

Re 2010 Annual Report for Mt Tymn mcn's 1326, 3026, 3029-30, 3032-3, 3035-63038-9, & Ringwood mcn's 1030-4, all held by Montfall Pty Ltd.

All previous exploration amounts to more than \$500,000.00 expenditure & defines surface resources of alluvial @ Mt Tymn @ 800,000.0 tons @ 0.86 grams / ton, for wash /plant recovery

@ Ringwood @130,000tons @ 1.0 grams / ton, for wash plant recovery.

Such an alluvial "washing", mining venture will not recover even a quarter of the available gold recoverable by crushing to minus 200 microns.

Mt Tymn skree, it is estimated there is approximately 200,000.0 tons @ greater than 2.5grams/ton, representing a recoverable 500,000 grams.

Mt Tymn hard rock, a 300m long x 1.0m wide vein @ 10-15grams/ton, that can be slot mined to 20.0 m, representing 200,000 grams recoverable (a total 700,000.0grams) recoverable using a minor milling & gravity recovery plant, processing at (30tons/hour)

Ringwood skree 70,000 -100,000 tons@ 3.5 grams/ton, representing 245,000 grams recoverable.

Drilling at Mt Tymn, Significant Drill intersections, Number & Length of Intercept and Grade are as follows-

- MTRC 007 - 7m@25.92g/t
- MTRC-043 - 9m@6.4g/t
- MTRC-049 - 1 m@ 13.9g/t
- MTRC-052 - 12m@ 1.8g/t
- MTRC-054 - 4m@3.01 g/t
- MTRC=0561 - 10m@1.0g/t
- MTRC-057 - 9m@ 1.0g/t
- MTRC-060 - 12m@1.8g/t
- MTRC-06.1 - 14m@ 1.0g/t
- MTRC-066 - 5m@ 1.4g/t
- MTRC-075 - 7m n 2.3g/t
- MTRC- 108 - 28m@ 1.8g/t
- MTRC-114 - 37m@ 1.1 g/t + 10m @ 1.4g/t
- MTRC- 116 - 9m@2.5g/t
- MTRC-117 - [13m@1.9g/t](#)
- Further exploration is only cost effective after recovery of the surface & near surface ore resources already delineated, that can pay for the mining equipment & the processing plant & provide further exploration funds.

Transportation of such rich but small deposits, incurs prohibitive cost problems;

- a) Manufacturing new roads suitable for heavy transport.
- b) The costs of transport.
- c) The distances to a large central processing plant.
- d) The processing fees charged, that include better than 100% profit.
- e) The availability of the central plant to process your ore, it can be stockpiled for years.
- f) The time frame for returns on expenditure.

It is not reasonable to continue any form of exploration at either mine, there is enough information gained from past works to give confidence to establishing a minor 30tph milling/gravity (cyclone) recovery to maximise processing results, by processing on site.

We have been actively searching for a partner (@ considerable cost to us) interested in establishing a plant that will make many more small deposits viable, & extend the plant life for decades.

In late July 2010 Mr Tony Grochowski & associates & I, measured up the surface veins skree material at Mt Tymn & Ringwood to agree on reserves estimates. The Grochowski Group also collected 20 bags of samples for their personal assessment.

We have now developed an association with the "Grochowski Group" grochowski.group@bigpond.com , who are constructing a highly mobile, rough terrain mining & processing plant, comprised of ...impact crushing unit...30tph ball mill...& cyclone gravity recovery plant, along with fuel tanker/accommodation/abolitions/mess & kitchen facilities/power plant & conventional mining machinery. They will be available to commence mining by July 2011, & will make all the applications & submissions necessary.

We respectfully request that you exempt us from submitting annual exploration reports for 2010 & 2011, until the mining commences late 2011-2012, there was no other work done on site.

Garry Hamilton for Montfall Pty Ltd 09/10/2010