MT. SHOOBRIDGE PROJECT, NT

ERL 88

ANNUAL REPORT

FOR THE PERIOD

19th September 2009 to 18th September 2010

Tenement : ERL 88
Owner : Altura Exploration Pty Ltd
Operator : Altura Exploration Pty Ltd
Prepared by : B G Bourke
Date : October 2010
Report Number : SHOO/ERL88-1/2010
Project Number : SHOO1
Distribution : Altura Exploration Pty Ltd (1)
Department of Resources NT (1)
TABLE OF CONTENTS

1. Summary ........................................................................................................................................ 3
2. Introduction .................................................................................................................................... 3
3. Location and access ....................................................................................................................... 3
4. Tenement status ............................................................................................................................. 3
5. Local geology ............................................................................................................................... 5
6. Previous exploration ...................................................................................................................... 7
7. Current Exploration – Altura Exploration Pty Ltd......................................................................... 7
   7.2. Period 19th Sept 2005 – 18th Sept 2006 ................................................................................ 8
   7.3. Period 19th Sept 2006 – 18th Sept 2007 ............................................................................... 8
   7.4. Period 19th Sept 2007 – 18th Sept 2008 ............................................................................... 8
   7.5. Period 19th Sept 2008 – 18th Sept 2009 .............................................................................. 8
   7.6. Period 19th Sept 2009 – 18th Sept 2010 ............................................................................... 8
8. Conclusions / recommendations ................................................................................................. 10
9. Proposed work ............................................................................................................................. 10
10. References .................................................................................................................................... 10

FIGURES

Figure 1: Tenement Location and Cadastral Data
Figure 2: Shoobridge Project – Tenements, Regional Geology and Prospect Location

APPENDICES

Appendix 1: Expenditure Report
Appendix 2: Drill hole data for 10SBRC001 – Assay results, Sample and Geology Data

TABLES

Table 1: ERL 88 - Tenement Details
Table 2: Drill Hole Parameters for 10SBRC001
1. SUMMARY

Exploration conducted on ERL 88 during the reporting period included ongoing literature reviews, a geophysical (VTEM) survey, reconnaissance rock chip sampling, GPS surveying of old drill hole collars and grid pegs and reverse circulation drilling.

2. INTRODUCTION

This report covers exploration work carried out by Altura Exploration Pty Ltd, a wholly owned subsidiary of Altura Mining Limited during the reporting period 19th September 2009 to 18th September 2010.

The tenement is part of a project which also includes EL’s 23105, 22186, 24528 and 25181, MCN60 and ML’s N296 and N544. Figure 1 illustrates the tenement location.

3. LOCATION AND ACCESS

The Shoobridge Project is located approximately 160km south southeast of Darwin and approximately 19km west northwest of Hayes Creek. Access is via the Old Stuart Highway and Douglas Station tracks. In the wet season, generally from November to April, access roads into ERL 88 become impassable.

Topographically, the area consists of three main ridges: the western ridge comprising Mt Shoobridge which passes into flat plains to the north and south; a central ridge, which hosts the Mt Shoobridge Fault and mineralisation; and an eastern ridge. All trend in a north-south direction.

The Exploration Retention Licence lies on the Pine Creek 1:250,000 (SD52), and Tipperary (S170-1) 1:100,000 scale topographical and geology sheets.

4. TENEMENT STATUS

ERL 88 was granted to R.M. Biddlecombe on 19th September 1989 for a period of five (5) years, with renewals granted for five (5) year terms in 1994, 1999, 2004 and 2010 respectively.

The tenement is included in a group of tenements (EL’s 23105 and 22186, MCN60 and ML’s N296 and N544) that were on offer to Altura Exploration Pty Ltd from R.M. Biddlecombe. The option to purchase the tenements was exercised on the 4th May 2006. Details of ERL 88 are exhibited below in Table 1.

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Holder</th>
<th>Grant Date</th>
<th>Expiry</th>
<th>Area Km²</th>
<th>Rent$</th>
<th>Commitment $</th>
</tr>
</thead>
<tbody>
<tr>
<td>ERL 88</td>
<td>Altura Exp.</td>
<td>19.09.1989</td>
<td>18.09.2011</td>
<td>1.151</td>
<td>$1,265</td>
<td>$16,000</td>
</tr>
</tbody>
</table>

Table 1. ERL 88 – Tenement details.
Figure 1: Shoobridge Project Tenement Location Plan
5. LOCAL GEOLOGY

The project area contains the sediments of the Lower Proterozoic Burrell Creek Formation and underlying South Alligator Group of the Mt Bonnie Formation. The Middle Proterozoic Shoobridge Granite lies within EL 22186 immediately to the west of ERL 88. Ferruginous sandstones of the Cretaceous Petrel formation unconformably overlie the lower Proterozic sediments forming extensive plateau areas.

The area is structurally complex, displaying tight folding along north-west trending anticlinal axes bearing 340°. The north-northwest trending Mt. Shoobridge Fault cuts through the tenement, and has acted as a conduit for the emplacement of vein gold mineralisation as well as tin/tantalite bearing pegmatite dykes. BHP’s mapping of costeans in the area indicates overturned isoclinal folding, the axial plane dipping steeply to the east and the Shoobridge Fault dipping likewise.

The Old Company (Mount Shoobridge) Mine is located on the Shoobridge Fault within ERL 88. The main lode consists of a steeply dipping quartz-muscovite pegmatite varying from 0.5m to 5m in width, trending NNW, and containing cassiterite shoots over an interval of about 100m. Historical workings, before 1900, yielded 145 tonnes of tin oxide (SnO$_2$) concentrate – there was no recorded grade from the workings. A tailings sample has yielded results of 1.48% Sn and 252ppm Ta.

The area also hosts several small gold deposits that lie along the Shoobridge fault.

Rock types within the tenement are predominantly sequences of quartz mica schist, siltstone, greywacke, narrow banded iron formation and feldspar- muscovite - quartz pegmatite.
Figure 2: Shoobridge Project – Tenements, Regional Geology and Prospect Locations
6. PREVIOUS EXPLORATION

Tin was first discovered at Shoobridge by George Barrett in 1882. Since that time mining has primarily been confined to shallow alluvial and small lode underground mining at the Old Company Mine.

United Uranium Pty Ltd carried out an exploration program in search of tin, lead and copper over the property in the 1960’s. In 1983 the ground was taken up by R.M. Biddlecombe - a number of joint venture partners were involved.

From 1983 to 1986, Talmina Trading carried out stream and soil sampling. Cassiterite, tantalite and tapiolite were identified, including the identification of tantalite in streams south of recognised pegmatite loads.


The most recent work was completed by Golden Valley (GV) in 1997, and included mapping, costeaning, ground magnetics and RC drilling (15 holes for 1256m). The best results came from a greywacke hosted quartz vein, which yielded 12m @ 4.12g/t Au and 8m @ 5.7 g/t Au. The mineralisation remains open to the north and south.

The gold resource from 11,250mN to 11,550mN is stated at 600,000 tonnes at 1.7g/t Au, although gold mineralisation has been intersected from 10,000mN to 12,000mN. All gold deposits lie parallel to, and are often co-incident with pegmatites hosting tin and tantalum mineralisation. Small scale mining of these has occurred for Sn by the Old Company Mine.

7. CURRENT EXPLORATION – ALTURA EXPLORATION PTY LTD

7.1. PERIOD 19TH SEPTEMBER 2004 – 18TH SEPTEMBER 2005

Sixteen (16) rock chips were taken from outcropping pegmatites located along the Shoobridge Fault. Three rock chips exceeded 100ppm Ta, confirming the potential for the ridge south west of the Old Company Mine and the northern end of the Au resource.

Samples were taken from locations along the Shoobridge Fault. Results indicated that Cs, Li and Rb values tended to be elevated, >50ppm when Ta values were >100ppm. Rubidium was consistently higher, unlike lithium and caesium, and was thought to be a useful tool in identifying mineralised pegmatites.

Two rock chips from the northern end of the gold resource suggest some potential for mineralisation under transported soil cover.
7.2. **PERIOD 19TH SEPTEMBER 2005 – 18TH SEPTEMBER 2006**

The belated end to the wet season, cyclone Monica in late April 2006, and the impassability of the access tracks into ERL 88 meant that work during the year was concentrated on the Company’s Finnis Range Project where field studies could be completed because of the better access.

One rock chip was taken from an iron-rich pegmatite during a June reconnaissance trip to the area. Results were uniformly low.

Compilation of a digital database containing gold results from the varying phases of percussion drilling by companies including Dominion Mining Ltd and MIM Exploration Pty Ltd is to be progressed.

7.3. **PERIOD 19TH SEPTEMBER 2006 – 18TH SEPTEMBER 2007**

The exploration activities on this licence focused on the data review and compilation of existing drill data into a digital format. There has been a series of drill programs undertaken on the inferred Shoobridge gold resource which have to be validated and digitised into a common grid and format.

The uranium and base-metal prospectivity of the licence was also investigated during the project scale data review and GIS compilation.

7.4. **PERIOD 19TH SEPTEMBER 2007 – 18TH SEPTEMBER 2008**

Exploration activities on this licence focused on the continuation of a comprehensive data review and compilation of a digital database.

A significant lead anomaly has been identified at the Mount Shoobridge Prospect.

Field mapping by United Uranium geologists in 1963 identified low grade lead (Pb) mineralisation, cerrusite, anglesite with minor galena, in two shallow workings.

Shallow RC drilling of 38 holes intersected patchy mineralisation in all drill holes, and delineated significant lead mineralisation over a strike length of 1900 ft (579 m), and up to 30ft (9 m) wide.

7.5. **PERIOD 19TH SEPTEMBER 2008 – 18TH SEPTEMBER 2009**

Exploration completed during the reporting period consisted of a geophysical (VTEM) survey and follow up rock chip and soil sampling.

A Versatile Time-Domain Electromagnetic (VTEM) airborne survey was completed in September over some of the most prospective areas of the Shoobridge tenements and included ERL 88. The survey was designed to improve the Company’s understanding of the geology, the structures controlling uranium mineralisation and the identification of discrete conductors which may be prospective for base and precious metal mineralisation.
The survey was completed by Geotech Airborne Pty Ltd. Approximately 641 line-kms were flown using an AS350B3 helicopter with about 7.2 Line-kms over ERL 88. The east-west survey lines were spaced 200m apart; additional infill lines were flown over areas of specific interest.

The geophysical data was imaged and analysed by Southern Geoscience Consultants of Perth WA who highlighted a number of conductors coincident with anomalous geochemistry. Two targets are located within ERL 88.

Field work, including reconnaissance mapping and rock chip sampling, was completed in September 2009. Seventeen (17) rock chip samples and five (5) soil samples were taken from two locations.

Modelling of VTEM Anomaly 20130d (FH-M1) by Southern Geoscience revealed a moderately-steep dipping (78°E) conductor. The model is well constrained by data from five survey lines; similar models were obtained by modelling each line separately, thus the confidence in the model is considered high. The source has a relatively low conductance but is almost at surface.

One soil sample was taken from directly over the anomaly. Gold levels were weakly elevated with a value of 29ppb Au being recorded. Four rock chip samples were taken from a quartz vein that had been exposed in an old costean immediately east of the anomaly. No significant results were returned with a maximum of 33ppb Au. Three RC drill holes have been planned to test the anomaly.

Four soil samples were taken across the width of VTEM Anomaly 20070a. Low level Au (up to 7ppb) was recorded. Thirteen (13) rock chip samples were taken from a brecciated quartz vein, containing dark grey metamorphosed sedimentary xenoliths, and adjacent sediments. A number of rock chips recorded elevated levels of gold with a maximum of 491ppb and lead up to 3.1% Pb.

### 7.6 Period 19th September 2009 to 18 September 2010

Exploration studies undertaken by Altura during the current reporting period have included the following:

- The interpretation and processing of the VTEM survey data completed in September 2009.
- Follow up ground assessment of the areas selected as prospective drill targets arising from the VTEM survey
- The GPS surveying of the old drill holes and grid pegs within the old Shoobridge gold prospect area. This data is to be transformed into MGA94 co-ordinates and provide the basis of converting a majority of the historical drill hole data into digital format.
- Reverse Circulation drilling of the interpreted VTEM anomaly located immediately to the east the main Shoobridge gold prospect area – completion of one hole 10SBRC001.

<table>
<thead>
<tr>
<th>Hole Nos.</th>
<th>Easting (MGA94) (metres)</th>
<th>Northing (MGA94) (metres)</th>
<th>Az/Dip (Deg.)</th>
<th>Depth (metres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10SBRC001</td>
<td>746673</td>
<td>8490008</td>
<td>270/-60</td>
<td>40</td>
</tr>
</tbody>
</table>
Drill hole 10SBRC001 intersected a graphitic quartzite with traces of pyrite throughout the holes. Anomalous gold, lead and zinc values were intersected for approximately 10m through to about 25m however the overall tenor of these values were within the range of what would be expected given the results recorded from historical exploration in the immediate area. Although two additional holes were planned to rest this VTEM anomaly it was decided to postpone these holes until the results of this initial hole were available. Furthermore the 10SBRC001 was abandoned at 40m as the drill rods became stuck and it took almost a day to free them.

8.0 CONCLUSIONS / RECOMMENDATIONS

The completion of the Versatile Time-Domain Electromagnetic (VTEM) airborne survey in September 2009 included ERL 88. From this data two targets were identified as being prospective drill targets based upon their VTEM response and historical geochemical data.

In early September 2010 one Reverse Circulation drill hole was completed to test the source of the VTEM anomaly immediately to the east of the main Shoobridge gold prospect. The drill hole – 10SBRC001 - was drilled to a depth of 40 metres however due to drilling the difficulties the hole was abandoned.

9.0 PROPOSED WORK 2010 - 2011

Only one of three planned holes were completed during the 2010 field season testing the VTEM anomaly. There were down hole difficulties and delays in completing 10SBRC001 and it was decided that the remaining two holes be postponed until the assay results from the initial hole were received and interpreted. The two remaining holes – with the possibility of additional holes will be one of the primary exploration objectives in 2011.

In 2010 approximately 40 historical drill holes and old survey grid pegs were GPS surveyed on the main Shoobridge gold prospect area. This data will be used to transform much of the historical drilling data into the UTM MGA94 format so that some idea of the prospective gold resources for the Shoobridge area can be assessed.

10.0 REFERENCES


Young, J.A., 2006, Annual report for 2006. ERL88, Mt Shoobridge NT, Haddington Resources Ltd.

APPENDIX 1

ERL 88

2009-2010 EXPENDITURE REPORT
APPENDIX 2

ERL 88

DRILL HOLE DATA FOR 10SBRC001
ASSAY RESULTS, SAMPLE AND GEOLOGY DATA