

**NORTHERN TERRITORY EXPLORATION EXPENDITURE  
FOR MINERAL TENEMENT**

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

Type	<i>Exploration Licence</i>
Number	<i>5893</i>
Operation Name (optional)	<i>Wellington Range Project</i>

**Section 2. Period covered by this return:**

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

**Section 3. Give title of accompanying technical report:**

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

**Section 4. Locality of operation:**

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

**Section 5. Work program for the next twelve months:**

- Activities proposed** (please mark with an "X"):  Drilling : Diamond and Air core
- |   |  |
|---|--|
| <input type="checkbox"/> Literature review                  | <input 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**

**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
<b>Office Studies</b>					
Literature search				X	
Database compilation				X	
Computer modelling					
Reprocessing of data				X	
General research				X	
Report preparation				X	
Other (Office Administration)	X		22887.47		
		<b>Subtotal</b>	\$22,887.47		
<b>Miscellaneous Expenses</b>					
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					
		<b>Subtotal</b>	\$745,168.94		
<b>Remote Sensing</b>					
Aerial photography					
LANDSAT					
SPOT					
MSS					
Other (specify)					
		<b>Subtotal</b>	\$		
<b>Ground Exploration Surveys</b>					

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	
<b>Geological Mapping</b>					
Regional		256,202.51			
Reconnaissance					
Prospect					
Underground					
Costean					
<b>Ground Geophysics</b>					
Radiometrics					
Ground EM/ Airborne Gravity	<b>X</b> 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)					

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

**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

Position: Database Geologist

Signature:

Date: 12 June 2008

2. Name:

Position:

Signature:

Date: