

7.5 Resource Summary:

- An indicated resource of 23.76 Mt of 44.03% MgO, 2.33% CaO exists at Main Creek in five major lenses within 300 vertical metres of the base of weathering.

Lens	Tonnes	MgO	CaO	SiO₂	Fe₂O₃
B	2,550,000	43.49	2.15	1.68	3.42
C1	3,730,000	44.75	2.53	0.82	0.59
D	11,820,000	44.08	2.36	2.11	1.00
D1	2,310,000	45.25	2.15	0.26	0.78
E	3,350,000	42.63	2.30	3.00	2.32
TOTALS	23,760,000	44.03	2.33	1.80	1.36

MAIN CREEK PROJECT

IDENTIFIED MINERAL RESOURCE SUMMARY

INDICATED RESOURCES

- Assuming an 80% mining extraction, this resource would be sufficient to feed an 80,000 tpa magnesium metal refinery with 400,000 tpa magnesite feed stock for a 50-year period.
- In addition to this indicated resource, there is a substantial (not estimated) additional inferred resource, existing as lesser defined lenses adjacent to the indicated resource lenses.
- Potential exists along strike and down-dip of the main resource lens to define substantial additional tonnages.
- If technological or commercial parameters can be varied to allow extraction of + 3% CaO, then the resource can be dramatically increased, even in the range 3-5% CaO.