FERMI URANIUM PTY LTD
ABN 14 120 807 267

BRUMBY DAM

EXPLORATION LICENCE EL25700

ANNUAL REPORT
FOR THE PERIOD ENDED AUGUST 2009

Tenement(s): EL25700
Owner: Fermi Uranium Pty Ltd (100%)
Operator: Fermi Uranium Pty Ltd
Date: November 2009
Distribution: Fermi Uranium (1)
NT Department of Regional Development, Primary Industry, Fisheries and Resources (1)
1.0 SUMMARY

EL 25700 (the “Tenement”) occurs north east of Alice Springs on the Alice Springs (SF5314) 1:250,000 map sheet. Fermi Uranium Pty Ltd (“Fermi”) acquired the tenement through application as per the table below.

<table>
<thead>
<tr>
<th>Permit</th>
<th>Area km²</th>
<th>Application Date</th>
<th>Grant Date</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 25700</td>
<td>35</td>
<td>6-Nov-06</td>
<td>24-Aug-07</td>
<td>100% Fermi</td>
</tr>
</tbody>
</table>

The permit was part of a joint venture arrangement with Newera Uranium Limited (“Newera”) until March 2009. At this point, Newera ceased exploration activities and withdrew from the joint venture.

Field work for the 2009 exploration program (permit year 2) comprised a brief rock chipping program and field reconnaissance visit. Results are included in this report. Total expenditure was $26,248.

2.0 LOCATION and ACCESS

The Tenement is located approximately 115 km north east of Alice Springs (Figure 1). Access is via the Arltunga road and local tracks.
Figure 1: Location Map for EL25700.
3.0 GENERALISED EXPLORATION CONCEPT

**Figure 2:** Local uranium-rare earth occurrences from the NTGS.

The occurrences highlighted above in Figure 2 are hosted in pegmatic dykes and mylonites. The occurrences above were taken from Hussey, K.J., 2003, Rare earth element mineralisation in the eastern Arunta Region. *Northern Territory Geological Record, 2003-004.*

The previous operator acquired two rock chip samples as tabulated below while investigating the area for base metals potential. Samples appear to have been selected on the basis for having potential for potassic alteration and are marked with red stars above.

<table>
<thead>
<tr>
<th>Sample ID</th>
<th>Project</th>
<th>Project Area</th>
<th>Easting</th>
<th>Northing</th>
<th>V ppm</th>
<th>P2O5 %</th>
<th>K %</th>
<th>Sr ppm</th>
<th>Th ppm</th>
<th>U ppm</th>
<th>S %</th>
<th>Ca %</th>
<th>Al %</th>
</tr>
</thead>
<tbody>
<tr>
<td>NR111</td>
<td>Brumby</td>
<td>B1</td>
<td>491444</td>
<td>7424203</td>
<td>13</td>
<td>0.06</td>
<td>0.38</td>
<td>297</td>
<td>3</td>
<td>1</td>
<td>0.48</td>
<td>1.94</td>
<td>7.8</td>
</tr>
<tr>
<td>NR112</td>
<td>Brumby</td>
<td>B1</td>
<td>491433</td>
<td>7424240</td>
<td>6</td>
<td>0.03</td>
<td>0.53</td>
<td>443</td>
<td>&lt;1</td>
<td>&lt;0.01</td>
<td>1.99</td>
<td>7.5</td>
<td></td>
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</tbody>
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