

GREAT SOUTH LAND MINERALS LIMITED

ABN 54 068 650 386

**QUARTERLY REPORT
FOR THE PERIOD ENDING 31ST MARCH 2006**

FOR

MINERAL RESOURCES TASMANIA

**SPECIAL EXPLORATION LICENCE
13/98**

Dr Clive Burrett – CEO/Chief Geologist
Ms Nicole Chesterman – General Operations Manager

20th April 2006

GREAT SOUTH LAND MINERALS LIMITED

EXPLORATION PROGRESS REPORT

For the quarter ending Friday 31st March 2005

Farm-In Agreement SEL13/98

On 13th January 2006, an Application for Written Instrument – Farm In Agreement M R Associates LLP was lodged with Mineral Resources Tasmania and was formally approved by the Minister on the 16th February 2006. The application covers and 840 sq. km area within the northern boundary of GSLM's SEL13/98.

The Farm-In Agreement minimum exploration activities includes Exploration Drilling Work of one well with total minimum depths of 2,000 metres at a location to be specified by the Operator and well Logging and test work to be undertaken. Negotiations are continuing with the Operator to determine application details & operational parameters.

Seismic Operations TB02-planning

GSLM have worked with SEMF and other consultants and have compiled an Environmental Management Plan and Traffic Management Plan, as requested by the Department of Primary Industries, Water and Environment, Resource Management and Conservation, and the Department of Infrastructure, Energy and Resources (Roads and Public Transport Division). Copies of the Great South Land Minerals Ltd – 'Onshore Seismic Survey Traffic Management Plan' and 'Onshore Seismic Survey Environmental Management Plan' and conditional letters of approvals granted by the relevant authorities were submitted to Dr A. V. Brown on the 22nd March 2006.

Confirmation was received on 31st March 2006 that the documents related to the approval conditions as specified in the letter dated 21st November 2005 from the Mineral Resources Tasmania were submitted, GSLM confirmed intention to commence the "TASMANIA BASIN SEISMIC SURVEY" on the 4th April 2006. The initial stage of the "TASMANIA BASIN SEISMIC SURVEY" involves the 'initial survey and line pegging' of proposed seismic lines. Terrex Seismic Pty plan to mobilise their survey contractor, Dynamic Satellite Survey (DSS), and their Traffic Management team to commence survey operations on the 4th April. Survey operations have commenced in the Central Highlands Municipality on seismic lines TB02-BB and TB02-BA and will cover approximately 8kms per day.

The Terrex Seismic Survey crew are expected to commence on-ground operations 24th April 2006.

The Department of Infrastructure, Energy and Resources (Roads and Public Transport Division), and the Central Highlands Council have been notified of the proposed start dates for survey and line pegging operations. Information relating to the survey activities on public roads will also be advertised in the 'Public Notices' sections of the Mercury and the Examiner. Subsequent Councils (Southern Midlands, Northern Midlands, Glamorgan Spring Bay, Derwent Valley, Huon Valley, Huon Valley, Kingborough and Sorell) will be approached to discuss the proposed seismic schedule to ensure that our Public Management Contact plan is executed and that works do not clash with Municipal works. 'Regional Seismic Survey' packages containing handouts on the 'Tasmanian Basin – Regional Seismic Survey 2006', the Tasmanian Basin Seismic survey 1:500,000 map, Municipal Maps detailing the proposed lines and Municipal schedule detailing roads and expected dates of traverse will be given to all Councils.

As outlined in the approval conditions as specified in the letter dated 21st November 2005 from the Mineral Resources Tasmania, GSLM will provide weekly updates to the Director of Mines once the 'Tasmanian Basin Seismic Survey' commences.

Further assessment of the planned TB02 lines have been made in consideration to the Tasmanian geology, private landowners and the Tasmania Gas Pipeline. A number of modifications have been noted and implemented as a result of this review and details are described on pages 2 to 9. A revised map indicating the Tasmanian Basin Seismic Survey seismic lines (1:500 000 scale) and electronic data supplement this report along with invoices detailing charges for Terrex Seismic services and current DSS Surveying progress reports.

The following GSLM staff have been actively involved with planning Seismic operations over the last quarter:

Dr Clive Burrett

Managing Director, Senior Geologist

Miss Nicole Chesterman

General Operations Manager

Mr Geoff Squibb

Manager, Public and Government Liaison

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| Mr Tim Bendall | GIS and Planning |
| Dr Andrew Moy | GIS and Planning |
| Mr Andrew Stacey | Geophysics |

Tasmanian Basin Seismic Survey Modifications

Central Highlands and Northern Midlands Municipalities

- TB02-BA
- Southern end of line modified to follow roads in Ouse Township.

Line now covers the following roads: Poatina Road (B51), Lake Highway (A5), Waddamana Road (C178), Bashan Road (C177), Victoria Valley Road (C173), Lyell Highway (A10), Cook Street, Water Street and Ticknell Street.

Central Highlands Municipality

- TB02-BB

Line modified at Bothwell and Ouse to follow roads. Line now covers the following roads: Interlaken Road (C527), Dennistoun Road (C528), Market Place (C528), William Street (B110), High Street, Arthur Crescent, Logan Street, Schaw Street (C179), Meadsfield Road (C179), Tor Hill Road (C179), Lyell Highway (A10), Lake Repulse Road, Dawson Road, Dunrobin Road and Misery Road.

Central Highlands Municipality

- TB02-BD
- Line modified at Southern end, ensuring line follows Lyell Highway.

Huon Valley and Kingborough Municipalities

- TB02-CD
- Line straightened to follow North Glen Road prior to entering Huon Highway. Small modifications made to line to follow listed roads.

TB02-CD follows the listed roads: Dolerite Road, Russell Road, Lonnvale Road, North Huon Road (C619), Agnes Street, Louisa Street, North Glen Road and Huon Highway (A6).

Huon Valley Municipality

- TB02-CF

- Small modifications made to line follow listed roads: Louisa Street, Ranelagh Road (C620), Huon Highway (A6), Channel Highway (B68), Mary Street (B68), Charlton Street (B68), and Channel Highway (B68).

Huon Valley and Kingborough Municipalities

- TB02-CG
- Small modifications made to line follow listed roads: Charlton Street (B680, Thorpe Street, Tobys Hill Road, *Line crosses private property and Nicholls Rivulet Road (C626).

Line TB02-CG crosses private property (numbers 1781, 1786 (Crown Land), 1788, 2152 and 1795), after Toby's Hill Road before returning to Nicholls Rivulet Road. Spoke to Huon Valley Council and have been advised there is no reserve or road access to this area. The area covering private property has also been described as steep and bushy. Consider stopping line TB02-CG at Toby's Hill Road and then restart line at Nicholls rivulet road.

Kingborough Municipality

- TB02-CH
- Small modifications made to line to follow Channel Highway (B68).

Kingborough Municipality

- TB02-CI
- Small modifications made to line to follow Channel Highway (B68), Sandfly Road (C622) and ensuring line does not cross Huon Highway.

Southern Midlands Municipality

- TB02-EA
- Small modifications made to line to follow listed roads: Stonor Road (C314), Tunnack Road (C312), Woodsdale Road (C310), Stonehenge Road, and Swanston Road.

Southern Midlands Municipality

- TB02-BI
- Start of line moved start outside the Tasmania Gas Pipe Line planning zone and and small sections modified to follow listed roads.

TB02-BI follows the following roads: Quoin Road, Yarlinton Road, Crosses B31, Rhyndaston Road (C313), Eldon Road (C342), Tunnack Rd (C312).

Central Highlands and Southern Midlands Municipalities

- TB02-BG1
- Seismic line TB02-BG1 was originally line TB02-BG. TB02BG has been broken into two sections due to the Tasmanian Gas Pipeline. Line TB02BG1 passes along the following roads: Interlaken Road (C527), Coldblow Lane and Bowhill Road.
- Line TB02-BG1 stops before Tasmanian Gas Pipeline planning zone.

Southern Midlands and Glamorgan-Spring Bay Municipalities

- TB02-BG2
- Seismic line TB02-BG2 was originally line TB02-BG. TB02BG has been broken into two sections due to the Tasmanian Gas Pipeline. Line TB02BG2 passes along the following roads: Bowhill Road, High Street, Unamed road, Whynyates Street, Bentwick Street, Tunnack Road (C312), New Country Marsh Road (C312), Woodsdale Road, Dares Road, Link Road, Cutting Grass Road and Buckland Road (C318).
- Line TB02-BG2 starts outside the Tasmanian Gas Pipeline planning zone.

Northern Midlands Municipality

- TB02-EL1
- Seismic line TB02-EL1 was originally line TB02-EL. TB02-EL has been broken into two sections due to the Tasmanian Gas Pipeline. Line TB02EL1 passes along the following roads: Belle Vue Road, Barton Road, Macquarie Road and Isis Road.
- TB02-EL1 stops before the Tasmanian Gas Pipeline planning zone.

Northern Midlands Municipality

- TB02-EL2
- Seismic line TB02-EL2 was originally line TB02-EL. TB02-EL has been broken into two sections due to the Tasmanian Gas Pipeline. Line TB02EL2 passes along the following roads: Glen Connell Road, Auburn Road, Crosses Midland Highway, Unamed public road (Ross), Bridge Street (Ross), Church Street (Ross), The Boulevards (Ross), Stony Gully Road and Unamed public road.

Southern Midlands Municipality

- TB02-ED1
- Seismic line TB02-ED1 was originally line TB02-ED. TB02-ED has been broken into two sections due to the Tasmanian Gas Pipeline. Line TB02-ED1 passes along the following roads: Unamed Road, Crosses Interlaken Road – C527, Unamed Road and stops before Tasmanian Gas Pipeline planning zone.

Southern Midlands Municipality

- TB02-ED2
- Seismic line TB02-ED2 was originally line TB02-ED. TB02-ED has been broken into two sections due to the Tasmanian Gas Pipeline. Line TB02-ED2 passes along the following roads: Line starts before Tasmanian Gas Pipeline planning zone travels on unnamed Road, York Plains Road (C307) and Stonehouse Road.

Southern Midlands Municipality

- TB02-EF
- Seismic line TB02-EF modified due to Tasmanian Gas Pipeline planning zone. Seismic line TB02-EF now starts before the Tasmanian Gas Pipeline planning zone and passes along the following roads: Old Tier Road, Midland Highway, Woodbury Road (Glen Morey Road) and Glen Morey Road.

Northern Midlands Municipality

- TB02-ER1
- Seismic line TB02-ER1 was originally line TB02-ER. TB02-ER has been broken into two sections due to the Tasmanian Gas Pipeline. Line TB02-ER1 passes along the following roads: Verwood Road.

Northern Midlands Municipality

- TB02-ER2
- Seismic line TB02-ER1 was originally line TB02-ER. TB02-ER has been broken into two sections due to the Tasmanian Gas Pipeline. Line TB02-ER1 passes along the following roads: Verwood Road.

Northern Midlands Municipality

- TB02-EB1
- Seismic line TB02-EB1 was originally line TB02-EB. TB02-EB has been broken into two sections due to the Tasmanian Gas Pipeline. Line TB02-EB1 passes along the following roads: Macquarie Road (C522) and stops before the Tasmania Gas Pipeline planning zone.

Northern Midlands and Southern Midlands Municipalities

- TB02-EB2
- Seismic line TB02-EB2 was originally line TB02-EB. TB02-EB has been broken into two sections due to the Tasmanian Gas Pipeline. Line TB02-EB2 starts outside of the Tasmanian Gas Pipeline planning line and follows along the following roads: Macquarie Road (C522), Ashby Road, Midland Highway, Unamed road, Bridge Street (Ross), Beaufront Road (Ross), Bond Street (Ross), Tooms Lake Road (C305), Unamed

Road, Kheme Road, York Plains Road, Lemont Road, Unamed Road (no shape file available, but 2WD track indicated on map) and forestry Road.

Southern Midlands Municipality

- TB02-EC
- Minor modifications made to line TB02-EC to follow road shape file. Line follows the following road: Tunnack Road (C312), Inglewood Road (C310), Lemont Road and Unamed Road.

- TB02-EE

Minor modifications made to line TB02-EC to follow road shape file. Line follows the following road: Unamed Road, Melrose Road, Midland Highway, Woodbury Road and Unamed Road.

Southern Midlands Municipality

- TB02-EG
- Minor modifications made to line TB02-EG to follow road shape file. Line follows the following roads: Ballochmyle Rd and Glen Morey Rd and is 10.86 km long.
- Line TB02-EH divided into two seismic lines due to overlap with TB02-EI. New lines created TB02-EH1 & TB02-EH2
- TB02-EH1 is 7.65 km long and follows roads: Unnamed road from Glen Morey, Ballochmyle Rd and an unnamed road from Ballochmyle Rd to the northeast. Line TB02-EI1 is located within the Northern and Southern Midland Municipalities.
- TB02-EH2 is 11.44 km long and follows Honeysuckle Road. The line is located within the Southern Midlands Municipality.

Northern Midlands Municipality

- TB02-EK divided into two lines due to no crossing at Macquarie River. New lines created are TB02-EK1 & TB02-EK2.
- TB02-EK1 is 8.49 km long and follows an Unnamed road across Knobby Ridge, crossing the Midlands Highway, through to unamed road (authorised) past Wetmore, crossing Mona Vale Road and finishing on an unnamed road.
- TB02-EK2 is 7.29 km long and follows an unnamed road across Green Sugarloaf and Tooms Lake Road (C305).
- Line TB02-EM divided in two seismic lines due to no crossing at the river east of Campbell Town. New lines created are TB02-EM1 & TB02-EM2.
- TB02-EM1 is 20.5 km long and follows Valleyfield and Macquarie Roads, Pedder Street and Truelands Road.

- TB02-EM2 is 17.51 km long and follows Lake Leake Road.

Glamorgan Spring Bay Municipality

- TB02-EO
- Minor modifications made to line TB02-EO to follow road shape file. Line follows the Buckland Road and is 6.78 km long.

Sorell, Southern Midlands and Glamorgan Spring Bay Municipalities

- TB02-EP
- Minor modifications made to line TB02-EP to follow road shape file. Line follows the Tasman Hwy (A3) and is 34.76 km long.

Northern Midlands and Glamorgan Spring Bay Municipalities

- TB02-FA
- Minor modifications made to line TB02-FA to follow road shape file. Line follows the the Lake Leake Road (B34) and is 40.44 km long.

Glamorgan Spring Bay Municipality

- TB02-FB
- Minor modifications made to line TB02-FB to follow road shape file. Line follows the the Tasman Highway (A3) and is 33.35 km long.
- TB02-FC
- Minor modifications made to line TB02-FC to follow road shape file. Line follows the the Swan River Road and Dolphin Sands Road and is 14.85 km long.
- TB02-FE
- Minor modifications made to line TB02-FC to follow road shape file. Line follows the the Tasman Highway (A3), Franklin Street (Swansea), Victoria Street (Swansea), Tasman Highway (A3), High Street (Buckland) and Tasman Highway (A3).
- The line is now 85.30 km long.

Clarence and Southern Midlands Municipalities

- Line TB02-EY is a new line (46.85 km) and passes along Mud Walls Road (B31), Richmond Street, Colebrook Road (B31), Reeve Street, Colebrook Road (B31) and Fingerpost Road (C350).

Clarence and Sorell Municipalities

- Line TB02-EQ modified. It now starts on the eastern outskirts of Richmond. Line follows Brinktop Road (C351), Tasman Highway (A3), Cole Street (Sorell) and Arthur Highway (A7).
- The modified line is 24.84 km long.

Southern Midlands, Northern Midlands and Glamorgan Spring Bay Municipalities

- Minor modifications made to line TB02-FD to follow road shape file. Line follows the Snug Road, an unnamed road, McKays Road and Bresnehans Road.
- The modified line is 28.60 km long.

Northern Midlands Municipality

- TB02-EE
- Line removed from the survey because it ran parallel to structures coming off the Tiers and is perceived to be of very little interpretive value.

Glamorgan Spring Bay, Northern Midlands, Southern Midlands Municipalities

- TB02-FD
- Line removed from survey because it ran along an east – west orientated structure (Boags Line).

Glamorgan Spring Bay Municipality

- TB02-FE
- Line removed from the survey because it ran parallel to structures along the east coast of Tasmania.

Southern Midlands Municipality

- TB02-EF
- Line has been deleted.

Northern Midlands Municipality

- TB02-ER2
- Line has been deleted.
- Follows Tiers Fault system

Northern Midlands and Southern Midlands Municipalities

- TB02-EH1
- Line shortened. Removed line length occurring in Tiers Fault system

Central Highlands and Derwent Valley Municipalities

- TB02-ES
- Line added. Line starts at Lawreny travels through Ellendale, Westerway and finishes at Rosegarland

Derwent Valley Municipality

- TB02-ET
- Line added. Line starts at Westerway travels west through Maydena and finishes at the western boundary of SEL 13/98

Central Highlands Municipality

- TB02-AA1 and TB02-AA2
- Line TB02-AA divided into two lines: TB02-AA1 and TB02-AA2. Removed tight turn on 'Lake Echo' property.
- Southern extent of Line TB02-AA2 modified to go south and intersect with Lyell Highway. Line TB02-AA2 now follows Lake Echo Road, Victoria Valley Road and Strickland Road.

Central Highlands and Derwent Valley Municipalities

- TB02-BD1, TB02-BD2 and TB02-BD3
- Original Line TB02-BD has been divided into three sections.
- TB02-BD1 starts south of Bronte near the Lyell Highway and Marlborough Highway and stops south of the Tungatinah Lagoon. We have stopped Line TB022-BD1 at this location prior to tight winding road.
- TB02-BD2 starts south of Tarraleagh and finishes south of Ouse at Meadowbank Lake. TB022-BD2 runs on the Lyell Highway.
- TB02-BD3 starts south of Ouse and finishes north of New Norfolk and entirely runs along the Lyell Highway.

Northern Midlands Municipality

- TB02-EI1 and EI2
- Original Line TB02-EI divided into two lines due to poor access on private access road. TB02-EI1 starts on Mona Vale road and uses private access roads on John Cameron's property 'Mona Vale'. Southern extent of Line TB02-EI1 finishes at 'Mona Vale' boundary line.
- TB02-EI2 now starts at Tooms Lake road.

- TB02-EZ
- Line TB02-EZ modified after site visit and discussion with private landowner Richard Headlam at 'Lowes Park'. Line TB02-EZ follows private property roads, fence lines, and crop perimeters and minimises disturbances to 'Lowes Park'.
- TB02-EH1 deleted from survey. Discussions with landowner identified the private access track would not be suitable for seismic trucks.

- TB02-EL2
- Eastern section of Line TB02-EL2 shortened due to poor accessibility for seismic trucks.

- TB02-EJ
- Eastern section of Line TB02-EJ shortened due to poor accessibility for seismic trucks.

- TB02-EH2
- Eastern section of Line TB02-EH2 shortened due to poor accessibility for seismic trucks.