

NORTHERN TERRITORY EXPLORATION EXPENDITURE - Details

Section 1. Tenement type, number and operation name: (One licence only per form even if combined reporting has been approved)

| | |
|---------------------------|---------------------|
| Type | Exploration Licence |
| Number | EL24291 |
| Operation Name (optional) | Beatrice |
| | |

Section 2. Period covered by this return:

Twelve-month period: Annual Report

| | |
|------------------------------------|--------------|
| From | 4-Jul-10 |
| To | 3-Jul-11 |
| Covenant for the reporting period: | \$847,500.00 |

If Final Report:

| | |
|------|--|
| From | |
| To | |

Section 3. Give title of accompanying technical report:

| | |
|---------------------------|---|
| Title of Technical Report | Beatrice Project - Annual Report 4 July 2010 to 3 July 2011 |
| Author | Kate Radford, Tyler Mathieson, C. Trevor Perkins |

Section 4. Locality of operation:

| | |
|---------------------|---------------------|
| Geological Province | Pine Creek Orogen |
| Geographic Location | Western Arnhem Land |
| | |

Work program for the next twelve months:

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

| | |
|---|---|
| Literature review | |
| Geological mapping | X |
| Rock/soil/stream sediment sampling | X |
| Drilling : Diamond | X |
| Geophysics : Airborne EM (TEMPEST) survey | |
| Geophysics : Airborne radiometrics | |
| Geophysics : Airborne hyperspectral | |
| Other | X |

Estimated Cost: \$7,500.00

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. Note overheads are not to exceed 15% of total.

Do not include the following as expenditure

| |
|---|
| Insurance \Transfer cost\Land Access Compensation |
| Company Prospectus\Title Search\Meetings with Land Councils |
| Rent & Department Fees\Legal costs\Payments to Traditional Owners |
| Bond\Advertising\Fines |
| |

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 | YES |
| 1. Name: | C. Trevor Perkins |
| Position: | Sr Project Geologist |
| Signature: | |
| Date: | |
| 2. Name: | Reedik Kuldkepp |
| Position: | Geologist III |
| Signature: | |
| Date: | 31-May-11 |

| NORTHERN TERRITORY EXPLORATION EXPENDITURE - Itemised Expenditure | | | | |
|---|---|---------------------|--|-----------|
| Exploration Work type | Work Done (mark with an "X" or provide details) | Expenditure (\$AUS) | Data and Format Supplied in the Technical Report (mark | |
| | | | Digital | Hard copy |
| Office Studies | | | | |
| Literature search | | | X | |
| Database compilation | | | X | |
| Computer modelling | | | | |
| Reprocessing of data | | | | |
| General research | | | X | |
| Report preparation | X | | X | |
| Other (Office Administration) | X | 182,086.18 | | |
| Subtotal | | \$182,086.18 | | |
| Cameco itemised expenses | | | | |
| Personal Protective Equipment | X | 511.24 | | |
| Training | X | 2,587.83 | | |
| Diesel fuel | X | 14,812.58 | | |
| Jet Fuel | X | 77,707.30 | | |
| Exploration equipment | X | 2,273.62 | | |
| Radiation equipment | X | 213.34 | | |
| Health & Safety | X | 327.33 | | |
| Stationery/Consumables | X | 14,492.00 | | |
| Exploration camp supplies | X | 14,750.91 | | |
| Maintenance Contractor | X | 3,842.32 | | |
| Contractors/Consultants | X | 81,538.22 | | |
| Analytical Services | X See below | | | |
| Drilling | X See below | | | |
| Flights | X | 579,317.88 | | |
| Rentals | X | 21,548.49 | | |
| Communications | X | 1,066.56 | | |
| Insurance | X | 2,305.99 | | |
| Licences/Permits Fees | X | 1,219.51 | | |
| Business travels | X | 133,226.81 | | |
| Exploration Property Cost: (NLC Admin Cost) | X | 2,673.10 | | |
| Salaries | X | 211,298.45 | | |
| Subtotal | | \$1,165,713.47 | | |
| Remote Sensing | | | | |
| Aerial photography | | | | |
| LANDSAT | | | | |
| SPOT | | | | |
| MSS | | | | |
| Other (specify) | | | | |
| Subtotal | | \$0.00 | | |
| Geological Mapping | | | | |
| Regional | | | | |
| Reconnaissance | | | | |
| Prospect | | | | |
| Underground | | | | |
| Costean | | | | |
| | | | | |
| Geophysics | | | | |
| Radiometrics | | | | |
| Magnetics - Sub Audio Magnetic Survey | | | | |
| Gravity | | | | |
| Digital terrain modelling | | | | |

| NORTHERN TERRITORY EXPLORATION EXPENDITURE - Itemised Expenditure | | | | | | |
|--|---|---|---------------------|--|-----------|----------------|
| Exploration Work type | Work Done (mark with an "X" or provide details) | | Expenditure (\$AUS) | Data and Format Supplied in the Technical Report (mark | | |
| | | | | Digital | Hard copy | |
| Electromagnetics (TEMPEST) | | | | | | |
| Hyperspectral | | | | | | |
| IP | | | | | | |
| AMT/CSAMT | | | | | | |
| Resistivity | | | | | | |
| Other (specify) | | | | | | |
| Subtotal | | | \$0.00 | | | |
| Geochemical Surveying and Geochronology (state number of samples) | | | | | | |
| Drill (cuttings, core, etc.) | 653 | | 64,423.21 | | | |
| Stream sediment | | | | | | |
| Soil | | | | | | |
| Rock chip | 164 | | 16,179.79 | | | |
| Laterite | | | | | | |
| Water | | | | | | |
| Biogeochemistry | | | | | | |
| Isotope | | | | | | |
| Whole rock | | | | | | |
| Mineral analysis | | | | | | |
| Laboratory analysis (type) | | | | | | |
| Petrology | | | | | | |
| Other (specify) | | | | | | |
| Ground Exploration Subtotal | | | \$80,603.00 | | | |
| Drilling (state number of holes & metres) | | | | | | |
| Diamond | X | 6 | holes | 1836.7 | m | Expenditure |
| Reverse circulation (RC) | | | holes | | m | \$74,545.29 |
| Rotary air blast (RAB) | | | holes | | m | |
| Air-core | | | holes | | m | |
| Auger | | | holes | | m | |
| Other (specify) | | | holes | | m | |
| Subtotal | | | | | | \$574,545.29 |
| Other Operations | | | | | | |
| Costeaming/Trenching | | | | | | |
| Bulk sampling | | | | | | |
| Mill process testing | | | | | | |
| Ore reserve estimation | | | | | | |
| Underground development (describe) | | | | | | |
| Mineral processing | | | | | | |
| Other (specify) | | | | | | |
| Subtotal | | | | | | \$0.00 |
| Access and Rehabilitation | | | | | | |
| Track maintenance | | | | | | |
| Rehabilitation | | | | | | |
| Monitoring | | | | | | |
| Other (specify) | | | | | | |
| Subtotal | | | | | | \$0.00 |
| TOTAL EXPENDITURE | | | | | | \$2,002,947.94 |