

TRUSCOTT MINING CORPORATION LTD

(ABN 31116 420 378)



EWAN EDWARD PROJECT

REPORT NUMBER

PARTIAL RELINQUISHMENT REPORT FOR THE PERIOD

17 July 2007 TO 16 July 2010

EXPLORATION LICENSE E25577

TENNANT CREEK REGION

1:250 000 SHEET TENNANT CREEK SE-14

1:100 000 SHEET TENNANT CREEK 5759

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1. SUMMARY

This report details exploration undertaken over the area of 50% 3rd year compulsory drop off for EL25577 for the period from 17th July 2007 and 18th July 2010.

Exploration carried out on the drop off area EL25577 included:

- Data Compilation
- Regional 1:20 000 Geological Mapping

A verification report that lists work completed within the drop off area of EL25577 is located in Appendix 1.

Truscott Mining Corporation Ltd (TRM) controls 100% of the leases and as such is tenement managers.

The tenement covers an area of 6.3km² and is located approximately 25km east of Tennant Creek in the Northern Territory.

Table 1 summarizes the exploration activities completed during the reporting period.

Table 1 EL25577 2010 Drop Off - Summary of Exploration Activities

Tenements	Sampling	Drilling	Geophysics	Mapping
EL25577				1:20 000

A complete copy of this report as a PDF File “**EL25577_2010_P_01_PartRelinqu.Rept**” as well as figures, appendices, and plans can be found on the computer disk that accompanies this report.

2. INTRODUCTION

EL25577 is a granted Exploration Licenses that covers approximately 6.3km² in area and is located approximately 25km east of Tennant Creek in the Northern Territory.

The tenement is part of the Ewan Edward Project in the Tennant Creek Mineral field and is prospective for epigenetic structurally controlled ironstone related gold copper mineralization.

EL25577 is due for a compulsory 50% relinquishment 17th July 2010. This report details exploration activity completed over the relinquished portion of EL25577 during the period between 17th July 2007 and 16th July 2010. Unless indicated, all co-ordinates are expressed using the GDA94 Zone 53 system.

3. CONCLUSION AND RECOMMENDATION

Exploration undertaken to date has identified prospective iron formations hosted in the Warramunga Formation that in structural settings that elsewhere in the Tennant Creek region host significant ore grade gold and copper mineralization. Regional ground mapping in conjunction with regional magnetic data has identified shear zones cross cutting folded sequences of hematite and iron oxide units hosted within the Warramunga Formation. Zone of intense alteration has been identified along the contact margins between felsic intrusive bodies and sedimentary units. Rock chip samples collected throughout EL25577 have returned elevated values of copper.

The portion of EL25577 to be relinquished forms a small strip of ground adjoining a northeastern block of EL25577 that will be retained (Figure 1). The portion to be relinquished is mostly under cover and is small relatively small in area and considered to be of lower priority and prospectivity as compared to the remained of the tenement. It is therefore recommended that this portion of EL25577 be relinquished.

4. LOCATION AND ACCESS

EL25577 is centred about 25kms east-southeast from Tennant Creek township, and falls within the area of 1:100,000 map sheet 5758 (Tennant Creek) (Figure 1).

Access to the tenement is eastward from Tennant Creek along sealed road towards the former Peko and Nobles Nob mine sites, continuing east on the well maintained Gosse River gravel road for about 9kms to a gate in the Tennant Creek Pastoral Lease boundary fence (Figure 2).

5. TENEMENT STATUS AND REPORTING

Under an agreement reached with Davos Resources Pty Ltd, Truscott acquired title to EL25577 which was initially under application, within two days of their grant. Truscott Mining Corporation Ltd (TRM) now controls and manages 100% of the lease.

The license was granted on 17th July, 2007 for a period of 6 years.

The entire lease area of EL25577 falls within Perpetual Pastoral Lease 1142 of Tennant Creek Station. To the south the land is held under Crown Lease Perpetual 1109 by Australian National University. To the southwest and southeast of EL25577 is Aboriginal freehold land held by the Warumungu Aboriginal Land Trust.

A clearance survey conducted by the Aboriginal Areas Protection Authority recorded no Heritage Sites within the tenement boundaries. One significant site was identified approximately 1Km to the east of the lease (Figure 3). An authority certificate has been issued for mining exploration and mining, including the construction of infrastructure.

