



**CORPORATION LIMITED**

A.B.N. 71 002 802 646

30/01/09

Department of Mining Titles, Minerals and Energy

Dear Sir/Madam

Please find below an executive summary of work undertaken by Mineral Estates in the 2008 calendar year. For your convenience a detailed report submitted by Discriminex Pty Ltd, consulting geologists, contracted by Mineral Estates Pty Ltd has also been included to provide additional information if needed.

**Summary:**

During 2008 Mineral Estates contracted Discriminex Pty Ltd. Jock Smith, Discriminex Geologist, undertook an extensive review of CRAE data (previous leaseholders) and other previous geological reports. From this it was concluded that the lag geochemistry technique employed by CRAE did not have good correlation with known mineral locations plus the known mineralisation had several boundaries that had not been definitely located. A subsequent trip to the lease was performed to collect samples for mobile metal ion analysis, which was hoped would show better correlation with known mineralisation, and to investigate vehicle access for subsequent reverse circulation drilling program.

Discriminex devised a drilling program based on review of previous data as mobile metal ion revealed poor correlation with mineralisation. A second site visit was planned and LabMark Pty Ltd were contracted to perform drilling operations during August/September. However this operation was unsuccessful, the crossing at Running Creek was unable to be traversed despite upgrading the road by Suffren Contracting, Earthmovers.

Costs incurred by Mineral Estates Pty Ltd total almost \$165,000 and are listed below.

31/07/08			
GLJNL	1	Discriminex J Smith	40,072.96
31/07/08			
GLJNL	1	Disciminex J Smith Advance	10,000.00
31/08/08			
GLJNL	2	Gnomic Exploration Service	5,180.00
31/08/08			
GLJNL	2	Dan Moloney - NT expenses	500.00
31/10/08			
GLJNL	4	Helicopter Hire	6,160.00
31/10/08			
GLJNL	4	Gnomic Exploration Services	121.17
31/10/08	4	Capricorn Mapping (Sandra	937.50

GLJNL	Johnston)	
31/10/08		
GLJNL	4 Suffren Contracting	12,105.00
31/10/08		
GLJNL	4 COates Hire	2,899.63
30/11/2008	Labmark Drilling	13,513.00
30/11/2008	Panoy Pty Ltd	1,835.98
30/11/2008	LJ & PT travel expenses	4,306.95
30/11/2008	Airfares and Accom	2,538.43
30/11/2008	Jon O'Brien	14,175.00
30/11/2008	Gloria Mullins	5,400.00
27/01/2009	Discriminex J Smith	45,206.50
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		<u>164,952.12</u>

Regards

*Dan Moloney*

Dr. Dan Moloney  
Senior Development Chemist/Metallurgist  
Hydromet Corporation Pty Ltd