W.J. & E.E. FISHER PTY. LTD.

PRINCIPAL: W.J. FISHER, AM F.AUS. I.M.M., F.I.M.M., Mem. MICA

EXPLORATION & MINING CONSULTANTS

A.C.N. 009 622 137 19 KIRKLAND CRESCENT PO BOX 3167 DARWIN NT 0801 AUSTRALIA Tel. {08}:89 819381

Fax. {08} 89816320 The Mining Registrar Department of Mines and Energy

NT Government **GPO Box 2091** Darwin NT 180

R 2 3 6 0 9

Sir

Report on Mineral Claims N664 and N979 McKINLEY RIVER.

MCN's 664 and 979 have a common boundary, are small in area and are operated as one unit. They are located on the McKinley River in a remote area served only by bush tracks that can only be used during five months of the dry season.

Work carried out in the past has not proven a viable gold resource though continued work may change this situation.

As mentioned previously the best prospects for the future is to develop the claims as fossicking areas and some interest is being generated.

There will be continued interest in attempting to locate higher-grade areas that can be worked for gold recovery while the fossicking potential is being developed.

There has been no substantive disturbance during the period and this care will continue to be exercised.

ATRAL REGISTRY

PARTMENT OF NES & ENERGY

-10. -- : shen-Yours faithfully

16-10-1998.

W. J. Fisher.