

<p style="text-align: center;">NORTHERN TERRITORY EXPLORATION EXPENDITURE FOR MINERAL TENEMENT</p>

<p>Section 1. Tenement type, number and operation name: (One licence only per form even if combined reporting has been approved)</p>

Type	Exploration Licence
Number	5893
Operation Name (optional)	Wellington Range Project

<p>Section 2. Period covered by this return:</p>

Twelve-month period:		If Final Report:	
From	4 May 2007	From	
To	3 May 2008	To	
Covenant for the reporting period:		\$500,000	

<p>Section 3. Give title of accompanying technical report:</p>

Title of Technical Report	EL5893 Wellington Range Annual Report
Author	Cath Ranford, Paul Melville and Geoff Beckitt

<p>Section 4. Locality of operation:</p>

Geological Province	Pine Creek Orogen
Geographic Location	Western Arnhem Land – centred 100 km NNE of Jabiru

Section 5. Work program for the next twelve months:

Activities proposed (please mark with an "X"):	
<input checked="checked" type="checkbox"/> Drilling : Diamond and Air core	<input checked="checked" type="checkbox"/> Literature review
<input checked="checked" type="checkbox"/> Geophysics : Ground EM	<input type="checkbox"/> Geological mapping
<input type="checkbox"/> Track construction to access work areas	<input type="checkbox"/> Rock/soil/stream sediment sampling
<input type="checkbox"/> Interpretation of Airborne geophysics	

The exploration program for 2008 will consist of both diamond core and air core drilling programs and further ground EM. The coring program, consisting of a minimum 11 proposed holes, which will focus on two main areas, one targeting a structural environment with similarities to the Aurari Fault Zone and the second a Gravity anomaly located adjacent to the south-eastern corner of the 2006 drilling area.

Should additional funds be available then more detailed drilling of the primary targets can be carried out if necessary. Alternatively other defined target areas, such as structurally favourable sections of the magnetic trend can be drilled

Estimated Cost:	\$1,050,000
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Section 6. Summary of operations and expenditure:

Please include salaries, wages, consultants fees, field expenses, fuel and transport, administration and overheads under the appropriate headings below. Mark the work done for the appropriate subsections with an "X" or similar, except where indicated. Complete the right-hand columns to indicate the data supplied with the Technical Report. Note overheads are not to exceed 15% of total.

Do not include the following as expenditure (if relevant, these may be discussed in Section 7):

- | | | |
|--------------------------|------------------|----------------------------------|
| • Insurance | • Transfer costs | • Land Access Compensation |
| • Company Prospectus | • Title Search | • Meetings with Land Councils |
| • Rent & Department Fees | • Legal costs | • Payments to Traditional Owners |
| • Bond | • Advertising | • Fines |

Exploration Work type	Work Done (mark with an "X" or provide details)		Expenditure	Data and Format Supplied in the Technical Report	
				Digital	Hard copy
Office Studies			22887.47		
Literature search				X	
Database compilation				X	
Computer modelling					
Reprocessing of data				X	
General research				X	
Report preparation				X	
Other (Office Administration)	X				
Subtotal			\$22,887.47		
Miscellaneous Expenses					
Personal Protective Equipment	X		767.07		
Diesel Fuel	X		31,128.23		
Jet Fuel	X		783.19		
Exploration Equipment	X		14,792.77		
Radiation Equipment	X		1,099.74		
Health & Safety	X		2,222.74		
Stationary/Consumables	X		30,575.24		
Exploration Camp supplies	X		29,384.67		
Maintenance Contractor	X		199,220.52		
Contractors/Consultants					
Analytical Services	X		59,534.90		
Freights	X		2,020.61		
Communications	X		5,827.54		
Books & Subscription					
Salaries	X		339,045.17		
Computer supplies	X		667.85		
Computer hardware	X		1,471.29		
Flights	X		7,314.69		
Equipment rentals	X		19,163.12		
Legal Fees					
Business travel	X		149.60		
Other					
Subtotal			\$745,168.94		
Remote Sensing					
Aerial photography					
LANDSAT					
SPOT					
MSS					
Other (specify)					
Subtotal			\$		
Ground Exploration Surveys					

This form should accompany any Annual or Final Report
Email to: Geoscience.info@nt.gov.au

Exploration Work type	Work Done (mark with an "X" or provide details)	Expenditure	Data and Format Supplied in the Technical Report	
			Digital	Hard copy
Geological Mapping		256,202.51		
Regional				
Reconnaissance				
Prospect				
Underground				
Costean				
Ground Geophysics				
Radiometrics				
Ground EM/ Airborne Gravity	X Gravity: 1452 km/200m spacing EM: 1.5km traverse			
Airborne Gravity				
Digital terrain modelling				
Electromagnetics (TEMPEST)				
SP/AP/EP				
IP				
AMT/CSAMT				
Resistivity				
Complex resistivity				
Geophysical interpretation				
Petrophysics				
Other (specify)				

Geochemical Surveying and Geochronology				Cost included Analytical Services		
<i>(state number of samples)</i>						
Drill (cuttings, core, etc.)						
Stream sediment						
Soil						
Rock chip (12 samples)		X				
Laterite						
Water						
Biogeochemistry						
Isotope						
Whole rock						
Mineral analysis						
Laboratory analysis (type)						
Petrology						
Other (specify)						
Ground Exploration Subtotal				\$		
Drilling (state number of holes & metres)						
Diamond	8	holes	2932	metres		
Reverse circulation (RC)		holes		metres		
Rotary air blast (RAB)		holes		metres		
Air-core	71	holes	1039	metres		
Auger		holes		metres		
Other (specify)		holes		metres		
Subtotal				\$509,704.11		
Other Operations						
Costeaning/Trenching						
Bulk sampling						
Mill process testing						
Ore reserve estimation						
Underground development (describe)						
Mineral processing						
Other (specify)						
Subtotal				\$		
Access and Rehabilitation						
Track maintenance						
Rehabilitation						
Monitoring						
Other (specify)						
Subtotal				\$		
TOTAL EXPENDITURE				\$1,533,963.03		

Section 7. Comments on your exploration activities:

Field activities for the reporting period consisted of diamond and air core drilling, outcrop sampling and geophysics, the latter comprising a ground EM survey and airborne Gravity.

Eight diamond core holes were drilled in 2007, two of which were abandoned due to difficulties encountered in the Cretaceous. Total metreage drilled was 2,932 m, which included 2,212 m of rotary mud pre-collaring. The program was designed to broadly target the northern extension of the regional magnetic trend as defined by the Southern Geoscience interpretative study. The trend forms an arc-like linear belt that is traceable on the magnetic image for approximately 30 km along the north-western boundary of the tenement. Specific target areas were inferred northeast and northwest structures, where they crosscut the prospective stratigraphy.

I certify that the information contained herein, is a true statement of the operations carried out and the monies expended on the above mentioned tenement during the period specified as required under the *Northern Territory Mining Act* and the Regulations thereunder.

☒ I have attached the Technical Report

1. Name: Craig Bentley

2. Name:

Position: Database Geologist

Position:

Signature:

Signature:

Date: 12 June 2008

Date: