

Vivter Pty Ltd

BARROW CREEK PROJECT
NORTHERN TERRITORY OF AUSTRALIA

ANNUAL REPORT FOR
EXPLORATION LICENCE
EL 23474

FOR THE YEAR ENDING 30th OCTOBER 2009.

Author: A.R.Caughey
Flagstaff GeoConsultants Pty Ltd
Date: 09 November, 2009
Licensee: Vivter Pty Ltd
A.C.N. 005 136 630

Target Commodities: tantalite
1:250,000 MAP SHEET: Barrow Creek SF 53-06
1:100,000 MAP SHEET: Crawford 5655
Datum / Zone: GDA94 / MGA zone 53
KEYWORDS: tantalite, Millers Workings, Barrow Creek Pegmatite Field

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LICENCE DETAILS:

Licence Number: EL 23474
Project Name: Barrow Creek
(*designated Millers Project, prior to 2006*)
Licensee: Vivter Pty Ltd
Licensee ACN: 005 136 630

Licence details:

Date of Grant: 04 November 2002
Waiver of reduction requirement: 24 October 2007
Renewal Grant Date: 16 October 2008
Expiry Date: 30 October 2010

Area: 41.58 km² (13 blocks)

Joint Venture details:

In February 2005, Vivter Pty Ltd entered into an option agreement with Australian Tantalum Pty Ltd ("ATL"), a wholly-owned subsidiary of Haddington Resources Limited ("HDN") (ABN 39 093 391 774).

ATL was operator of the project for the 2006, 2007 and 2008 reporting years.

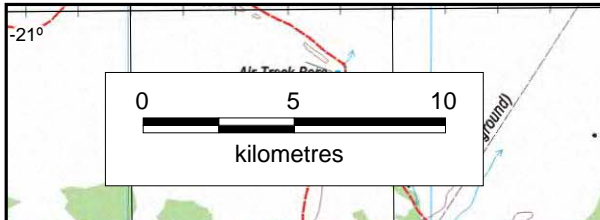
ATL terminated the agreement in March 2009, nearly halfway through the current reporting period, due to budgetary cutbacks in the current economic environment.

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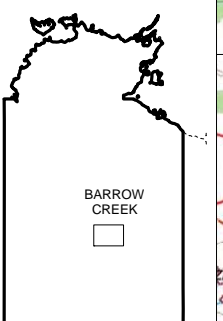
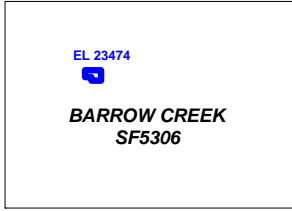
1. Summary
2. Conclusions and recommendations
3. Introduction
4. Exploration activities during the report period
5. Expenditure
6. Future Work Programme.

Appendix 1
2009 Expenditure Statement

Location Plan (1:250,000)