Tenement details for the portion of EL25577 to be relinquished are outlined fully in Table 2.



Figure 1 EL25577 2010 Drop Off - Regional Location (Shown in Green)

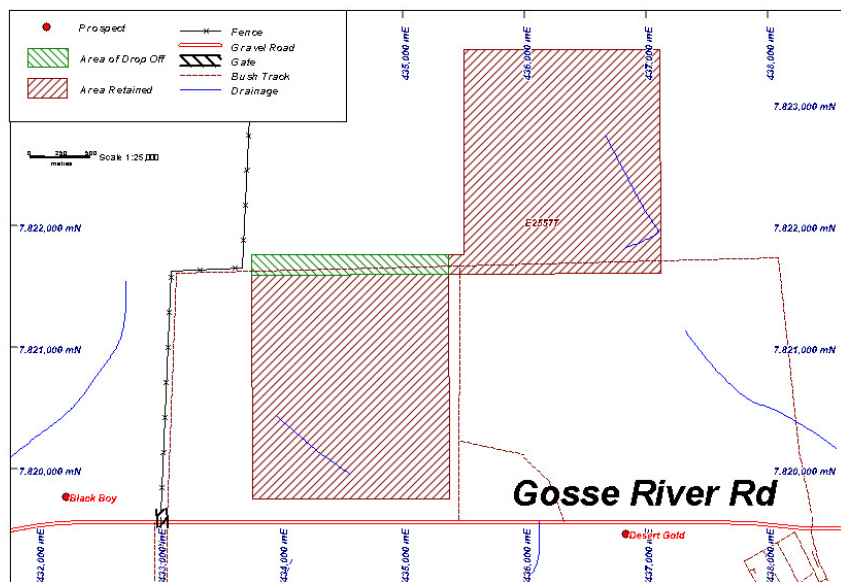


Figure 2 EL25577 2010 Drop Off - Local Access

Table 2 EL25577 2010 Drop Off Tenement Details

Tenement	Area (sqkm)	Registered Holder	Type	Date Granted	Relinquishment Date
EL 25577	0.26	Truscott Mining	Exploration	17/07/2007	16/07/2010

6. REGIONAL GEOLOGY

Regionally, the palaeo-proterozoic Tennant Creek Inlier outcrops over more than 45,000 sqkms and is surrounded by younger Cambrian and Mesozoic flat lying cover. It comprises three separate geological provinces – from north to south these are the Ashburton, Warramunga (or Tennant Creek) and Davenport provinces.

EL 25/577 lies within the southeastern portion of the central Warramunga province. This geological region includes the Tennant Creek Goldfield.

Almost all known Au (\pm Cu \pm Bi) mineralization in the Tennant Creek Goldfield is hosted by massive hematite and magnetite ironstones within the Warramunga Formation, a coarsening-upwards sequence of silty to sandy turbiditic flysch sediments at the base of the inlier sequence. Sheared quartz porphyry intrusives are often locally present.

Estimated minimum thickness of the Warramunga Formation is about 3,000m, although the base is not exposed. Maximum age of deposition has been recorded as 1860Ma, and these rocks are believed to have been rapidly deposited and largely derived from contemporaneous rhyodacitic to rhyolitic volcanics in a continental island arc setting.

Deformation of Warramunga sediments during the Barramundian Orogeny (D1, 1845-50Ma) produced moderate to tight upright folding with east or east-southeast trending fold axes and a well developed axial planar slaty cleavage (S1). This was accompanied by intrusion of “early” granites and smaller porphyries.

Southeast of Tennant Creek, the volcano-sedimentary Flynn Subgroup succession was deposited more or less contemporaneously with this intrusive activity, with rhyolitic volcanics probably representing an extrusive phase.

The massive ironstones within the Warramunga Formation are discordant to occasionally stratabound, and are generally accepted to be of replacement origin. Donellan et al (1999) proposed that these pods and pipe-like bodies were formed during D1 deformation as an oxide phase, when hematitic iron oxides were remobilized from sediments and magmatic intrusives by moderately saline connate brines.

