

GREAT SOUTH LAND MINERALS LIMITED

ABN 54 068 650 386

ADDITIONS

TO

2003 ANNUAL REPORT

FOR

MINERAL RESOURCES TASMANIA

**SPECIAL EXPLORATION LICENCE
13/98**

Dr Clive Burrett – Chief Geologist
Mr Rod Tabor – Exploration Manager
Mr David Tanner – Chief Executive Officer

18 June 2003

2003 Annual Report - Additions

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GREAT SOUTH LAND MINERALS LIMITED

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18 June 2002

Director of Mines
Mineral Resources Tasmania
PO Box 56
ROSNY PARK TAS 7018

Attention : Dr A.V. Brown

Dear Dr Brown,

Additions to 2003 Annual Report

Thank you for the letter from your office requesting explanations and additional data covering work on special exploration licence, SEL 13/98, for the period 1 April 2002 to 31 March 2003.

I attach a letter with our explanations as well as several additional appendices that should be added to the original 2003 Annual Report.

Please accept my apologies for not forwarding this data with the original annual report.

Should you require any further information to meet your specific requirements, please contact me on 6231 9339.

Yours faithfully

David Tanner
Chief Executive Officer
Great South Land Minerals Limited

Statutory Declaration

I, David Andrew Tanner, Chief Executive Officer

for Great South Land Minerals Limited

of Level 3, 65 Murray Street, Hobart Tasmania.

Declare that the information herein pertaining to the 2003 Annual Report on Oil and Gas Exploration is true and I make this solemn declaration by virtue of Section 132 of the Tasmanian evidence Act 1910.

Declared at Hobart this day of 2003.

.....(signature), before a Justice of the Peace or a

Commissioner of Declarations (signature)

Explanations

- (1) *It is stated that “During the coring operations [of Hunterston-1] hydrocarbon gas was noted at various depths” Please explain the source of these observations.*

It is noted that in the Wellsite Geologist Reports (Appendix C), no “hydrocarbon shows” are recorded on the report proformas, however, “Gas Peaks” are listed and quantified in “TG units” and % methane. The maximum “gas peaks” are around 35 TG units, which correspond to 0.1% methane on most of the daily reports; but on one report, a peak of 15 TG units is recorded as 0.9% methane (790 m). Please explain how the “gas peaks” were measured, and explain the general lack of correspondence between “TG units” and “% methane”.

The Wellsite Geological Reports were compiled by an independent ‘mudlogger’ (Eric Espiritu) of Geovations Consultants and subcontracted by OME Group Ltd. Rather than alter his report, which we believe contains several errors, we prefer to compile our own simplified lithostratigraphic log, with more acceptable lithostratigraphic correlations. If Mineral Resources Tasmania requires, we are happy to go through Mr Espiritu’s litholog and make corrections of interpretation and correlation.

Hydrocarbon gases were measured using a hot-wire and plotted by the mudlogger, Mr Espiritu.

We assume that 0.8 and 0.9% gas are misprints for 0.08 and 0.09% at 790m. Otherwise there appears to a general correlation between the gas peak units and % methane on Mr Espiritu’s logs.

- (2) *It is stated (p. 8) that “sections of core and gas samples have been sent for analysis to Amdel...All samples had geochemical analysis including saturated and aromatic biomarkers. The oils analysed have similar maturities...Gaseous hydrocarbons were analysed from that the hole and gas included 1% (air corrected) helium”.*

None of these analyses has been provided in the report, and I request that you submit the full results of all analyses carried out in the reporting year. Please also state the mode of occurrence of the oil and gas that were analysed, given that no hydrocarbons shows are reported: are the “oils” from oil shows or are they extracts from drillcore? How are the gas samples obtained?

The AMDEL gas results are included as Appendix I (attached). Oil was extracted from the shales in the core. Oil inclusions and oil drops are also found within sandstones of the Liffey Group (Appendix J) (attached).

Gas samples were obtained at several levels and sent to AMDEL in sealed bombs. Details of gas sampling methods are given as Appendix H (attached). Results are attached as Appendix J.

- (3) *Fig. 3 of Appendix F has a table showing selected porosity, permeability, vitrinite reflectance and Rock-Eval data. Please provide a complete set of this data.*

A complete set of porosity, permeability and rock-eval data is attached as Appendix K & L.

- (4) *The “Wellsite Lithology Log” of Hunterston-1 (Appendix B) is incomplete and inaccurate. It only covers 336 to 1100 m (the hole was fully cored to 1324m). It identifies the section below 980 m, as “Woody Island Siltstone”, whereas in Appendices D and F this is indicated to be Proterozoic dolomite basement. MRT staff have viewed the core and we believe that the lithological descriptions in the Wellsite Lithology Log are incorrect below 980m. Lithological descriptions in Appendix C are similarly inaccurate for this interval. Please provide a complete and accurate log of Hunterston-1.*

Mr Espiritu’s identification of Woody Island Siltstone below 980m is clearly incorrect. This formation is absent from this area. All the core below 980m depth is deformed, predominantly dolomitic Proterozoic metasediments. We are happy to change Mr Esperitu’s litholog if required by MRT. The remainder of the log below 1100m has not been supplied to GSLM. We are attempting to acquire this log from OME Group Ltd. A full, complete and accurate summary log is shown in Appendix D, Figure 15.

The section from 0-300m was air hammered and therefore not cored.

- (5) *It is stated in your report (p. 9) that “... the generative potential of the basin is extremely large and that the potential undiscovered resource of the basin may exceed 5 billion BOE.” Please explain how this estimate was made.*

The Source Potential Index (SPI) is a standard petroleum industry calculation which is used by Dr Catherine Reid in the previously submitted Appendix D -see pages 10-12. Dr Reid’s maps of SPI for two potential source rocks are shown as Fig 9 in previously submitted Appendix D. We append an amplified version of this as Appendix N (attached).

- (6) *It is also noted that three reports previously submitted to MRT have again been included in the Annual Report. We do not require you to submit reports more than once.*

We note your comments that change the previously understood requirements of MRT and will no longer resubmit all reports at the end of each reporting period.

Appendices

- H. Gas Sampling Technique.
- I. Gas Results from Hunterston #1.
- J. Organic Petrology of Core from Permian of Hunterston #1.
- K. Porosity and Permeability data, boreholes Permian - Tasmania.
- L. TOC, rock eval results and geochemistry, Permian samples.
- M. TOC, rock eval results and geochemistry, Ordovician Gordon Group limestone Florentine Valley and Proterozoic dolomitic metasediments Hunterston #1.
- N. Calculations of Source Potential Index and Undiscovered Potential Resource for Permian of the Tasmania Basin.

CD Contents

CD containing the following files;

SEL1398_200306_01_report
SEL1398_200306_02_appendixH
SEL1398_200306_03_appendixI
SEL1398_200306_04_appendixJ
SEL1398_200306_04_appendixK
SEL1398_200306_04_appendixL
SEL1398_200306_04_appendixM
SEL1398_200306_04_appendixN