TO C/O GARRY HAMILTON TO

FROM MITSUO UEDA M/B 0423 063 775

Montfall owns several mining tenements in the Mt Tymn region of the Northern Territory and five mining tenements at Mt Ringwood, Northern Territory, all located in close proximity to the three mining tenements owned by Jiaren, thus creating a region of interest around Mt Ringwood. The mineral claims owned by Montfall are listed in the following summary tables, Tables II and III.

(1) Mt. Tymn mineral claims numbered 1326, 3026, 3029, 3030, 3032, 3033, 3035, 3036, 3038, 3039, are registered and granted mining tenements in accordance with the Mining Laws of the Northern Territory of Australia and include all stockpiled ore, overburden, samples or other materials remaining on the tenements.

(2) Mt. Ringwood mineral claims numbered 1030, 1031,1032,1033,1034 are registered mining tenements in accordance with the Mining Laws of the Northern Territory of Australia and include all stockpiled ore, overburden, samples, or other materials remaining on the tenements.

Mt Tymn, located about 125 kilometers southeast of Darwin, is situated about 1 km east of the Stuart Highway, and approximately 14 kilometers south of Adelaide River. Mt Ringwood is situated about 120 kilometers southeast of Darwin. Margaret Diggings is located 8 kilometers northwest of Emerald Springs, which is 112 kilometers north of Katherine.

Table II: A Summary of Tenements at Mt. Tymn

MCN	Contact	Holder	Grant Date	Expiry Date	Period (Yr)	Area (HECT)
3026	HAMILTON Garry Patrick	MONTFALL PTY LTD (75%) ALPHADALE PTY. LIMITED (25%)	30/06/1998	16/08/2008	10	17.05
3029	HAMILTON Garry Patrick	MONTFALL PTY LTD	30/06/1998	16/08/2008	10	17.05
3030	HAMILTON Garry Patrick	MONTFALL PTY LTD	30/06/1998	16/08/2008	10	17.05
3032	HAMILTON Garry Patrick	MONTFALL PTY LTD	30/06/1998	16/08/2008	10	17.05
3033	HAMILTON Garry Patrick	MONTFALL PTY LTD	30/06/1998	16/08/2008	10	17.05
3035	HAMILTON Garry Patrick	MONTFALL PTY LTD	30/06/1998	16/08/2008	10	17.05
3036	HAMILTON Garry Patrick	MONTFALL PTY LTD	30/06/1998	16/08/2008	10	17.05
3038	HAMILTON Garry Patrick	MONTFALL PTY LTD	30/06/1998	16/08/2008	10	17.75
3039	HAMILTON Garry Patrick	MONTFALL PTY LTD	30/06/1998	16/08/2008	10	19.58
1326	HAMILTON Garry Patrick	MONTFALL PTY LTD	30/06/1998	16/08/2008	10	20.00

THANK YOU

Table III: A Summary of Tenements at Mt. Ringwood

MCN	Contact	Holder	Grant Date	Expiry Date	Period (Yr)	Area (HECT)
1030	HAMILTON Garry Patrick	MONTFALL PTY LTD	10/03/2006	31/12/2015	10	20
1031	HAMILTON Garry Patrick	MONTFALL PTY LTD	10/03/2006	31/12/2015	10	15
1032	HAMILTON Garry Patrick	MONTFALL PTY LTD	10/03/2006	31/12/2015	10	15
1033	HAMILTON Garry Patrick	MONTFALL PTY LTD	10/03/2006	31/12/2015	10	15
1034	HAMILTON Garry Patrick	MONTFALL PTY LTD	10/03/2006	31/12/2015	10	15

Jiaren has recently applied for and been granted five mining tenements in the area of Margaret Diggings in the Northern Territory, and is also currently in the process of transferring to itself ownership of the titles to five mining tenements in the same area. These are the nine mineral claims and one exploration license listed in the following summary Table IV. They are registered mining tenements in accordance with the Mining Laws of the Northern Territory of Australia. The title to a mineral claim numbered 26641 is in the process of transfer, currently in the form of an application (Table V).