Ironstone bodies formed where iron oxide-rich fluids were concentrated in favorable dilational structural and stratigraphic traps, after migrating along cleavage planes and shear zones. They are typically located in structural flexures near hinge zones of the main east-northeasterly trending fold axes. This D1 event was followed in about 1830-20Ma by a reactivation of earlier fabrics by progressive dextral shear, which resulted in development of extensional fractures in the oxide iron pods within ductile chloritic shear zones. Gold bearing sulphidic mesothermal metamorphic fluids then infilled fractures and replaced zones in some of the hematite bodies., resulting in magnetite-sulphide ore bodies with chlorite, talc and dolomite alteration haloes variably developed according to local geological conditions.

Details of regional geology, structure and mineralization are included in the 1:250,000 (SE53-14) and 1:100,000 (5758) Tennant Creek sheet notes (Donellan et. al. 1999, Donellan et. al. 1995),

7. LOCAL GEOLOGY AND MINERALISATION

Within the Tennant Creek province, the southern boundary of the Warramunga Formation is marked by a fault zone which separates predominantly silty Warramunga sediments to the north from Flynn Subgroup felsic volcanics, sediments and coeval “early” granites to the south.

This regional structure runs approximately east-southeast for 30km from west of Mt Samuel to south of EL 25/577, where it swings to an east-northeasterly direction.

As shown on the Tennant Creek 1:250,000 Geological Map, most of EL25577 is covered by Quaternary sand, sandy soils, colluvium and scree Figure 3.

The NTSTRIKE database shows nine abandoned mines, prospects or mineral occurrences within 2km of EL 25/577. These are, from west to east, the Black Boy, Red Terror, Golden Dingo, Desert Gold, New Hope, Plumb, Comstock, Desert Hope and The Flag. Total recorded production from these deposits is 4,280oz gold at an average recovered grade of 28g/t Au, and ranging from 13-80g/t Au.

