedro Kastazellious was also engaged to obtain historical data associated with the tenement.
6. EXPLORATION FOR THE 2008/2009 PERIOD

Exploration work planned for the 2008/9 year includes a desktop study before field mapping. This work is expected to provide targets for a subsequent sampling programmes. It should be noted that the exploration is dynamic and as more information is gathered and interpreted the programme will change to reflect the additional information.