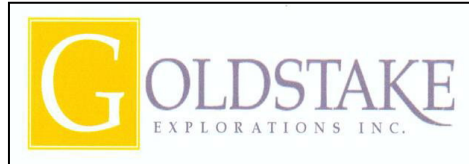


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BARROW CREEK PROJECT
EL 23186
ANNUAL REPORT FOR
THE PERIOD 15th July 2010 to 14th July 2011

Titleholder	Goldstake Explorations Inc.
Operator (if different from above)	as above
Titles/tenements	EL 23186
Tenement Manager	Goldstake Explorations Inc.
Mine/Project Name	Barrow Creek
Report title including type of report and reporting period including date	Barrow Creek Project EL 23186: Annual report for for the period 15/07/2010 to 14/07/2011
Personal author(s)	Dr Michael Green Remote Area GeoScience
Corporate author(s)	Goldstake Explorations Inc.
Target commodities	copper, lead, zinc, silver, gold, nickel
Date of report	3 October 2011
Datum/zone	GDA94/Zone 53
250 000 K mapsheet(s)	Barrow Creek (SF53-06)
100 000 K mapsheet (s)	Taylor (5755) Home of Bullion (5754)
Contact details	Dr Michael Green remote.geo@bigpond.com

DISTRIBUTION: Northern Territory Department of Resources

Goldstake Explorations Inc.

Imperial Granite & Minerals Pty Ltd

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Figure 1: Location maps of EL 23186

Table 1: Best results from Mithril Resources drilling at Prospect D.

Table 2: Results of Goldstake Explorations Inc. diamond drilling.

Table 3: Expenditure for 2010 to 2011.

Table 4: Proposed expenditure for the 9th and 10th years of tenure, EL 23186.

1.0 Summary

This annual report documents exploration activities undertaken on exploration licence (EL) 23186 for the period 15th July 2010 to 14th July 2011. Four field visits were made by potential investors to the project area during the reporting period.

Two field visits were made by representatives of Oz Minerals. The first was led by local consultant Michael Green and visited the Home of Bullion and Prospect D prospects. Oz Minerals made a further visit to the Home of Bullion prospect. Oz Minerals took 3 whole-rock geochemical samples from the 2006 drill core and completed a petrographic report with some XRD analyses.

One field visit was made by representatives of the Chinese firm Northwest Nonferrous International Investment Company Ltd and a translator. This field trip was also led by Michael Green and visited the Home of Bullion and Prospect D prospects.

The final field visit was made by representatives of Kentor Gold Limited with local consultant Rudy Lennartz. Due to local flooding at the time this trip was undertaken by helicopter and only the Home of Bullion prospect was visited.

Offers were made by all parties who visited the project area and it was decided to accept the offer from Northwest Nonferrous International Investment Company Ltd.

No further work has been completed as the deal with Northwest Nonferrous International Investment Company Ltd has yet to be completed.

2.0 Location & Tenure

EL 23186 is located about 27 km ENE of Barrow Creek; a roadside stop on the Stuart Highway 282 km north of Alice Springs. The Alice Springs to Darwin railway passes 8 km east of the Home of Bullion prospect (Figure 1).

The tenement is within the Neutral Junction pastoral property (PPL 969, Portion 3375). Access to the Home of Bullion prospect is via the road to Neutral Junction Station and the Tara aboriginal community and then on bush tracks and fence-lines. Access to the Prospect D prospect is from little-used bush tracks from the Stuart Highway. Flooding in 2010/11 has destroyed many of the lesser tracks and access to both prospects has been greatly hindered.

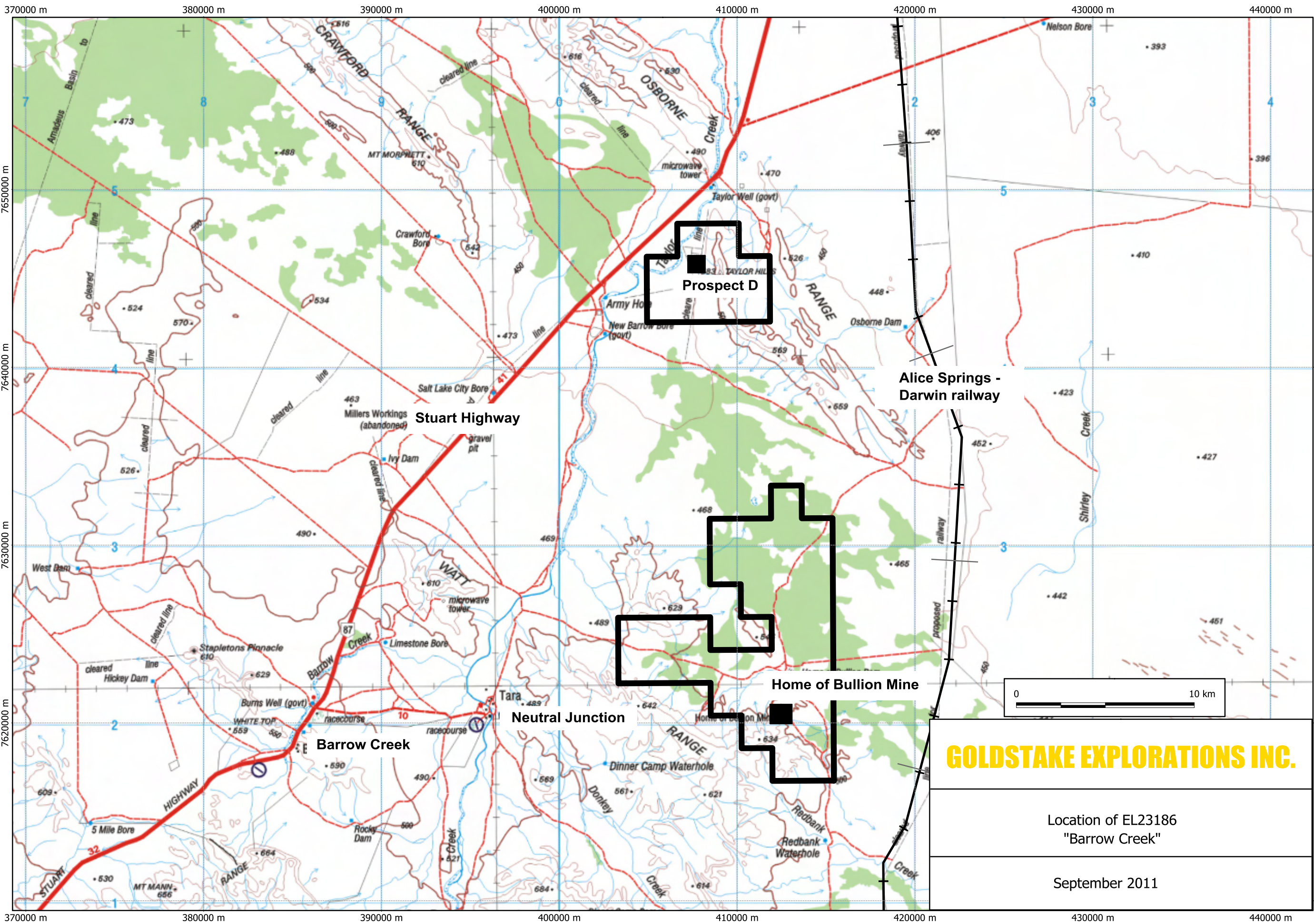
EL 23186 was originally granted on the 15 July 2002. It now comprises 43 sub-blocks after numerous reductions. Imperial Granite and Minerals Pty Ltd, Goldstake Explorations Inc. and Robert Cleaver are the current holders of EL 23186.

3.0 Exploration Highlights

Previous exploration activities conducted on EL 23186 have been detailed in previous annual reports. A summary of work is outlined below.

3.1 2003-2006 Mithril Resources

In the first 3 years of tenure the project was joint ventured to BHPBilliton and Mithril Resources, who managed the project and focussed on the known nickel-copper sulphide

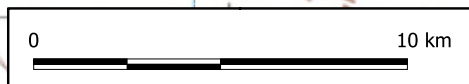


Prospect D

Alice Springs - Darwin railway

Stuart Highway

Home of Bullion Mine



GOLDSTAKE EXPLORATIONS INC.

Location of EL23186
"Barrow Creek"

September 2011

mineralisation at Prospect D. Numerous geophysical programmes were completed including:

- Ground gravity (regional & detailed),
- Airborne EM (TEMPEST) for > 220 line kilometers identified 30 conductors of which 10 warrant ground EM follow-up,
- Ground EM (moving loop SIROTEM) over 10 significant TEMPEST anomalies and known Ni-Cu sulphide mineralisation, and
- Downhole EM.