The total area of the mining tenements granted to Jiaren is 167 hectares, and that of the tenements to be transferred from Montfall is 256.68 hectares. The five tenements and the application in Margaret Diggings mentioned above have an area of 98.22 hectares. Jiaren will therefore occupy a total of 521.9 hectares upon finalisation of all the transfers of

Jiaren International Pty Limited ("Jiaren") currently has eight mining tenements at Mt Ringwood and Margaret Diggings, located in the Pine Creek area in the Northern Territory. These tenements are prospective for gold and preparatory work is underway to extract gold or delineate gold resource from these tenements under the Company's control.

During April 2008, the Pine Creek project area including Mt Tymn was visited by the Company's geological consultants, Dr Richard Haren and Ms Kay Philip in the company of Mr Ray Hall, a consultant from EcOz in Darwin. Mr Hall's role is to assist the Company in the development of the Company's Mine Management Plan (MMP) to enable Jiaren to commence mining operations as soon as possible in the region. This report is prepared on the basis of a review of previous geological studies, company reports, public data, file notes on discussion with mining professionals, as well as the field visit and site survey.

The Company currently has contracted with Montfall to transfer to Jiaren all of the shares in Montfall. Montfall owns ten mining tenements in the Mt Tymn region of the Northern Territory and five mining tenements at Mt Ringwood, Northern Territory, all located in close proximity to the three mining tenements owned by Jiaren, thus creating a region of interest in this part of the Pine Creek area.

Additionally, Jiaren has recently applied for and been granted five mining tenements in the area of Margaret Diggings in the Northern Territory, and is currently in the process of transferring to itself ownership of the titles to five mining tenements in the same area. These are thus ten mining tenements comprising nine mineral claims and one exploration license which are listed in the summary table, Table IV above.

The Mount Tymn tenements are located in the Central Part of the Early Proterozoic Pine Creek Geosyncline. The Central region exhibits lower greenschist metamorphics and structures dominated by upright Northwest or North trending folds.

The tenements are hosted by metasediments that have been assigned to the Burrell Creek Formation by the Bureau of Mineral Resources (although petrological examination of drill chips by Alphadale suggests these metasediments have similarities to the South Alligator Group metasediments). The Burrell Creek Formation consists of interbedded shale, slate, phylite, siltstone, sandy siltstone, greywacke and rare volcanolithic pebble conglomerate. The sediments of the prospect area consist of massive feldspathic lithic greywacke and silstones and, overlying these sediments, a medium grained sandstone which contains layers of conglomerate. The Burrell Creek Formation hosts a variety of vein-type Au, Sn, and Pb-Zn-Cu deposits.

Mount Tymn displays a similar style of mineralization to other mineable orebodies of the Pine creek Geosyncline (eg. Pine Creek) and consists of saddle reef veining associated with North North West trending tight folding and irregular breccia zones. Mineralized veining includes arsenopyrite - free gold quartz reefs and auriferous massive arsenopyrite lodes.

Previous study shows the alluvial deposits in the general combined area (all mining leases held by Jiaren and Montfall) to be characterized by a coarse composition, which is beneficial to the extraction and treatment of fine gold. As with several Pine Creek goldfields, the high grade hard rock zones at Mt Tymn have been described as part of a "major mineralized system" by a team of independent geologists who reviewed the data in the 1990's.

Exploration work on the mining claims at Mt Tymn and Mt Ringwood were previously carried out by numerous mining companies. These include WMC, Australian Overseas Mining N.L., Billiton, Lynch Mining, Werrie Gold, Pacific Gold and others.

Exploration during 1995 at Mt Tymn was conducted by Alphadale Pty Ltd. The company drilled 3893m designed to test the continuity of the Central Hill anomaly and

mineralization. The Mt Tymn tenements host numerous collapsed stopes and shallow workings that target outcropping auriferous quartz veining. Earlier drilling by Billiton on the "Central Reef" zone recovered an intersection of 7m grading 25g/t gold. This intersection is significant and was followed up by Alphadale's drilling during 1995.

Alphadale's initial ground work defined three anomalous regions referred to as South Hill, Central Hill and North Hill anomalies. The North Hill anomaly recorded rock chip vein samples grading up to 211 g/t gold. However the best drill intersections so far came from the Central Hill anomaly and included those below as well as numerous others:

Drillhole Number	Length of Intercept and Grade
MTRC-007	7m@25.92g/t
MTRC-043	9m@6.4g/t
MTRC-049	1m@13.9g/t
MTRC-052	12m@1.8g/t
MTRC-054	4m@3.01g/t
MTRC-056	10m@1.0g/t
MTRC-057	19m@1.0g/t
MTRC-060	12m@1.8g/t
MTRC-061	14m@1.0g/t
MTRC-066	5m@1.4g/t
MTRC-075	7m@2.3g/t
MTRC-108	28m@1.8g/t
MTRC-114	37m@1.1g/t 10m@1.4g/t
MTRC-116	9m@2.5g/t
MTRC-117	13m@1.9g/t

The length of these intercepts and their grade suggest that drilling was undertaken in a mineralized system of real significance. All of these drill holes except for one were drilled in the same direction. The drilling targeted an area which was 500m long and 150m wide, a significant zone of mineralization within a shear zone that is more than 2km long.

The nature of the mineralization is such that it occurs in a complex shear zone with multiple folds. Given that all the drill holes except one were drilled in the same direction, it is highly probable that these results could have been improved if the directions in which the drill holes were made were aligned more to the multi-directional pattern of mineralization.

Alphadale reported that "gold was seen to be both coarse grained and spotty", suggesting to the writer that the assay values above may not be a true reflection and may indeed understate the grade in the mineralized intersections. It could be that the actual grades are significantly higher. The Alphadale geologists suggested "the lower grades than anticipated are however not considered to be discouraging, as the coarse grained and spotty nature of the gold would make it difficult to both drill and assay for".

The writer is of the firm opinion that the available data may be further enhanced by a review including an assessment of any ground based geophysical surveys to determine whether the drilling was adequately targeting the major ore forming direction at Mt Tymn. For the sake of conservatism, no value has been attributed to the potentially highly significant hard rock resource at Mt Tymn, but the drilling results are nevertheless of real significance.

The fact that in this analysis no value has been attributed to the potential hard rock resource at Mt Tymn in the interest of conservatism notwithstanding its real significance should not in any way detract from its potential value. In reporting on the mineralization of the Mt Tymn area, Alphadale concludes that Mt Tymn is a major mineralized system similar to major mineral domains elsewhere in the Pine Creek region, for example, Cosmo Howley.

As an indication of the magnitude of the resource quantification collaborated by production records at Cosmo Howley, the Northern Territory Department of Mines and Energy reports thus in its publication authored by a team of geologists led by Masood Ahmad in 2001 entitled 'Gold Deposits of the Northern Territory":

> "In 1984, Dominion Mining Limited started systematic resource drilling and production commenced in 1987, involving two pits to a depth of 120m. The global resource to 270 m depth was 10 Mt at 2.75 g/t Au. A total of 14.88 t Au was produced between 1987-94 from 6.94 Mt of ore at 2.14 g/t Au (Northern Gold pers. Comm. 1999). A remaining underground resource (Cosmo Deeps) of 2.62 Mt at 5.05 g/t Au was estimated by Northern Gold (1998)."

The Mt Tymn project area is divided geographically into South, Central and Northern Hills. The area has distinct saddle reef and axial planar "slate-belt" style gold mineralization occurring on the South, Central and North Hill domains. Elluvial gold occurs along the eastern flanks of these hills and alluvial gold and tin occurs on the flats to the east of the central and south hills.

Various types of mineralization as surface deposits are readily mineable including the

following:

(1) High grade gold in saddle reefs and thin "bedded legs";

(2) Low grade, open pittable oxide mineralization at Central Hill;

(3) Alluvial/elluvial/colluvial gold and gold in quartz detritus along the eastern side of the hills.

Preliminary metallurgical test work indicates high recoveries and no refractory component to the mineralization. The gold mineralization is associated with arsenopyrite, pyrite and lesser galena, bismuth sulphosalts, chalcopyrite, and very rare sphalerite. The enrichment of bismuth (Bi), silver (Ag), boron (B) and fluoride (F) and the presence of biotite, developed as a contact metamorphic mineral, indicate that at least part of the ore-fluid was granite derived.

A team of geologists has carried out bulk sample testing of the surface deposits in the Mt Tymn area. A total of 41 bulk samples were taken, and every bulk sample tested contained gold. Another study was done on the open pittable oxide mineralisation of the surface deposits at Mt Tymn. Based on the results of these and other studies, the gold mineralization is estimated to contain at least the following inferred resource:

(1) 130,000 tonnes of easily mineable scree material of 7.0g/t;

(2) 2,000,000 tonnes of oxide at 1.8g/t;

(3) 2,000,000 tonnes of alluvials at 1.50g/t; and

(4) 36,000 tonnes of outcropping quartz veins at 15g/t

The average grade for the alluvial system above was originally estimated based on old jigging and mercury amalgamation methods, which resulted in significant free gold loss. A higher rate of recovery based on modern method for processing alluvial deposits is expected and thus incorporated in the present resource estimation. Subject to further confirmation from test work data, it is possible for the proposed processing plant to mill and produce gold in stages to take account of ore body characteristics.

There are historical records of alluvial production from the mining tenements, but what is very encouraging to the Company is that none of the previous explorers was able to report that they had fully sterilized the region (i.e., exploration work has not been exhaustive). There is strong evidence that at least a medium sized hard rock open-cut resource can be proven up on the mining tenements, as well as a good likelihood of numerous high grade mineable reef structures. This adds to the potential and longevity of the mining operations, and thus will significantly enhance the overall economic value of the projects under the Company's control. As the Pine Creek Inlier is known to host large open-pit gold mines including Cosmo Howley, Pine Creek and Mt Todd, a focused effort

by the Company's team of geoscientists has every chance of success in outlining significant hard rock resource on the Company's tenements.

The analysis so far deals with only a proportion of the mining tenements at Mt Tymn. There exists economic potential for the remaining area covered by the various mining tenements at Mt Tymn, Mt Ringwood, and Margaret Diggings.

Little work has been done to date on the tenements in Mt Ringwood and Margaret Diggings. A recent report of drilling activities at Mt Ringwood undertaken on other areas owned by another party reveals encouraging geochemical anomalies. According to the report, "the drilling tested the concept that broad alluvial river valleys represent a highly prospective but substantially under-explored portion of the gold-rich Pine Creek region". The report is based on the publicly released statement by Australasia Gold Limited on 18 December 2007. Both Mt Tymn and Mt Ringwood are in the same geological province of Pine Creek Orogen referred to in the report.

Many experts in the international gold market believe that the gold price will remain buoyant in the foreseeable future. The Company's innovative and low cost approach to surface mining of alluvial, scree and the hard rock ore is conducive to profitable mining operations especially in the current and anticipated buoyant market condition for gold bullion production

Further, recent experience has shown a considerable untapped market exists to produce gold using a proven, efficient and mobile advanced processing plant, capable of processing up to 70 t/hr. Mobility is the crucial factor as the plant can be moved cost effectively for the extraction of alluvial gold deposits in different locations in the Pine Creek Orogen and elsewhere. A continuous shift operation using fairly standard operational process is planned for production, and the process for the gold extraction has been designed with special emphasis on being environmentally clean and sustainable.

The Company intends to commence gold mining operations initially at the Mt Tymn and Mt Ringwood. Subject to the completion of the Montfall purchase, mining operations will be established first on the Mt Tymn tenements. .

In conclusion, according to the Company's plan, there will be ongoing acquisitions of prospective mining tenements. As surface mining progresses in the initial stage, work will continue to determine the optimum methods to facilitate the production of other mineralized zones within the tenements under the Company's control. It is likely that considerably more mineralized regions than those discussed herein may be brought into production.

This section has been prepared by Dr Richard Haren PhD, MAusIMM. Dr Haren has over twenty years experience in exploration and evaluation work in the mining industry, having worked for major companies for twenty years as a geological consultant. He established a consultancy business over twenty years ago and specializes in exploration management, technical audit, due diligence and valuation at all stages of development.

He has wide experience in a number of commodities including gold, base metals, diamonds and mineral sands. He has been responsible for project discovery through to feasibility in Australia and overseas countries.

Dr Haren has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Richard Haren is a self-employed consultant and has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.