Location:
Barrow Creek
1:250,000 map sheet SF 53-06

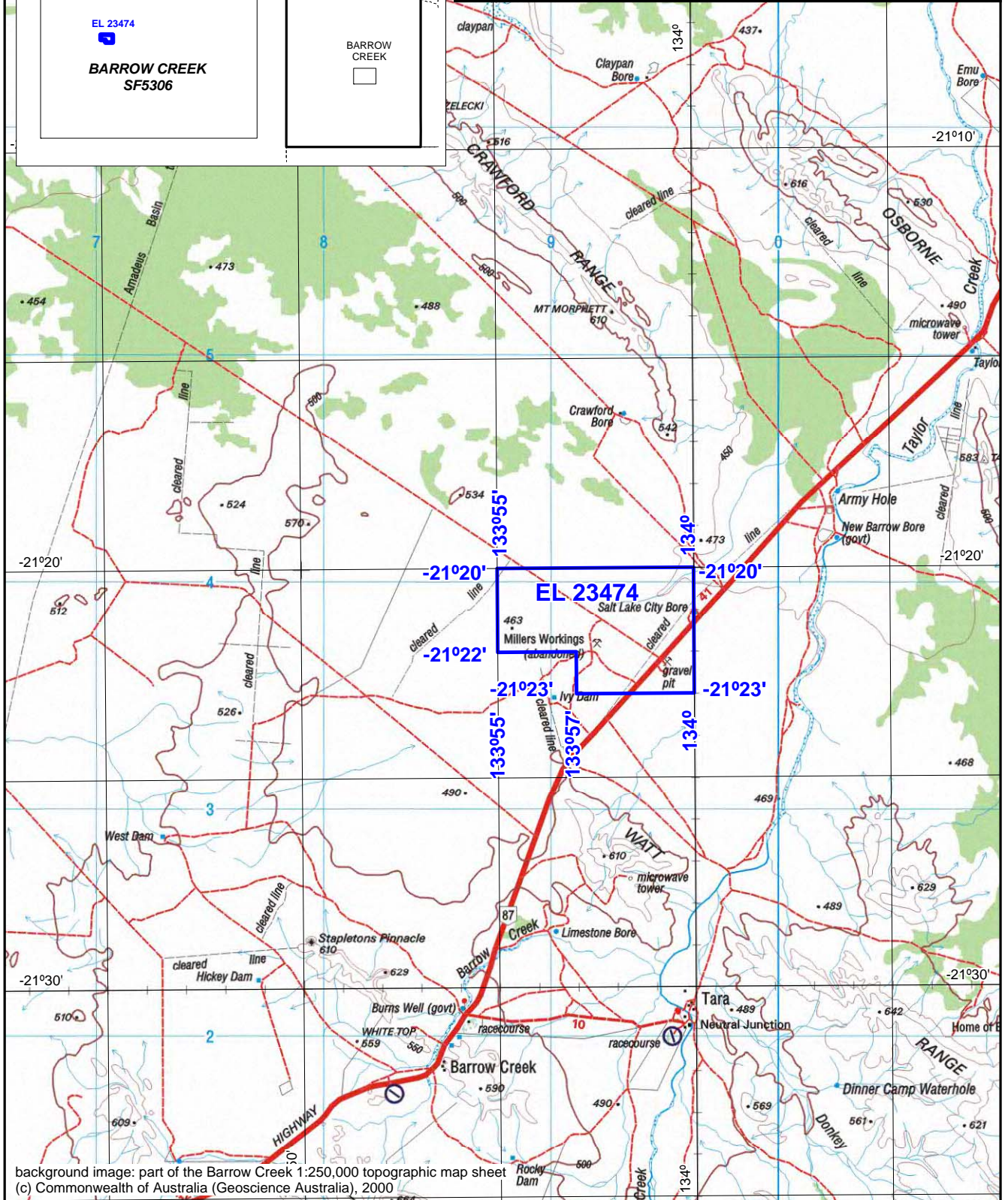


VIVTER PTY LTD

BARROW CREEK PROJECT - EL23474 - NORTHERN TERRITORY

Exploration Licence 23474 Location

	Workspace: EL23474-loc-091106.wor	Date: November 2009
	Plot file: EL23474-loc-091106.pdf	Scale: 1:250,000
	Author: ARC	Projection: Longitude / Latitude (NAD 83)
	Drawn: ARC	Plotter: HP 660c DeskJet
Flagstaff GeoConsultants		



1. SUMMARY

The Barrow Creek Project, Exploration Licence 23474, lies 20 km north of Barrow Creek in the central Northern Territory.

The lease area is mostly covered by Cainozoic sediments but includes some small-scale abandoned tin-tantalite workings. Similar workings extend to the south where they appear to be hosted by the early-mid Proterozoic Bullion Schist metasediments of the Arunta Inlier. The mineralization is predominantly pegmatite-related.

The tantalite mineralisation within the lease area contains high-grade material. Vivter Pty Ltd considers the area to have the potential to host an economic tantalite resource. A substantial amount of work was conducted over the previous three years by joint venture partner Australian Tantalum Pty Ltd, a wholly-owned subsidiary of Haddington Resources Limited. This joint venture was terminated by Haddington Resources, halfway through the current reporting period, due to budgetary cutbacks in the current economic environment. Vivter has commenced discussions with other prospective partners to manage further exploration.