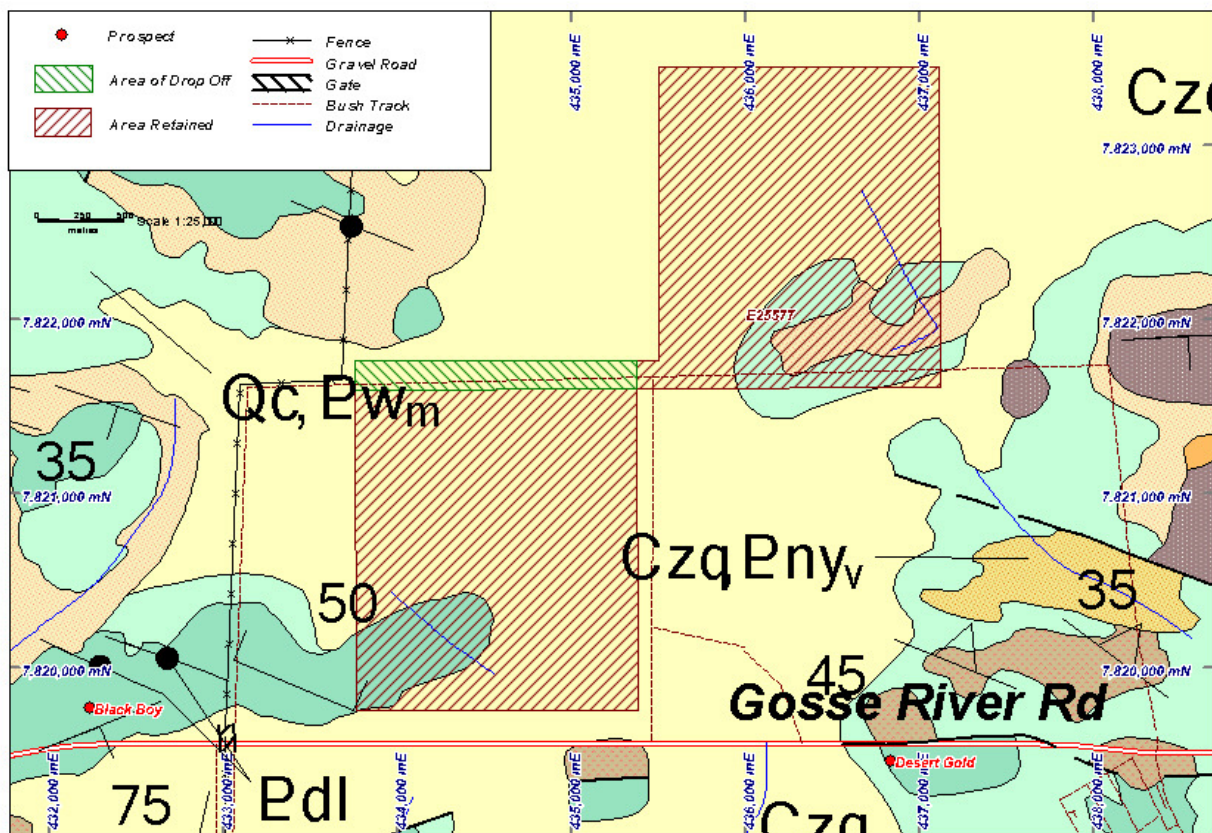


Figure 3 EL25577 2010 Drop Off NT Gov Mapping

8. PREVIOUS EXPLORATION

There is little evidence of exploration within the area of EL 25/577 although the ground has been held intermittently, usually as part of a much larger tenement. Most historical exploration was aimed at defining and testing “bull’s eye” magnetic targets, based on the traditional Tennant Creek style magnetite ironstone ore model. Truscott’s main target is low magnetic hematite-quartz ironstone deposits, similar to the Nobles Nob +1 million ounce orebody.

In 1965, Mining Reserve 244 was established south of the present boundary of EL 25/577, restricting exploration of this reserved area. NTGS on-line records and historic maps indicate the first modern tenement over the area was Authority to Prospect AP 1253, from 1964 to 1968. This covered much of the mineralized corridor from Eldorado to Comstock but excluded the Juno and Nobles Nob mines. Work was apparently aimed at aeromagnetic targets and no exploration was reported within the current tenement area.

Subsequent tenements held over the same area as AP 1253 from 1968 to 1976 by Australian Development Ltd and then Nobelex were AP 1947, AP 2386 and EL96, but again the focus was on magnetic targets well outside the current tenure.

Between 1976 and 1984 the ground was vacant, and although there was an application for EL 2817 in 1980 it lapsed and no work was reported. In November 1978, part of the area was included in the wider Warumungu land claim.

Peko Wallsend held the area as part of EL 4536 between 1984-1987, and their exploration emphasis was on aeromagnetic targets. The ground was again vacant during 1987-1988 apart from some small areas held under MCC’s.

During 1991 -1995, part of the area was covered by a joint venture between North Flinders Mines and Roebuck Resources (EL 7410, EL 7793). Most of the JV exploration was aimed at more subtle aeromagnetic targets, with limited soil and rock chip sampling and shallow geochemical drilling.

Rock chip values to 3ppb Au and 11ppm Cu were recorded by the JV near Golden Dingo. They considered this area to have potential due to encouraging geology and structure (shearing in ironstone associated with talc alteration and porphyry) and recommended follow-up. This was not done, apparently due to proximity of the tenement boundary.

The ground remained vacant from 1995 to 2006.

Davos Resources Limited applied for the ground in 2006.

During November 2006 consulting geologists Kastellco Geological consultancy, working for Davos Resources Limited, identified high potential Au-Cu-Bi exploration targets which resulted in the identification of several high priority targets.

Extensive moderate to high magnetic and gravity anomalies were identified as targets for gold-copper-bismuth mineralization. Through detail interpretation of airborne magnetic and gravity data from the Northern Territory Geological Survey several more magnetic/gravity anomalies were identified.

Truscott acquired title to EL25577 which was initially under application, within two days of their grant in July 2007.

9. EXPLORATION DURING THE 2007-2010 PERIOD

Exploration carried out on the relinquished portion of EL25577 for the period 17th July 2007 to July 16th 2010 included:

- Data Acquisition & Compilation
- 1: 20 000 Geological Mapping

9.1 Data Acquisition & Compilation

After acquiring EL25577 and assuming management of the property, Truscott Mining carried out a review in early 2007 of all previous exploration data. The data for the portion of EL25577 to be relinquished included aeromagnetic data and regional mapping.

The historical mapping was compiled and used as a basis for future mapping programs.

9.2 1:20 000 Geological Mapping

Geological mapping at 1:20 000 scale was undertaken over the relinquished portion of EL25577 during June 2008 (Figure 4). Base images were acquired from "Google Earth". A plan showing the area mapped is presented as Plan 1.

The field mapping has giving a better understanding of the relationships between geological structures and lithologies and potential gold and copper mineralization within EL25577.

There is little outcrop in the area of the portion of EL25577 to be relinquished and is mostly covered by colluviums.

10. FUTURE WORK

No further work is planned for the portion of EL25577 to be relinquished

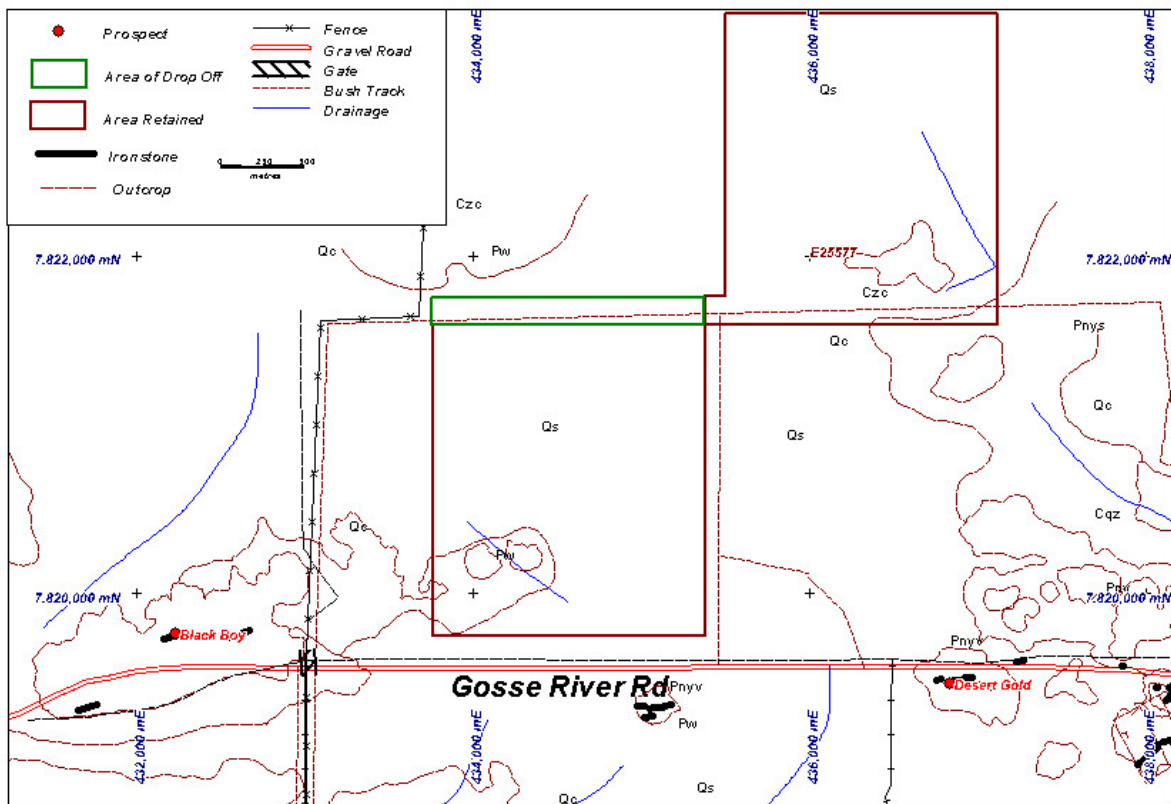


Figure 4 EL25577 2010 Drop Off 1:20 000 Geological Mapping

11. REFERENCES

- Donnellan N., Hussey K.J. & Morrison R.S. 1995 Tennant Creek 5758 Flynn 5759 Explanatory Notes 1:100 000 Geological Map Series Northern Territory Geological Survey Government Printer NT.
- Donnellan N., Morrison R.S., Hussey K.J. Ferenczi P.A. & Kruse P.D. 1999 Tennant Creek SE 53-14 Explanatory Notes 1:250 000 Geological Map Series Northern Territory Geological Survey Government Printer NT.