

NICHOLSON IRON PTY LTD

Exploration Licence 25068

PROPOSED PROGRAM & BUDGET YEAR 2.

Period: 8/08/2007 to 7/08/2008

Activities Proposed:

For 2008, 2 field trips will be mounted by geological teams to investigate iron occurrences and to undertake field orientation studies at the historical Highland Plains phosphate occurrence. Based on these trips and the finalisation of the remote sensing studies, it is anticipated that Nicholson will be in a position to undertake selected drilling at the commencement of year 3.

A realistic budget for the proposed Year 2 work is **\$70,000.**