2. CONCLUSIONS AND RECOMMENDATIONS

The licence area is interpreted as prospective for tantalite mineralization.

Small-scale historic workings in the lease area exploited mineralization including high-grade coarse tantalite ore. Much of the area is concealed by Cainozoic alluvium and other sediments. Vivter Pty Ltd believes more extensive tantalite mineralization may exist beneath cover and at depth. Exploration by former partner Australian Tantalum Pty Ltd included the identification of several geochemical anomalies in areas of surficial cover which warrant further investigation.

Areas of identified anomalism may warrant drill testing. Geophysical methods may also be considered as a guide to potential continuity or extensions of recognised mineralization. The usefulness of available geophysical data should be assessed and more detailed surveys could be considered.

3. INTRODUCTION

Exploration Licence 23474 is located in the central Northern Territory. The Stuart Highway passes through the southeast of the licence about 20 km north-north-east of Barrow Creek. The lease covers an area of 41.58 km² (13 blocks).

The lease covers the northern end of a five-to-ten kilometre belt of several small historic mine workings. These workings exploited predominantly tantalite-tin mineralization, hosted by pegmatite intrusions in early-mid Proterozoic metamorphics (Bullion Schist metasediments of the Arunta Inlier). Mineralization within the lease includes coarse high-grade tantalite. Basement outcrop within the lease appears to be minimal, however, and the lease area is mostly covered by Cainozoic sediments which may obscure more extensive mineralization. There is also potential for placer accumulations within a large

Quaternary drainage which crosses the middle of the lease.

Vivter's objective is to test for an economic tantalite resource. The company is actively pursuing a joint venture arrangement to manage further exploration.

Previous annual reports, prepared by Haddington Resources Limited, provide more detailed discussion of the project geology, previous work and work conducted by Australian Tantalum Pty Ltd ("ATL") in partnership with Vivter Pty Ltd.

Work conducted by ATL included

- geological mapping of the whole lease area
- soil sampling and analysis – 603 samples
- rock-chip sampling and analysis – 84 samples
- mobile metal ion (MMI) sampling and analysis – 406 samples.

In addition to tantalite prospectivity, ATL's work also identified some anomalism in

- Uranium:- MMI sampling identified a stronger uranium response in the north of the lease, and one rock-chip sample of pegmatite mullock (with green muscovite) from Millers South workings assayed 35.51 ppm uranium (sample 10068039), indicating potential for moderate uranium anomalism at least.
- Rare elements:- Strong anomalism is evident in some pegmatite rock-chip samples in
 - Rubidium – up to 5667 ppm (sample 10068035)
 - Caesium – up to 1428 ppm (sample 10068021)
 - Lithium – up to 776 ppm (sample 3061009)
- Gold:- Only very slight gold anomalism was evident in soil/MMI sampling – up to 8.2 ppb. Only a few rock-chip samples were analysed for gold, but one (10068071) was slightly elevated (0.03 ppm). This sample is described as "*Quartzite ridge, intense veining, silicified, hematite alteration*".

4. EXPLORATION ACTIVITIES DURING THE REPORT PERIOD

Activities on the licence were restricted:

1. due to the withdrawal from the joint venture arrangement of Australian Tantalum Pty Ltd in March 2009, nearly halfway through the reporting period;
2. pending the outcome of joint venture discussions with other prospective interested parties.

Preliminary joint venture discussions have been conducted with Newmont Tanami Pty Ltd and Toro Energy Limited, which are both actively exploring the surrounding areas.

Vivter Pty Ltd conducted a reconnaissance field trip to the project during the period, but no work was done to generate numerical results (e.g. sample analysis).

5. EXPENDITURE.

Expenditure on the licence was restricted principally by the withdrawal from the joint venture arrangement of Australian Tantalum Pty Ltd in March 2009, nearly halfway through the reporting period.

Any expenditure attributable to the project by the former joint venture partner in the first half of the reporting period is not known but is inferred to have been minimal.

Estimated expenditure for the report period totals approximately \$15,000 (itemised in the Expenditure Statement, appended here for reference as Appendix 1). This is less than the covenant proposed by Australian Tantalum Pty Ltd for the reporting period, but, in mitigation, expenditure for the previous two years was substantially more than the covenants for those periods:

- In 2006-2007, \$49,496.05 was spent, against a covenant of \$25,000;
- In 2007-2008, \$36,928.22 was spent, against a covenant of \$25,650.

6. FUTURE WORK PROGRAMME.

Joint venture discussions will continue. Vivter considers that the project could be best assessed by a large company actively exploring other tenements in the surrounding area.

Other work being considered includes:-

- compilation and review of work to date
- detailed geological mapping to better define areas of historic workings, mineralised outcrop/subcrop, basement outcrop/subcrop and thick alluvial/colluvial cover;
- geochemical sampling (rock-chip, stream sediment, soil as appropriate) to assess extents and grades of mineralisation accessible at surface;
- review of available geophysical data to assess its usefulness in defining and tracing mineralisation and/or related geology/structures

More detailed geophysical surveying may be applicable to better define prospective drill targets.

Based on the results of such work, drilling may be conducted.

Possible proposed expenditure for the 12 months ending 31 October 2010 will be dependent on the progress of joint venture negotiations. Expenditure of the order of \$25,000 is anticipated.

Ross Caughey
09 November, 2009

References:

Caughey, A.R., 2003, 'Millers Project, Northern Territory of Australia, Annual Report for Exploration Licence No. 23474 for the period ending 31st October 2003', *Flagstaff GeoConsultants Pty Ltd*.

Caughey, A.R., 2004, 'Millers Project, Northern Territory of Australia, Annual Report for Exploration Licence No. 23474 for the period ending 31st October 2004', *Flagstaff GeoConsultants Pty Ltd*.

Caughey, A.R., 2005, 'Millers Project, Northern Territory of Australia, Annual Report for Exploration Licence No. 23474 for the period ending 31st October 2005', *Flagstaff GeoConsultants Pty Ltd*.

de Kever, N., 2006, 'Barrow Creek Project, NT, EL 23474, Annual Report for the period 31st October 2005 to 30th October 2006, *Haddington Resources Ltd*.

de Kever, N., 2007, 'Barrow Creek Project, NT, EL 23474, Annual Report for the period 31st October 2006 to 30th October 2007, *Haddington Resources Ltd*.

de Kever, N., 2008, 'Barrow Creek Project, NT, EL 23474, Annual Report for the period 31st October 2007 to 30th October 2008, *Haddington Resources Ltd*.

Appendix 1

2009 EXPENDITURE STATEMENT

NORTHERN TERRITORY EXPLORATION EXPENDITURE FOR MINERAL TENEMENT

Section 1. Tenement type, number and operation name: (One licence only per form even if combined reporting has been approved)

Type	Exploration Licence
Number	EL 23474
Operation Name (optional)	Barrow Creek project

Section 2. Period covered by this return:

Twelve-month period:		If Final Report:	
From	31 October 2008	From	
To	30 October 2009	To	
Covenant for the reporting period:		\$26,000	

Section 3. Give title of accompanying technical report:

Title of Technical Report	Barrow Creek Project, Northern Territory of Australia, Annual Report for Exploration Licence EL 23474 for the year ending 30 th October 2009
Author	A.R. Caughey

Section 4. Locality of operation:

Geological Province	Aileron
Geographic Location	Barrow Creek

Section 5. Work program for the next twelve months:

Activities proposed (please mark with an "X"):	
<input type="checkbox"/> Drilling and/or costeaming	<input type="checkbox"/> Airborne geophysics
<input checked="" type="checkbox"/> Literature review	<input type="checkbox"/> Ground geophysics
<input type="checkbox"/> Geological mapping	<input checked="" type="checkbox"/> Other: (subject to joint venture negotiations)
<input type="checkbox"/> Rock/soil/stream sediment sampling	
Estimated Cost:	\$25,000

Section 6. Summary of operations and expenditure:

Please include salaries, wages, consultants fees, field expenses, fuel and transport, administration and overheads under the appropriate headings below. Mark the work done for the appropriate subsections with an "X" or similar, except where indicated. Complete the right-hand columns to indicate the data supplied with the Technical Report. Note overheads are not to exceed 15% of total.

Do not include the following as expenditure (if relevant, these may be discussed in Section 7):

- Insurance
- Company Prospectus
- Rent & Department Fees
- Bond
- Transfer costs
- Title Search
- Legal costs
- Advertising
- Land Access Compensation
- Meetings with Land Councils
- Payments to Traditional Owners
- Fines

Exploration Work type	Work Done (mark with an "X" or provide details)	Expenditure	Data and Format Supplier in the Technical Report	
			Digital	Hard copy
Office Studies				
Literature search	X	1,000	X	
Database compilation				
Computer modelling				
Reprocessing of data				
General research	X	3,500		
Report preparation	X	1,500	X	
Other (general overheads + prospective joint venture discussions)	X	2,000		
Subtotal		\$8,000		
Airborne Exploration Surveys (state line kms)				
Aeromagnetics		kms		
Radiometrics		kms		
Electromagnetics		kms		
Gravity		kms		
Digital terrain modelling		kms		
Other (specify)		kms		
Subtotal		\$		
Remote Sensing				
Aerial photography				
LANDSAT				
SPOT				
MSS				
Other (specify)				
Subtotal		\$		
Ground Exploration Surveys				
Geological Mapping				
Regional				
Reconnaissance				
Prospect				
Underground				
Coastal				
Ground Geophysics				
Radiometrics				
Magnetics				
Gravity				
Digital terrain modelling				
Electromagnetics				
SP/AP/EP				
IP				
AMT/CSAMT				
Resistivity				
Complex resistivity				
Seismic reflection				
Seismic refraction				
Well logging				
Geophysical interpretation				
Petrophysics				
Other (specify)				

This form should accompany any Annual or Final Report
Email to: Geoscience.info@nt.gov.au

Geochemical Surveying and Geochronology					
<i>(state number of samples)</i>					
Drill (cuttings, core, etc.)					
Stream sediment					
Soil					
Rock chip					
Laterite					
Water					
Biogeochemistry					
Isotope					
Whole rock					
Mineral analysis					
Laboratory analysis (type)					
Petrology					
Other (specify)					
Ground Exploration Subtotal					\$
Drilling (state number of holes & metres)					
Diamond		holes	metres		
Reverse circulation (RC)		holes	metres		
Rotary air blast (RAB)		holes	metres		
Air-core		holes	metres		
Auger		holes	metres		
Other (specify)		holes	metres		
Subtotal					\$
Other Operations					
Costeaming/Trenching					
Bulk sampling					
Mill process testing					
Ore reserve estimation					
Underground development (describe)					
Mineral processing					
Other (site visit and inspection)		X		7,000	
Subtotal					\$7,000
Access and Rehabilitation					
Track maintenance					
Rehabilitation					
Monitoring					
Other (specify)					
Subtotal					\$
TOTAL EXPENDITURE					\$15,000

Section 7. Comments on your exploration activities:

For the first half of the reporting period, the project was managed by joint venture partner Australian Tantalum Pty Ltd ("ATL"), a wholly-owned subsidiary of Haddington Resources Limited. ATL terminated the joint venture in March 2009. Expenditure prior to this is not known and has not been included here, but is inferred to have been minimal.

Vivter considers the project can best be explored by a larger company, such as Haddington Resources, and Vivter is in discussions with other prospective joint venture partners.

Expenditure for the period fell well short of the covenant of \$26,000 proposed by Haddington Resources. In mitigation, it should be noted that

- termination of the joint venture with ATL in the middle of the period greatly hampered Vivter's ability to conduct meaningful exploration, or to enlist a replacement partner in the period
- expenditure in the preceding two years greatly exceeded the covenants: combined covenants for 2007 & 2008 was just over \$50,000 but expenditure was over \$85,000.

I certify that the information contained herein, is a true statement of the operations carried out and the monies expended on the above mentioned tenement during the period specified as required under the *Northern Territory Mining Act* and the Regulations thereunder.

I have attached the Technical Report

1. Name: Ross Caughey

Position: Geologist

Signature:

Date: 09 November 2009

2. Name:

Position:

Signature:

Date: