



GBS GOLD AUSTRALIA PTY LTD

ANNUAL REPORT ON EXPLORATION LICENCE, EL 24150

AuQuest Project

For Period Ending 24 January 2009

**DARWIN: 250 000
Noonamah: 100 000**

Distribution:

- **DRDPIFR Darwin, NT**
- **GBS Gold Australia P/L, Darwin**
- **GBS Gold Australia P/L, Perth**
- **Union Reef Mine Site Pine Creek, NT**

GBS Report Number: DA/TG/09-01

**Zia U. Bajwah
February 2009**

SUMMARY

Exploration Licence (EL) 24150 is an important tenement amongst GBS Gold Australia's portfolio and is situated about 80 km east of Darwin and 28 km northwest of the Toms Gully Gold Mine. The EL is part of tenement package which the company acquired from the Renison Consolidated Mines Limited in 2007. It was granted on 25 January 2005 for a period of 6 years. The tenement comprises 22 blocks and covers 47.7 km².

EL 24150 is located within the Pine Creek Orogen, which has been interpreted as an intra-cratonic basin lying on an Archaean basement, and containing a 14 km thick sequence of Palaeoproterozoic sediments, accompanied by lesser volcanics, granitic plutons and dolerite intrusions. Predominant rocks exposed in the project area belong to the Wildman Siltstone, Koolpin Formation and Burrell Creek Formation. In places sills of the Zamu Dolerite may also be present. Much of the bed rock geology is obscured by thick black soil cover.

During the reporting period, geological, geochemical and geophysical assessment of the project area was undertaken. Reporting period activities commenced with a literature survey in order to identify radiometric anomalies from the historical data. A few short reconnaissance visits of the project area were also undertaken. Close-spaced geophysical survey (magnetic and radiometric) was flown over the project area and data were processed and interpreted. Presence of northwest trending deep-seated fault structure points toward possible conduit/source for mineralising fluid. In addition, a few uranium anomalies were also identified with the help of newly obtained radiometric data. Proposed exploration program for the reporting period ending on 24 January 2010 will include soil/rock chip sampling and detail mapping of selected areas. In addition, processing and interpretation of EM data flown in late 2008 will be undertaken. If encouraging results received, it will lead to drilling.

TABLE OF CONTENTS

SUMMARY.....	2
1.0 INTRODUCTION.....	4
2.0 LOCATION AND ACCESS.....	4
3.0 TENEMENT DETAILS.....	4
4.0 REGIONAL GEOLOGY.....	7
4.1 THE MOUNT PARTRIDGE GROUP.....	6
4.2 THE SOUTH ALLIGATOR GROUP.....	8
4.3 FINNISS RIVER GROUP.....	9
4.4 INTRUSIVES.....	9
4.5 DEFORMATION & METAMORPHISM.....	10
5.0 PREVIOUS EXPLORATION.....	10
6.0 EXPLORATION PROGRAM FOR PERIOD ENDING 24 JANUARY 2009.....	13
7.0 PROPOSED EXPLORATION PROGRAM FOR PERIOD ENDING 24 JANUARY 2010...15	
8.0 REFERENCES.....	17

LIST OF FIGURES

- Figure 1:** Tenement Location Map
- Figure 2:** Geological Setting of the Project area
- Figure 3:** Regional Geology & Magnetics
- Figure 4:** TMI image of the project area
- Figure 5:** Radiometric (Uranium Count) image of the project area

LIST OF APPENDIX

- Appendix 1:** Mineral Exploration Expenditure for EL 24150

1.0 INTRODUCTION

Exploration Licence (EL) 24150 is situated about 80 km east of Darwin and 28 km northwest of the Toms Gully Gold Mine. The EL is a part of tenement package which GBS Gold Australia Pty Ltd acquired from the Renison Consolidated Mines Limited in 2007. In the following exploration activities carried during the reporting period are described.

2.0 LOCATION AND ACCES

The tenement is located on the southern side of the Arnhem Highway (Figure 1) about 80 km from Darwin. EL 24150 can be reached by Arnhem Highway East of Darwin and then by station tracks. It mainly covers the flood plains of Adelaide River which makes the access challenging during the wet season. Access to the north of the tenement is via the Arnhem Highway, along station fencelines, whereas eastern areas of the tenement can be accessed by bush tracks leading from Leaning Tree Lagoon. The southern parts of the licence were accessed from a fenceline track extending north from Adelaide River station. These tracks provide good access for 4WD vehicles during the dry season, however these tracks become impassable after heavy rain, and therefore no access is possible throughout the wet season.

3.0 TENEMENT DETAILS

This Tenement was applied for in 1999 and has been held up in Native Title until recently. Eventually, it was granted to Renison Consolidated Mines in January 2005 for a period of 6 years. The tenement comprises 22 blocks covering 47.7 km². Underlying cadastre belongs to Sunhardy Pty Ltd (Crown Lease in Perpetuity No. 143).

In July 2007, by virtue of an agreement between GBS Gold Australia and Renison Consolidated Mines, the former acquired all exploration and mining tenements in the Toms Gully area including EL 24150. This tenement package is in the process of being registered in the name of GBS Gold Australia. During this transferring period, GBS Gold

Figure 1: Tenement Location Map



Australia also has the obligation of statutory reporting on these tenements. EL 24150 is also under an optional agreement between GBS Gold Australia Pty Ltd and Rum Jungle Pty Ltd which allows the later to explore for uranium mineralisation.

4.0 REGIONAL GEOLOGY

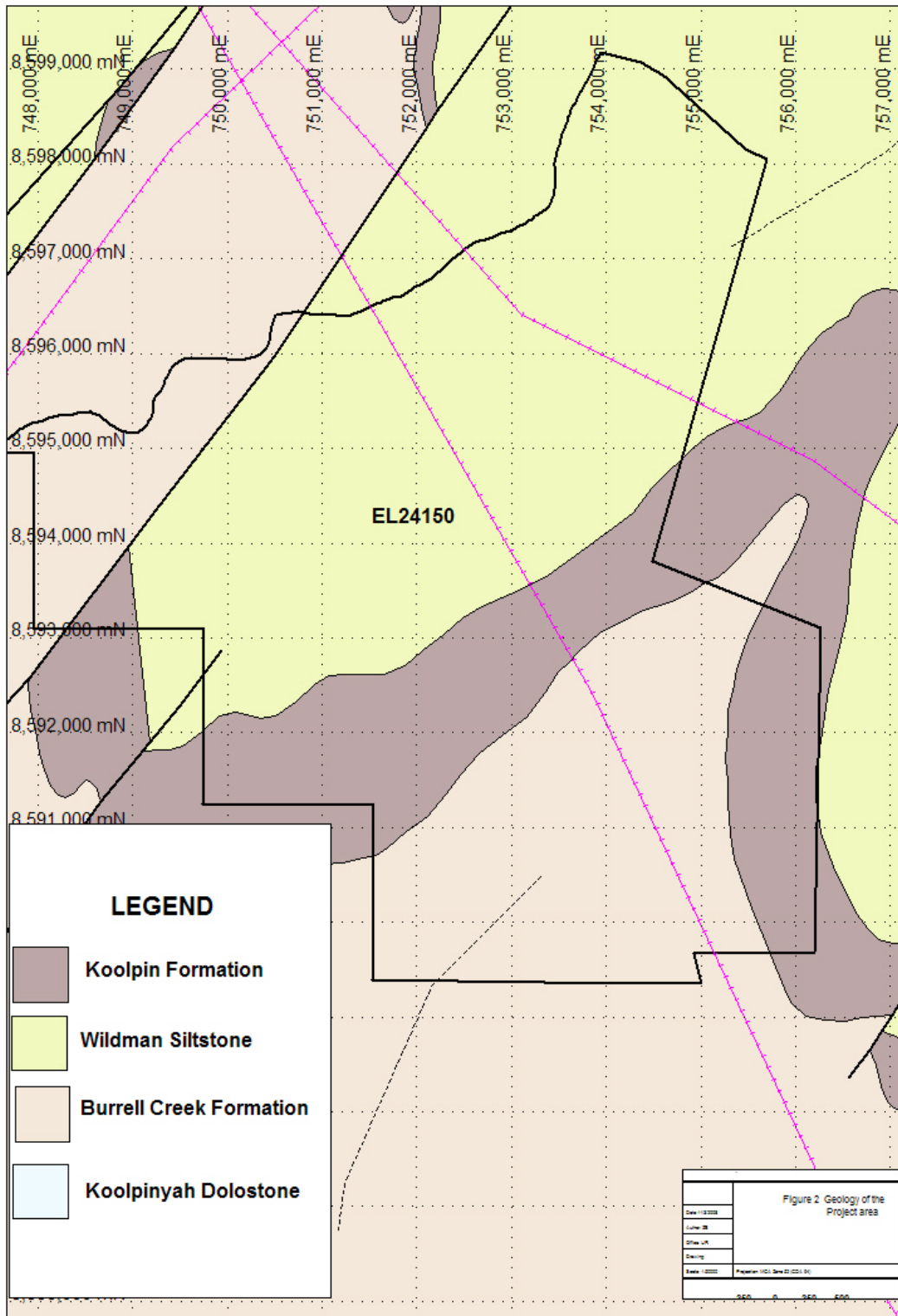
EL 24150 is located within the Pine Creek Orogen, which has been interpreted as an intracratonic basin lying on an Archaean basement, and containing a 14 km thick sequence of Palaeoproterozoic sediments, accompanied by lesser volcanics, granitic plutons and dolerite intrusions. The northern part of the project area contains the oldest sediments such as the Mount Partridge Group that is unconformably overlain by the South Alligator Group and comprises most of the tenement areas. The southern and western portion of the Project area is comprised of Burrell Creek Formation (Figure 2), which conformably overlies the South Alligator Group. Tertiary and Quaternary Soils and Gravel's unconformably overlie all the lower lying portions of the tenement areas, generally referred to as "Black Soils Regions". All of the Palaeoproterozoic sediments and volcanics in the Mount Bunday area were folded in a major deformation event dated around 1800 million years. The fold axes trend north-northeast, and generally plunge gently to the south.

4.1 The Mount Partridge Group

The Wildman Siltstone

The Mount Partridge Group is represented by the Wildman Siltstone, which is interpreted to be up to 1500m thick. In the Mount Bunday Region the Wildman Siltstone consists of laminated and banded shale, carbonaceous and often pyritic siltstone interbedded with undifferentiated volcanics up to 100m interbeds, minor dolomitic sediments may also be present. The sediments near the granite intrusion may also be hornfelsed. The Wildman Siltstone is interpreted to be prospective for large tonnage, low-grade gold deposits and small tonnage, high-grade deposits. The Wildman Siltstone hosts the Tom's Gully gold deposit.

Figure 2: Geological Setting of the Project area



4.2 The South Alligator Group

The Koolpin Formation, Gerowie Tuff and Mount Bonnie Formation represent the South Alligator Group. The rocks of the South Alligator Group are considered to be prospective for either large tonnage, low grade gold deposits (such as that at the nearby Rustler's Roost gold mine) or small tonnage, high grade deposits.

The Koolpin Formation

The Koolpin Formation comprises ferruginous siltstone and shale, which is commonly carbonaceous and pyritic. Chert bands and nodular horizons are common and lenses of ironstone occur occasionally, as haematitic breccias throughout the sequence into undisturbed quartz-veined siltstone and shale. Minor components of dolomite can also be present. The Koolpin Formation is one of the most prospective units in the Mount Bunday Region for hosting mineralisation (West Koolpin, Taipan, BHS and North Koolpin Open Pits at Quest 29 are all within Koolpin sediments).

Gerowie Tuff

The Gerowie Tuff conformably overlies the Koolpin and has similar characteristics of siltstones and shales but is not as iron rich. Within the Mount Bunday Region it is dominated by graded beds of siliceous tuffaceous mudstones grading to greywacke and arenite, diagenetically altered. It is up to 600m thick and generally poorly mineralised. The highly siliceous component of the tuffs and arenites make them resistant to erosion, and they tend to form areas of high relief.

The Mount Bonnie Formation

The Mount Bonnie Formation conformably overlies the Gerowie Tuff and is dominated by a shallow marine sequence of interbedded and graded siltstone, chert and greywacke with occasional BIF's. The unit can be up to 600m thick and is generally iron rich and may be siliceous in places. The Mount Bonnie Formation hosts the Rustler's Roost deposit. This formation is not exposed in the project area.

4.3 Finnis River Group

The Burrell Creek Formation

Conformably overlying the Mount Bonnie Formation is the Burrell Creek Formation, interpreted as a flysch sequence of fine to coarse marine sediments and appears to be part of continuous sedimentation process. Due to the lack of marker horizons and poor exposure the width of the unit is unknown but is thought to be >1000m. This Formation is considered prospective for large low-grade gold deposits as typified by the Batman deposit of Mount Todd. The potential also exists for small high-grade deposits similar to Possum and Happy Valley with John Shields GIGIAC Theory (Gold in Greywacke in Anticlinal Crests). Also high-grade deposits such as Bandicoot, Marrakai and the Ringwood line which all lie on a major deep-seated magnetic trend.

4.4 INTRUSIVES

Zamu Dolerite

The Zamu Dolerite occurs as small bodies that are poorly exposed, as a result of its weathering, and in places, some rubble boulders may be present at surface. It consists of altered quartz dolerite and gabbro and is generally narrow and broadly conformable to bedding as thin sills. The Zamu Dolerite is the only known suite of mafic intrusives that were emplaced prior to regional metamorphism and deformation. The Zamu Dolerite appears to have a controlling influence on the mineralisation at Quest 29 within the Koolpin sediments but this is not fully understood at this stage. Mineralisation is also hosted within this unit at Quest 29 and also at Chinese Howley.

Mount Bunday Granite & Mount Goyder Syenite

The sedimentary sequences and the Zamu Dolerite are intruded by the Palaeoproterozoic Mount Goyder Syenite and Mount Bunday Granite, which form a co genetic complex cropping out over about an 80km² area. These intrusions are believed to have been the source for the mineralisation, which occurs throughout the local region (Bajwah, 1994). Their mineralogy and geochemistry suggests they are both differentiated from a common magma, which intruded into the gently south plunging folded belt of sediments.

A thermal metamorphic overprint associated with the southern margin of the Mount Bunday Granite intrusive has resulted in the development of both cordierite and

andalusite, and probably was responsible for the local gold mineralisation. Further to the south of the Mount Bunday and Mount Goyder Syenite is possibly a second deep-seated pluton as indicated by a roughly circular magnetic feature (Discussions with Williams Resources 1998).

4.5 Deformation & Metamorphism

Regional deformation with north-northeast folding plunging gently south occurred around 1800 My, based on a rubidium-strontium analysis, causing metamorphism to greenschist, and sometimes higher to amphibolite facies. This event also resulted in the intrusion of thin sills of Zamu Dolerite, and the post – tectonic emplacement of the Mount Bunday Granite and Mount Goyder Syenite is a comparable cogenetic pluton dated at 1790 + 110 My in the region. Structural deformation of the meta-sediments is complex.

The major folding episode resulted in tight folds whose axes plunge southwest. However within these major folds the more incompetent beds, i.e. carbonaceous shales, have been deformed into localised complex structures. The granitic emplacement has also influenced the fold structures as can be seen on the regional geological map. Metamorphism to greenschist facies through dynamic compression associated with intense folding is common. The granitic emplacement and the associated structural deformation and generation of hydrothermal fluids are thought to have been responsible for most of the gold enrichment throughout the Pine Creek Orogen e.g. Cosmo Howley, Rustlers Roost, Toms Gully, Moline, Mt Todd and Quest 29 (Bajwah, 1994).

5.0 PREVIOUS EXPLORATION

The earliest known record of exploration in this area of the Mount Bunday region was undertaken during the 1970's by Geopeko and then by CRA Exploration. Geopeko used costeaning, rock chipping, soil sampling, drilling and core sampling, while CRA mainly used rock chipping.

During the early 1980's Aquitaine Australian Minerals/ Pan D'Or Mining and Jemberlana Mining occupied EL1653, as well as Optimal Mining and ACA Howe Australia. Euralba

Mining and Burmine (EL3298) completed gridding, minor drilling and rock chip sampling, while Inco Australia and Dominion Gold Operations held the tenements for EL 2240 and EL 6781 respectively.

During the late 1980's to the early 1990's Carpentaria Gold held the tenements for EL5290, in which they took rock chip, soil, and stream sediments samples as a means of searching for gold deposits. Normandy Exploration held the tenement EL8019, and conducted stream sediment sampling. Euralba Mining/Burmine and Carpentaria Gold (EL5941) undertook rock chip, stream sediment sampling, costeaning and drilling.

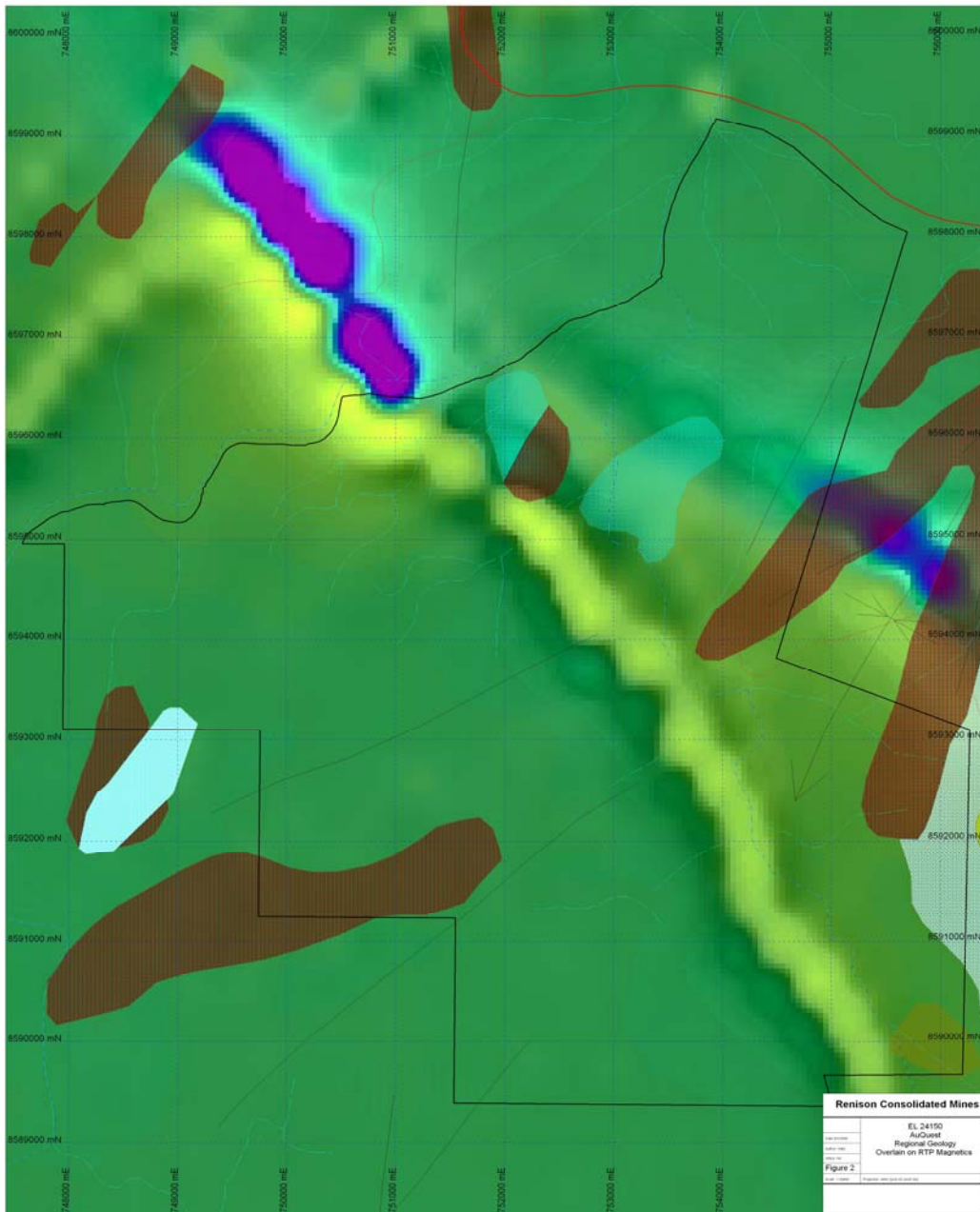
During the 1990's Normandy Exploration (EL8019) and Poseidon Exploration held the tenements EL7583 and EL7568, collecting stream sediment samples, with the prior drilling some RAB holes and minor percussion drilling with diamond tails. Soil samples were taken within EL9154 by Northern Gold.

Current Tenement Holders in the Project area include Northern Gold 1990-present, Valdora -Rustler's Roost Mining –Williams Inc. now called Valencia Ventures 1993-present, and Renison Consolidated Mines NL 1997-present. This work is currently being compiled into GIS format for target generation and to prevent repetition with follow up work.

During 2005-06 reporting period, literature reviews of previous work were carried out and entered into GIS databases. Interpretation of all available Geodata was carried out concurrently with field activities; Geology maps, 1:20,000 colour aerial photography, Landsat imagery, reprocessed aeromagnetic and radiometric imagery, and detailed 1:20,000 topographic maps were all extensively consulted.

Reprocessed aeromagnetic imagery displays a prominent NNW-SSE trending magnetic linear feature passing through the centre of the tenement (Figure 3), just to the west and parallel with Marrakai Creek. Another NW-SE magnetic low linear enters the tenement further to the north from beneath the folded syncline. These structures are interpreted to be dolerites probably within major basement faults; they may be acting as conduits for gold mineralising fluids to be channeled into overlying structures.

Figure 3: Regional Geology and Magnetics



Reconnaissance rock chip sampling was confined to an outcropping brecciated quartz vein in the south east corner, and the Banded iron formation on low rises east of Denny's Hill. The brecciated quartz vein returned a value of 0.05 ppm Au and 0.07 ppm Au on the repeat assay. The Banded iron with laminated chert returned 0.03 ppm Au.

The two samples were analysed for Au by 50 gram Fire Assay.

Rockchip assay results and locations are displayed below.

SAMPLE	EASTING	NORTHING	AU1PPM	AU2PPM
SH124	756630	8589522	0.05	0.07
23178-41	752051	8591878	0.03	

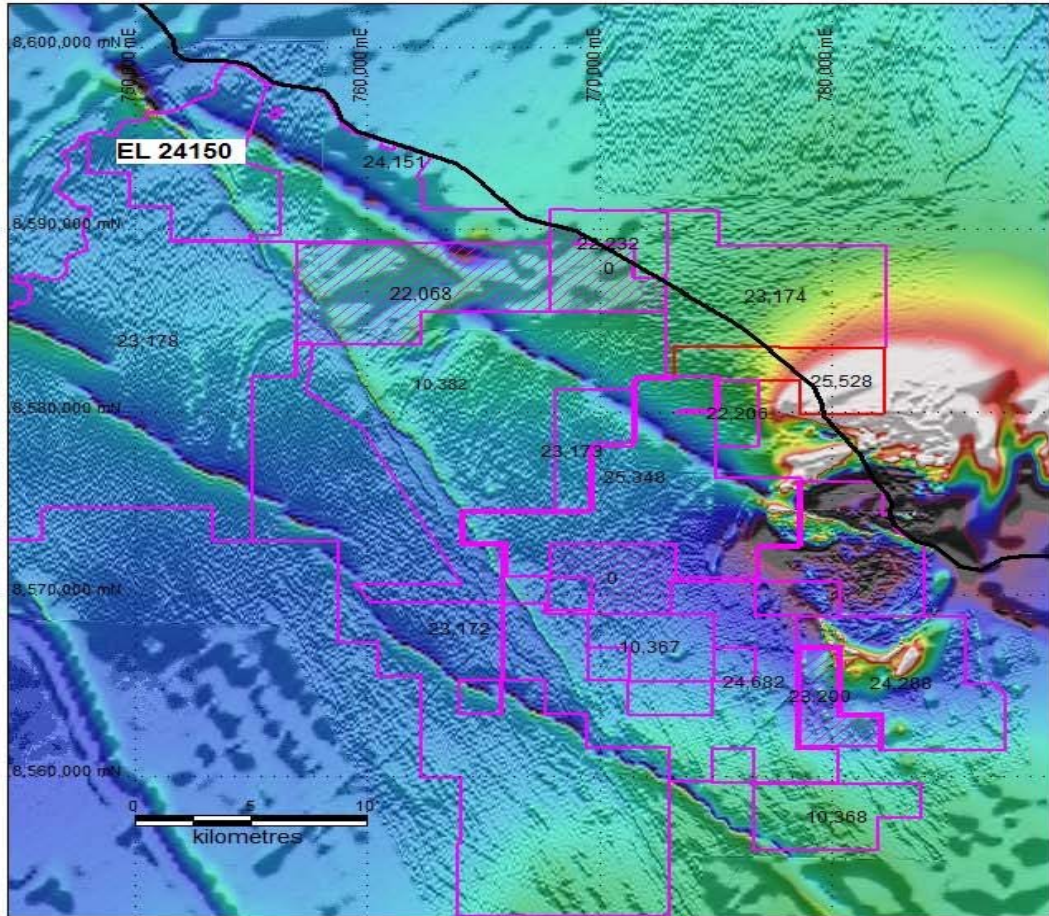
During 2007-08, a technical review of the project area was undertaken which indentified uranium and gold potential of the project area. An optional agreement with Rum Jungle Uranium Pty Ltd was also signed which gave the exclusive right of uranium exploration to Rum Jungle Uranium Pty Ltd.

6.0 EXPLORATION PROGRAM FOR PERIOD ENDING 24 JANUARY 2009

During the reporting period, geological, geochemical and geophysical assessment of the project area was undertaken. Reporting period activities commenced with a literature survey in order to identify radiometric anomalies from the historical data. A few short reconnaissance visits of the project area were also undertaken. Close-spaced geophysical survey (magnetic and radiometric) was flown over the project area and data were processed and interpreted.

TMI image of the project area (Figure 4) reveals a deep seated structure which runs from north-west to south-east, where it transects the Mt Bundy Granite. Toms Gully gold deposit is located on the edge of this structure where it intersects the granite body. It is

Figure 4: TMI image of the project area



highly likely that this deep seated structure could be a fault which might have acted as fluid conduit, emanating from the Mt Bundy Granite. It may also be noted that in EL 24150, another magnetic feature is present which intersects the prominent deep seated structure (fault) at a steep angle at the north-western edge of the tenement. This feature has been interpreted as a doleritic dyke which is significant for hosting gold mineralisation within the Pine Creek Orogen. It is recommended that entire strike length of confluence of deep seated structure (fault) and doleritic dyke should be tested by soil/rock chip sampling, followed by drilling.

Figure 4 shows the radiometric image of the project area which is characterised by some anomalous areas for uranium mineralisation. These anomalies are located within the Koolpin Formation and have been ear-marked for field checking in 2009.

In addition, an airborne EM survey was flown over the project area in conjunction with Geoscience Australia in October/November 2008 at 333m line spacing. However, data have not been received so far and it is expected that processed data will be received in March or April 2009.

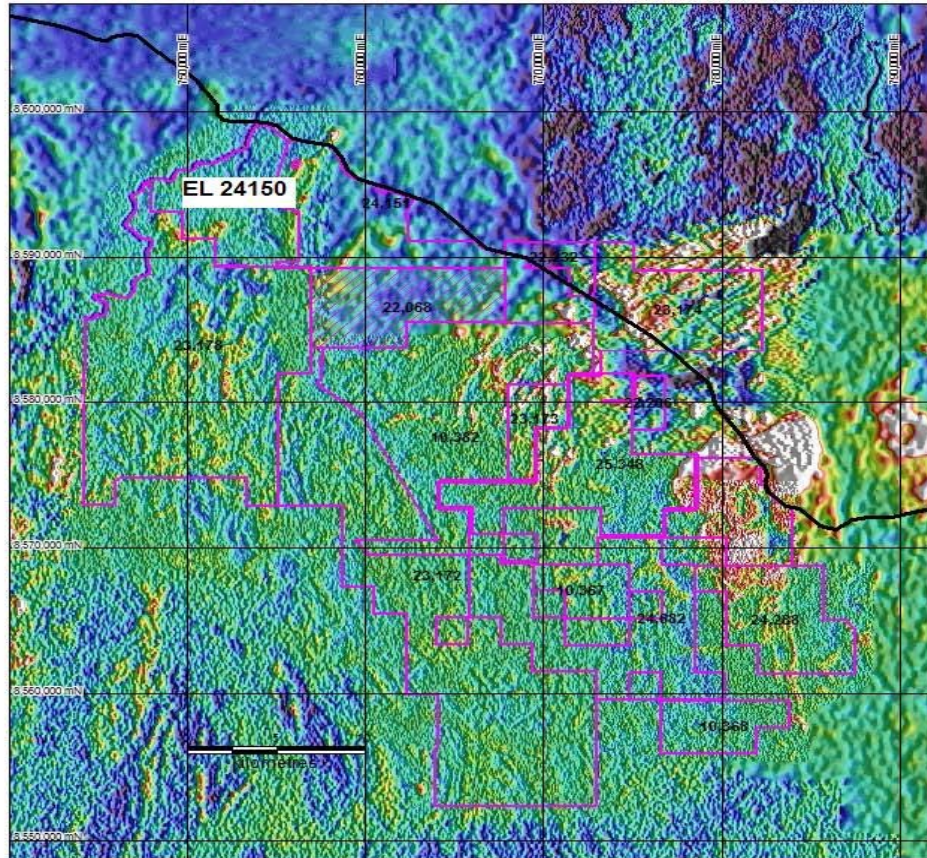
This activity costed \$14206.00 and details are given in Appendix 1.

7.0 PROPOSED EXPLORATION PROGRAM FOR PERIOD ENDING 24 JANUARY 2010

Currently, GBS Gold Australia is under voluntary administration, but plans are afoot to re-structure the company which may lead to full operational capacity. This will result in undertaking of exploration programs in 2009-10.

High resolution geophysical survey, conducted during 2008, has identified several gold and uranium anomalous areas which require follow up. During 2009-10 reporting period, ground-truthing of the project area will take place with an aim of checking the gold and

Figure 5: Radiometric (Uranium Count) image of the project area



uranium anomalies. This will lead to a program of soil/rock chip sampling and may also include detail mapping of selected areas. In addition, processing and interpretation of EM data flown in late 2008 will be undertaken. If encouraging results received, it will lead to drilling. A minimum budget of \$15000.00 is proposed.

8.0 REFERENCES

Bajwah, Z. U., 1994. A contribution of mineralogy, petrology and geochemistry to the Cullen Batholith and related hydrothermal activity responsible for gold mineralisation, Pine Creek Geosyncline, Northern Territory. *NT Geological Survey, Report 8*.

Hall, S., 2003. 2003 Annual Report on Exploration Licence EL 23177. AuQuest Project, for the Period Ending 15th June 2003. Renison Consolidated Mines NL. *Unpublished statutory report for Northern Territory Department of Mines and Energy*.

Hall, S., 2003. 2003 Annual Combined Report on Exploration Licence's EL8508, EL9161, EL9196, EL9346 & EL9594. Mount Bunday Special Project Area, for the Period Ending 31st December 2003. Renison Consolidated Mines NL. *Unpublished statutory report for Northern Territory Department of Mines and Energy*.

Hall, S., 2002. 2002 Annual Combined Report on Exploration Licence's EL8508, EL9161, EL9196, EL9346 & EL9594. Mount Bunday Special Project Area, for the Period Ending 31st December 2002. Sirocco Resources NL. *Unpublished statutory report for Northern Territory Department of Mines and Energy*.

Hall, S., Catherall D, 2001. 2001 Annual Combined Report On Exploration Licence's EL8508, EL9161, EL9196, EL9346 & EL9594. Mount Bunday Special Project Area, for the Period Ending 31st December 2001. Sirocco Resources NL. *Unpublished statutory report for Northern Territory Department of Mines and Energy*.

Hall, S., Catherall D, 2000. 2000 Annual Combined Report on Exploration Licence's EL8508, EL9161, EL9196, EL9346 & EL9594. Mount Bunday Special Project Area, for the Period Ending 31st December 2000. Sirocco Resources NL. *Unpublished statutory report for Northern Territory Department of Mines and Energy*.

Hall, S., Catherall D, 1999. 1999 Annual Combined Report on Exploration Licence's EL8508, EL9161, EL9196, EL9346 & EL9594. Mount Bunday Special Project Area, for the Period Ending 31st October 1999. Sirocco Resources NL. *Unpublished statutory report for Northern Territory Department of Mines and Energy*.

NTDME, 1999. Rum Jungle Magnetism Survey

NTDME, 2000. Mary River Magnetism Survey

Nicholson, PM, Ormsby, WR and Farrar, L, 1994. A review of the Structure and Stratigraphy of the Central Pine Creek Geosyncline, in *Proceedings AusIMM Annual Conference, 1994*.

Rabone, G., 1995. Preliminary Report on the Mineral Occurrences Within a 25 Kilometre Radius of the Rustler's Roost Gold Mine, Northern Territory. *Unpublished in-house report for Valdora Mining Pty Ltd.*

Renison Consolidated Mines NL, 2000. Mary River Infill Magnetism Data.

APPENDIX 1: Mineral Exploration Expenditure for EL 24150

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>24150</i>
Operation Name (optional)	<i>Toms Gully</i>

Section 2. Period covered by this return:			
Twelve-month period:		If Final Report:	
From	<i>25/01/2008</i>	From	
To	<i>24/01/2009</i>	To	
Covenant for the reporting period:		\$10000.00	

Section 3. Give title of accompanying technical report:	
Title of Technical Report	<i>Annual Report On Exploration Licence, EL 24150 AusQuest Project for Period Ending 24 January 2009</i>
Author	<i>Zia U. Bajwah</i>

Section 4. Locality of operation:	
Geological Province	<i>Pine Creek Orogen</i>
Geographic Location	<i>Toms Gully</i>

Section 5. Work program for the next twelve months:

Activities proposed (please mark with an "X"):

<input checked="" type="checkbox"/>	Drilling and/or costeaming
<input type="checkbox"/>	Literature review
<input checked="" type="checkbox"/>	Airborne geophysics
<input type="checkbox"/>	Geological mapping
<input type="checkbox"/>	Ground geophysics
<input checked="" type="checkbox"/>	Rock/soil/stream sediment sampling
<input type="checkbox"/>	Other:

Estimated Cost: \$15000.00

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.

Do not include the following as expenditure (if relevant, these may be

- | | | |
|--------------------------|------------------|----------------------------------|
| • 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				
Literature search	x	1560.00	x	
Database compilation				
Computer modelling				
Reprocessing of data		1250.00	x	
General research				
Report preparation	x	1610.00	x	
Other (specify) Admin	x	500.00	x	
Subtotal		\$4920.00		
Airborne Exploration Surveys (state line kms)				
Aeromagnetics	x kms			
Radiometrics	x kms			
Electromagnetics	x kms	8166.00		
Gravity	kms			
Digital terrain modelling	kms			
Other (specify)	kms			
Subtotal		\$8166.00		
Remote Sensing				
Aerial photography				
LANDSAT				
SPOT				
MSS				
Other (specify)				
Subtotal		\$		
Ground Exploration Surveys				
Geological Mapping				
Regional				
Reconnaissance		1120.00		
Prospect				
Underground				
Costean				
Ground Geophysics				
Radiometrics				
Magnetics				
Gravity				
Digital terrain modelling				

Exploration Work type	Work Done (mark with an "X" or provide details)	Expenditure	Data and Format Supplied in the Technical Report	
			Digital	Hard copy
Electromagnetics				
SP/AP/EP				
IP				
AMT/CSAMT				
Resistivity				
Complex resistivity				
Seismic reflection				
Seismic refraction				
Well logging				
Geophysical interpretation				
Petrophysics				
Other (specify)				

Geochemical Surveying and Geochronology <i>(state number of samples)</i>				
Drill (cuttings, core, etc.)				
Stream sediment				
Soil				
Rock chip				
Laterite				
Water				
Biogeochemistry				
Isotope				
Whole rock				
Mineral analysis				
Laboratory analysis (type)				
Petrology				
Other (specify)				
Ground Exploration Subtotal		\$1120.00		
Drilling (state number of holes & metres)				
Diamond	holes	metres		
Reverse circulation (RC)	holes	metres		
Rotary air blast (RAB)	holes	metres		
Air-core	holes	metres		

Auger		holes	metres
Other (specify)		holes	metres
	Subtotal		
Other Operations			
Costeaining/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			\$14206.00

Section 7. Comments on your exploration activities:

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: Zia U. Bajwah

Position: Geologist

Signature:

Date: 23/02/2009

2. Name:

Position:

Signature:

Date: