Dear Sir

Annual Technical Review MLC 621 & MLC 622

Difficulties with respect to access to tenements MLC 621 & MLC 622, and a number of other granted mining tenements in the region, more generally known as Mount Samuel, continue as a consequence of aboriginal matters. In addition, MLC 621 & MLC 622 fall within the area of a wider application for an exploration licence (ELA 7809) which is currently under moratorium.

Under the current circumstances the company has not entered onto the tenure during the reporting period and therefore not been able to generate new information for inclusion in the Annual Technical Report.

Historical records clearly point to importance of the tenements and their highly prospective character. Specifically the mineralisation at Westward Ho and Arcadia are located on the same major structural element as Truscott’s Westminster Project. Accordingly the company believes that major concentrations of gold mineralisation are contained within the tenure and therefore values the assets highly. Consequently the company has moved to keep them in good standing by the payment of the annual rentals.

The company was hopeful that the government may take a proactive position in unlocking a protracted position that involves a number of different exploration companies and quarantines a region hosting potentially significant mineral resources. Truscott looks to a future opportunity to meaningfully advance work programs at such time as a resolution to the tenement access constraints can be achieved.

Yours faithfully

Peter N Smith
Director
25th March 2011

Cc: Ivan Henderson Chief Geologist