Two drill programmes were also completed and the best results are summarised in Table 1:

- Eight diamond drill holes for 1,635 m, and
- Five RC drill holes for 282 m (one for water).

Hole_ID	From (m)	Downhole width (m)	Ni (%)	Cu (%)	Ag (g/t)	Others
BCD-001	133.8	6.8	0.27	1.24	5.2	
includes	135.1	0.35	1.22	8.27	26.2	
BCD-004	191.9	0.6	2.86	2.27	8.5	
	195.4	5.1	0.36	1.32	3.8	
includes	195.4	2.6	0.55	1.63	4.6	
BCD-005	157.6	12.3		0.75	4.8	
includes	157.6	6.8	0.24	1.01	7.3	0.63% Pb, 0.25% Zn
BCD-007	262.6	0.6	2.39	0.24	1.6	
BCD-008	307.0	8.65	0.16	0.47	1.6	
BCD-010	97.0	1.0			6.4	
	111.0	1.0			5.1	0.2% Pb, 0.19% Zn

Table 1: Best results from Mithril Resources drilling at Prospect D.

Mithril Resources spent just under \$1,000,000 and hence failed to reach a significant milestone in the joint venture. At that time, BHPBilliton took over Western Mining Corporation and the joint venture was terminated.

3.2 2006 Home of Bullion Diamond Drill programme

In 2006, fifteen diamond drill holes for 1406 m were completed at the Home of Bullion copper mine by Goldstake Explorations Inc. Holes were positioned to hit extensions of historic copper lodes. The results from this drilling are summarised in Table 2. Most of the drilling around the main lode was successful, but western extensions were not encountered. Drilling problems led to no intersections of the southern lode. Over \$630,000 was spent on this drilling programme.

3.0 Exploration Highlights cont'd

DIAMOND DRILL HOLE DETAILS							MINERALISED INTERSECTION								
HOB No.	COLLAR COORDINATES (m)			AZI. (°)	INCL. (°)	LENGTH (m)	FROM (m)	TO (m)	LENGTH (m)	ASSAYS					ZONE
	AMG		Geoid (AHD)							%Cu	%Zn	%Pb	g/t Au	g/t Ag	
	mN	mE	ELEVATION												
1	7,620,977.73	412,612.55	502.71	190	50	95.0	88.90	90.00	1.10	3.06	0.68	0.20	0.46	14.2	Main
2	7,620,977.73	412,612.55	502.71	190	75	122.9	113.30	116.50	3.20	4.79	5.44	0.65	0.33	57.9	Main
3	7,621,003.61	412,570.22	503.18	190	50	115.9	95.50	99.00	3.50	1.15	2.37	0.35	0.20	23.2	Main
4	7,620,690.15	412,298.10	498.79	0	50	109.8	Lode not intersected							South	
5	7,620,937.39	412,633.93	502.75	190	50	59.0	58.00	59.00	1.00	1.14	0.38	0.23	BLD	8.8	Main
6	7,620,938.94	412,634.28	502.38	190	75	149.3	80.80	83.30	2.50	2.56	1.11	0.19	0.17	22.2	Main
7	7,620,987.42	412,615.52	503.04	0	90	220.7	160.80	166.10	5.30	4.79	2.00	0.54	0.63	58.3	Main
8	7,620,710.80	415,476.08	497.55	0	90	26.6	DDH abandoned due to caving							South	
9	7,620,971.00	412,424.02	502.82	0	90	59.8	Lode not intersected							Main	
10	7,620,971.00	412,424.02	502.82	190	50	39.6	Lode not intersected							Main	
11	7,620,966.97	412,455.34	502.06	190	50	42.5	Lode not intersected							Main	
12	7,620,966.97	412,455.34	502.06	0	90	95.0	Lode not intersected							Main	
13	7,620,936.88	412,545.82	500.38	0	90	62.8	53.00	57.70	4.70	6.22	3.80	1.47	0.60	78.7	Main
14	7,620,939.03	412,587.60	501.03	0	90	92.5	86.40	87.10	0.70	3.14	0.92	0.58	BLD	43.6	Main
15	7,620,890.52	412,656.48	505.51	0	90	114.6	Lode not intersected							Main	
TOTALS				1,406.0											

NOTES:

1. Coordinates are GDA 94 MGA Zone 53; Elevations are Height above Geoid (AHD)
2. Diamond drill core size = NQ2 (48mm core diameter)
3. BLD = less than 0.03 g/t Au

Table 2: Results of Goldstake Explorations Inc. diamond drilling.

3.3 2007-2010 Various works

Since completion of the 2006 drilling programme at Home of Bullion and termination of joint venture with BHPBilliton/Mithril there has been limited work at both prospects. Various parties have shown interest in the projects but the Global Financial Crisis led to the collapse of various deals.

3.4 2010-2011 Current years activities (9th year of tenure)

Four field visits were made by potential investors to the project area during the reporting period.

Two field visits were made by representatives of Oz Minerals. The first was led by local consultant Michael Green and visited the Home of Bullion and Prospect D prospects. Oz Minerals made a further visit to the Home of Bullion prospect. Oz Minerals took 3 whole-rock geochemical samples from the Home of Bullion mine site (Appendix 1) and completed a petrographic report with some XRD analyses (Appendix 2). Whole-rock geochemical samples were analysed by ALS Chemex and the results confirm the presence of very high-grade Cu+Pb+Zn+Ag+Au.

One field visit was made by representatives of the Chinese firm Northwest Nonferrous International Investment Company Ltd and a translator. This field trip was also led by Michael Green and visited the Home of Bullion and Prospect D prospects.

The final field visit was made by representatives of Kentor Gold Limited with local geology consultant Rudy Lennartz. Due to local flooding at the time this trip was undertaken by helicopter and only the Home of Bullion prospect was visited.

Offers were made by all parties who visited the project area and it was decided to accept the offer from Northwest Nonferrous International Investment Company Ltd.

No further work has been completed as the deal with Northwest Nonferrous International Investment Company Ltd has yet to be completed.

Consultant geologists	\$8,250
Field Costs (includes helicopter)	\$6,010
Travel Costs (all parties)	\$21,000
Analytical Costs (geochem, petrography)	\$7,300
Reports (includes MMP)	\$3,750
Administrative Costs	\$6,946
TOTAL COSTS	\$53,256

Table 3: Expenditure for 2010 to 2011.

4.0 Proposed Exploration program.

At the end of the 8th year of tenure a meeting was held with the Titles Division of the Northern Territory Department of Resources. A two year programme was proposed to advance both the Prospect D and Home of Bullion projects to a position where there was sufficient reliable information to move towards grant of mining leases. To satisfy this end a combined budget in excess of \$3,000,000 was proposed for the two years (Table 4).

Work will concentrate on:

- i. Progress the Home of Bullion and Prospect D deposits to JORC compliant mineral resource status. 19 diamond drill holes for a total of 1,765 metres are proposed in the first instance.
- ii. Increase the resource base at the Home of Bullion and Prospect D deposits through drilling possible extensions to the known mineralisation (includes the southern lode at Home of Bullion).
- iii. Step out exploration to drill untested EM anomalies in the Prospect D area to identify additional Ni-Cu sulphide accumulations.
- iv. Complete ground geophysics around the Home of Bullion deposit to identify immediate additional targets (eg. Mulbangas). Drill test if successful.

Year 9	
3 areas covered by ground geophysics	\$ 100,000.00
5000m of RAB/RC drilling	\$ 400,000.00
2000m of Diamond Core drilling	\$ 400,000.00
Contract geologist crew (4)	\$ 150,000.00
logistical support and accommodation, etc	\$ 120,000.00
Vehicle hire, earthmoving equipment, etc.	\$ 95,000.00
Incidentals, etc.	\$ 100,000.00
	\$1,365,000.00
Year 10	
Further various geophysics.	\$ 50,000.00
Further various types of drilling.	\$1,000,000.00
Contract geological crew.	\$ 200,000.00
Vehicle hire.	\$ 60,000.00
Earthmoving hire.	\$ 100,000.00
Logistical support, accommodation.	\$ 150,000.00
Incidentals, etc.	\$ 120,000.00
	\$1,680,000.00

Table 4: Approved expenditure for the 9th and 10th years of tenure, EL 23186.

APPENDIX 1

ROCKCHIP ASSAYS COLLECTED BY OZ MINERALS

APPENDIX 2

PETROGRAPHIC REPORT COMMISSIONED BY OZ MINERALS