



**McMAHON
MINING
TITLE
SERVICES
PTY LTD**

30 August 2006

The Director of Titles
Department of Mines and Energy
GPO Box 3000
DARWIN NT 0801

VIA FAC

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Level 1 202 Pier Street
Perth WA 6000

PO Box 8638
Perth Business Centre
WA 6849
ABN 70 104 341 817

Dear Sir/Madam

**RE: ANNUAL EXPENDITURE REPORTS FOR TENEMENTS MANAGED BY
GRANGE RESOURCES LTD**

On behalf of Grange Resources Ltd (as the managers of the tenement) we seek to be relieved from lodging an annual report for the following tenements as no work could be undertaken given the native title constraints:

PROJECT	TID	GRDATE	YEAR END
NT: MT SAMUEL	MLC 527	11-Jul-55	12-Aug-06
NT: AGA KHAN	MLC 522	29-Jul-53	30-Aug-06

Please be advised that no work has been undertaken due to native title issues. Grange Resources Ltd are monitoring the situation with a view to implementing active exploration programmes when possible.

Upon receipt, please have the below acknowledgement section duly signed and returned to our office by way of facsimile transmission. Thank you for your kind assistance.

Should you have any further queries on this matter, please do not hesitate to contact our office.

Yours faithfully

David Ly
McMahon Mining Titles

I acknowledge that all of the above documents have been received by this office for the hearing of the above tenement/s.

Signature

Dated

(FOR MINING REGISTRAR)