

WOODLEIGH NOMINEES PTY. LTD.

ABN 92 050 120 057

REPORT ON EL24689

for the period

23/04/2008 to 22/04/2009

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Summary:

EL24689 comprises a single graticular block located approximately 180Km, southeast of Darwin. The exploration license covers in part a group of leases held by members of the Casey family. The Francis Creek gold mine occupies a steep ridge which lays in a NW-SE orientation. The regional geology of the area is said to comprise Mundogie Formation sediments which usually outcrops as prominent strike ridges trending northwest to southeast and Wildman Siltstone which forms the lowland or valley region.

The terrain in this area is quite rough and difficult to traverse. In the main, access is on foot from the Eastern side and via narrow valley floors from the North-West.

The original plan to drill two hard rock sites to the West of MLN's 759,760, 768 and 769 has been temporarily suspended. This is due to there being a lack of track mounted drilling equipment capable of operating in this area without extensive preparation of drill sites. Through the Joint Venture between Woodleigh Nominees and Territory Resources it was proposed that a drilling rig employed on the Francis Creek Iron Ore programme could be made available. This situation did not eventuate. The target was shifted to the alluvial potential of the area. It has been found in the past that the removal of alluvial material provides a clearer vision for future hard rock exploration.

The area could also provide additional working space for MLN's 759, 760, 768 and 769 in addition to potential dam sites. There is a possibility that an alternative access to the Francis Creek Gold mine may be available via EL24689. This access would require the co-operation of Territory Resources, who hold adjoining tenements although at this time this may not be forthcoming.

The area of EL24689 has demonstrated that a possible alluvial gold resource exists on the valley floor to the west of the Francis Creek Gold mine site. There is also some scree material shedding from the adjoining hills which are in the main part of the Francis Creek Gold mine group of tenements. There now appears there is a possibility of recovering Iron Ore fines from the alluvial material in addition to the gold content. At this time there is no confirmed market for such a product.

Work carried out to date been confined to an area west of the existing Francis Creek Gold Mine group of tenements due to the pre-existing tenements occupying the eastern portion of the license area. This area was subject to a continued sampling programme of hand auger and shallow pit sampling. The extreme terrain made this process slow and laborious.

History:

The Casey Family and later Woodleigh Nominees Pty. Ltd. have been involved with the Francis Creek area for some time either in their own right or as joint venture partners with CSR Limited. Following the withdrawal of CSR Ltd. from the mining industry the Caseys and/or Woodleigh purchased their interests in the J/V and proceeded with further exploration aimed at developing the alluvial gold resource.

The Casey family has developed the Francis Creek gold mine by the sinking a 30m. shaft and driving two adits 60m. and 155m. respectively to intercept the orebody. In addition to this they constructed an all weather airstrip approximately 1600m. in length. The closure of the Mount Wells Battery denied access to a treatment facility in the Pine Creek area.

The attempted over pegging episode in 1991 terminated the proposed joint venture between Woodleigh and Pine Creek Goldfields. This J/V would have seen ore from Francis Creek milled at Pine Creek. The failure of the proposed J/V was a contributing factor to the closure of the Pine Creek Gold mine.

The area of EL24689 was held by Dominion Gold under EL7722 from May 1992 to October 1994.

Discussions were held with GBS Gold regarding a possible joint venture agreement but did not progress. This was partly due to the program commitments of GBS Gold and partly due to an apparent lack of communication within GBS Gold management.

Exploration:

Exploration work completed comprised a re-assessment of past exploration data and field assessments of these results. The valleys to the west of the Francis Creek Gold Mine indicated a limited potential alluvial resource with a grade in the order of 0.4 to 0.5gms/cubic metre. It is believed that this gold may have originated from the reef system known to exist to the east of the area sampled or from the erosion of lateritic material also found to the east of the area sampled.

The work to date has not given any indications of the extent of the alluvium beyond a depth of approximately 750mm below ground level as samples were obtained with a hand auger.

Four small pits were dug by hand from which approximately 20 litres of material was removed. The pits had the sides caved in as to not present any risk to people or animals traversing the area. It is considered that after a wet season these sites will appear as shallow depressions at worst.

It was noted during the course of testing these samples that apart from the gold content which was estimated to be in the order of 0.3g/t. (which was a little lower than earlier thought), a quantity of fine iron material was observed. The iron material content was estimated to be in the order of 5-8% of the original sample volume. Wet grinding of the iron material gave rise to speculation of a grade of 40-50%Fe for the iron component of the sample. Given the doubtful market potential for this “product” it was not given a great deal of attention.

The lateritic material bears a resemblance to that being treated at Fountain Head by Woodleigh prior to the forced closure of that operation by the construction of the Alice to Darwin railway line. None of the iron material ground produced any gold although only a small amount was ground and could not be considered a representative sample in that respect. The comparison between Fountain Head and Francis Creek was an observation made in reflection after the actual sampling was completed.

Further work required:

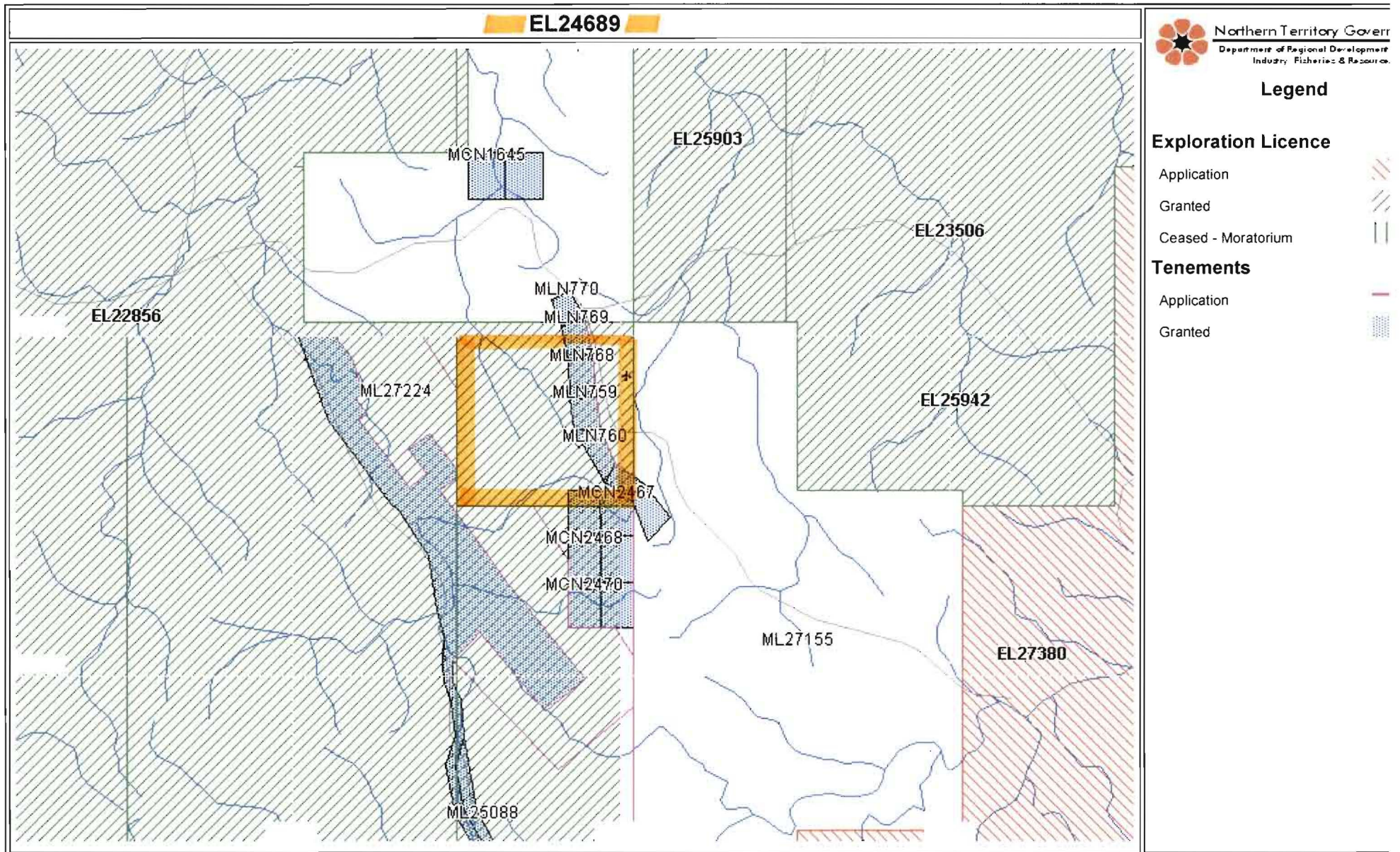
The area to the west of the existing Francis Creek Gold mine tenements should have a mineral lease application prepared and lodged with the Department to allow:

- (a) additional working space for MLN's 759, 760, 768 and 769, and
- (b) 3 potential water/tailings dam sites, and
- (c) the exploitation of the alluvial resource contained within the area, and
- (d) the exploitation of any hardrock resource uncovered by the alluvial mining and/or proven by drilling above and below ground.

all of which will be extensions of the existing Francis Creek project area.

Expenditure:

Field trips to Francis Creek, 2x400km. @ \$1.00/Km	800
6 days @ \$500/day	3,000
Camp supplies, 6days@ \$60/day	360
1 day preparing annual report @\$500/day	500
Total	\$ 4,660



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NOTE TO MAP USERS : Mining and Exploration Tenure depicted here are plotted from descriptions supplied by the holders and the Northern Territory takes no responsibility as to their accuracy. User should be aware