GREATLAND

Firetower Project

Annual Report for E26/2004 and E31/2004
for the Period 26 November 2005 to 30 October 2006

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ABSTRACT

Work completed at the Firetower project during the period from 26th November 2005 to 30 October 2006 included a review of previous exploration, geological mapping, rock chip sampling, soil sampling, re-logging and re-analysis of drill core, site access works and drilling.

A review of previous exploration highlighted greenfield areas in the east of the project area worthy of follow-up. Geological mapping has generally confirmed the project scale geological interpretation presented by previous explorers and highlighted a steep northerly dip to the target volcaniclastic sequence.

Rock chip sampling has located gold mineralisation immediately west of previously known gold mineralisation at the Firetower prospect, with a best result of 2.47g/t Au. Soil sampling at the Firetower West prospect has extended gold and base metal anomalism; the anomaly now some 2000m x 1000m with spot peaks over 100ppb Au.

Re-logging and re-sampling of previous explorers drill core was completed. This has confirmed the presence of scheelite at the Firetower prospect, and that it is likely individual vein styles are not random stockworks as previously reported.

To the end of the reporting period ten diamond holes had been completed for 780m. Results include 11m at 3.4g/t Au, including 0.5m at 10.4 g/t Au, 0.7% W, 1.3% Cu, and 0.14% Co. Results confirm the high-grade nature of gold mineralisation at the Firetower prospect, and the addition of base metal and tungsten mineralisation. At the end of the reporting period a program of open hole percussion drilling had commenced at the Firetower and Firetower West prospects.

SUMMARY OF ACTIVITIES FOR THE FIRETOWER PROJECT FOR THE PERIOD 26 NOVEMBER 2005 to 30 OCTOBER 2006

- Review of Previous Exploration Data
- Geological Mapping
- Rock Chip Sampling
- Soil Sampling
- Re-Logging of Drill Core
- Re-Analysis of Drill Core
- Site Access Works
- Drilling

CONTENTS

All lat/long co-ordinates in this report refer to the AGD66 Datum

All AMG co-ordinates in this report refer to the AGD66 Datum – Zone55

FIGURES

TABLES

APPENDICES

1.0 Introduction

This report details the exploration activities conducted within E26/2004 and E31/2004 for the period 26 November 2005 to 30 October 2006. The leases are located in the central-north of Tasmania and form the company's Firetower project (Figure 1). The tenements are primarily prospective for gold mineralisation, but base metal mineralisation is also present.

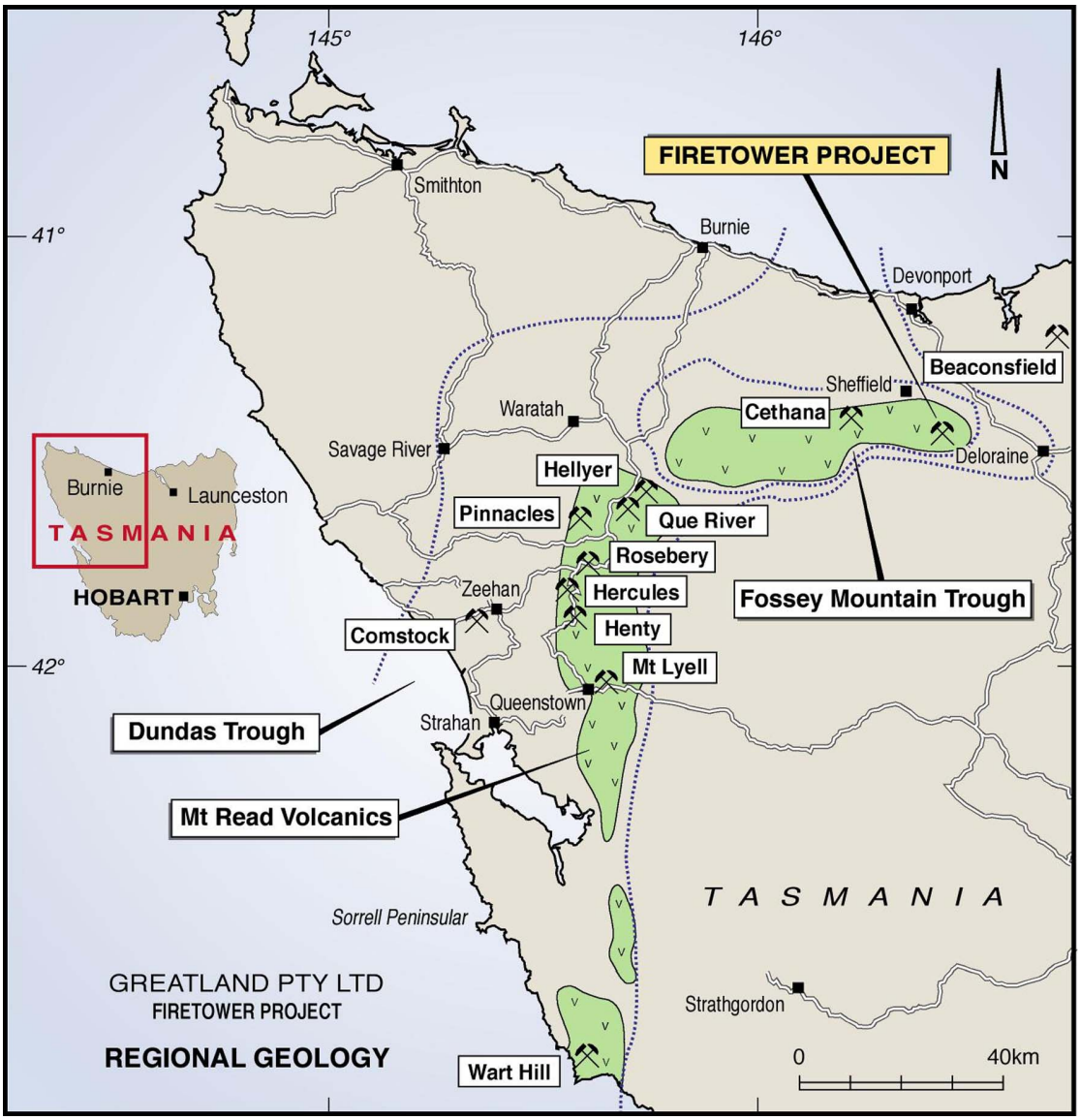


Figure 1

Work completed during the period included a review of previous exploration, geological mapping, rock chip sampling, soil sampling, re-logging and re-analysis of drill core, site access works and drilling.

2.0 Tenement Details

E26/2004 and E31/2004 were granted to Greatland Pty Ltd on 26 November 2004. The tenements are contiguous and collectively cover an area of approximately 53km^2. Tenement details are shown in Table 1.

Table 1 – Tenement Details

Tenement	Holder	Date Applied	Date Granted	Size	Min 2 Year Spend
E26/2004 Firetower	Greatland Pty Ltd 100%	10 Mar 2004	26 Nov 2004	23km^2	$825,000
E31/2004 Firetower East	Greatland Pty Ltd 100%	5 Apr 2004	26 Nov 2004	30km^2	$21,000

E26/2004 was awarded to Greatland after successfully bidding through the Mineral Resources Tasmania (MRT) Exploration Release Area (ERA) tender process. A subsequent application for E31/2004 was lodged over an additional 30km^2, extending eastwards along prospective stratigraphy.

3.0 Location and Access

The Firetower project covers sedimentary and volcaniclastic rocks in the eastern parts of the Fossey Mountain Trough; stratigraphically equivalent to the Mt Read Volcanics of the Dundas Trough (Figure 1). The project area straddles the Tasmania NW (SK55-20) and Tasmania NE (SK55-21) 1:250,000 map sheets, and falls at the junction of the four 1:100,000 map sheets of Forth (8115), Tamar (8215), Mersey (8114) and Meander (8214).

The tenements are located in logged State Forrest, 60km east of Launceston in northern Tasmania. From Launceston, access to the project area is by sealed road to Deloraine (Figure 1), then into the tenements via the sealed Mole Creek – Sheffield road. Local roads and logging tracks provide limited access within the project area.

4.0 Geology and Mineralisation

Geology and mineralisation, on both a regional and project scale, have been described in Askins and Baxter (2005). However, a summary is presented here.

The Firetower project lies in the central north of Tasmania within equivalents of the Mt Read Volcanics (Figure 1). These Cambrian rocks are highly mineralised and host major polymetallic VHMS deposits. It is interpreted they are unconformably overlain by late Cambrian to early Ordovician siliclastics of the Roland Conglomerate and Moina Sandstone which are, in turn, overlain by the Gordon Limestone.

The project area contains a number of prospects including Firetower, Firetower West, Firetower East, Noranda, Asarco and Austamax (Figure 2). At the Firetower prospect gold mineralisation has been well defined and previous drilling has outlined an inferred resource of approximately 90,000oz. Gold and base metal mineralisation has been outlined by soil and rock chip sampling extending for some kilometres to the east and west of the prospect but these are inadequately explored. At the Firetower West prospect sericite-silica altered volcanics with fine quartz-limonite-hematite veining similar to the Firetower prospect is present, along with strong gold and base metals in soils.

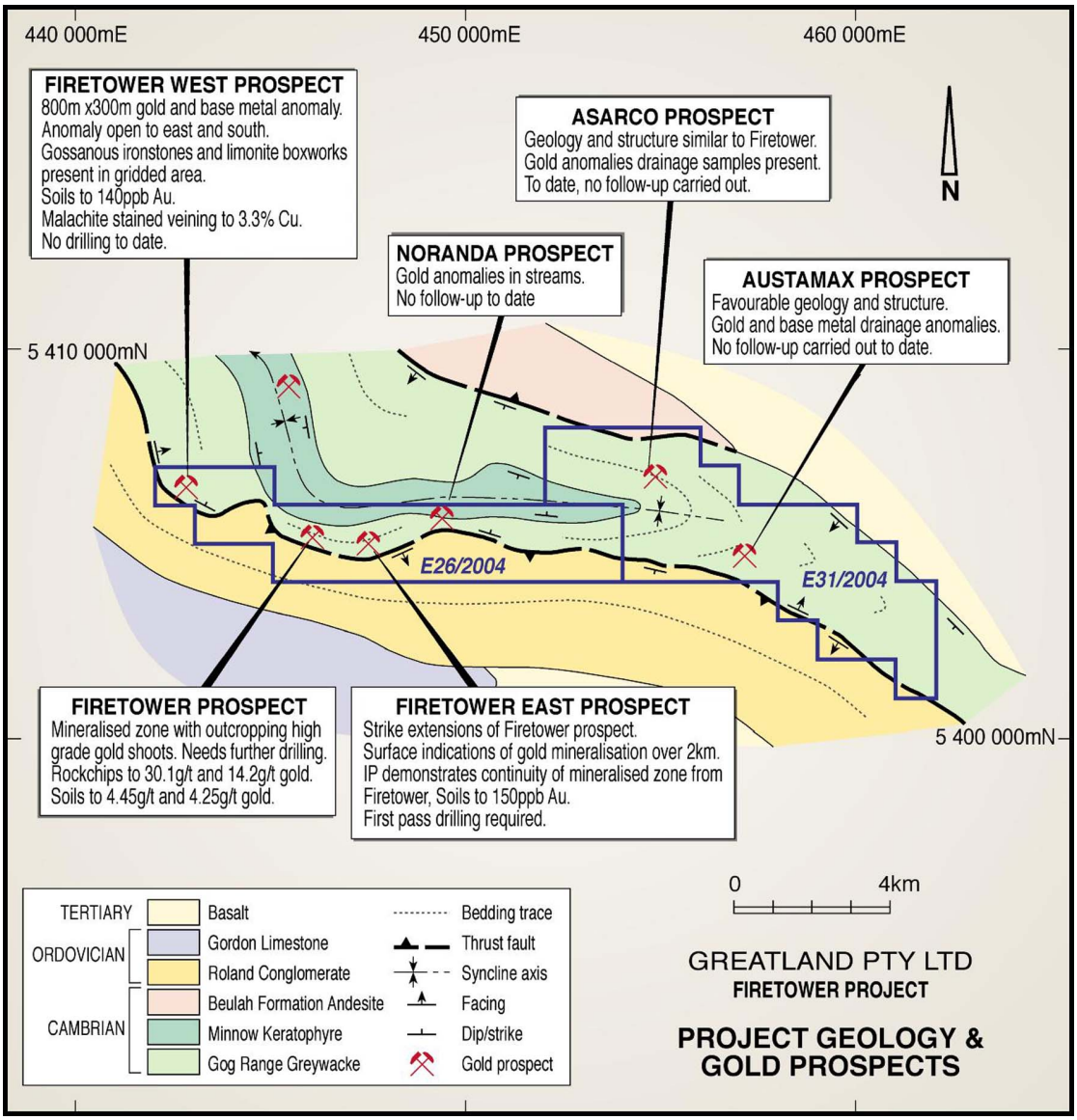


Figure 2

5.0 Previous Exploration

Previous exploration activities are described in Askins and Baxter (2005). A summary is presented here.

The Firetower project area was first explored by Asarco Australia Pty Ltd (Asarco) for VMS style base metals in 1973, involving regional stream sediment sampling and geological reconnaissance. This work identified a weak base metal signature at Firetower but no samples were analysed for gold. In 1976, CRA Exploration Pty Ltd (CRAE), in joint venture with Asarco

initiated ground surveys including gridding, mapping, soil and rock chip sampling and geophysical surveys main targeting volcanogenic base metal mineralisation. Very few gold analyses were made until late in the tenure but drainage samples up to 320g/t Au were returned. Asarco and CRAE relinquished the ground in 1988.

Noranda Pty Ltd (Noranda) acquired ground relinquished by Asarco in 1989 and immediately followed up the anomalous gold drainage results, identifying surface gold mineralisation at the Firetower prospect from rock chip and channel sampling. Rockchip results returned up to 14.2g/t Au and channel sampling to 11.5m at 4.94g/t Au. In the following years a total of 17 short (30m) diamond holes were completed with a man portable diamond drill rig, as well as an IP survey, and detailed mapping. Significant drill intercepts included 17m at 5.37 g/t, including 3m at 21.38g/t Au, in hole GP90-10.

Plutonic Operations Ltd became involved via a joint venture with Noranda in 1990, eventually completing a further four diamond holes. Significant intersections were returned including 8m at 2.5g/t Au in hole FTD3 and 8m at 2.3g/t Au in hole FTD1.

In 1998 Sirocco Resources NL acquired the ground. Their work focused on gold mineralisation at the Firetower prospect and included soil sampling, rockchip sampling and a dipole-dipole IP survey.

AurionGold Ltd (AurionGold) held the western parts of the current project area from 2000 to 2004. Their work at Firetower included rockchip sampling, a gradient array IP survey and diamond drilling. Drilling of a further eight holes at Firetower returned intersections including 9m at 3.1g/t Au in FTD8, 28m at 2.4g/t Au in hole FTD5 and 8m at 2.1g/t Au in FTD6 culminating in a preliminary JORC inferred resource estimation of approximately 90,000oz. AurionGold also carried out soil and rockchip sampling at the Firetower West prospect and outlined an extensive Au-As-Cu anomaly.

The eastern parts of the current project area were sporadically held by Asarco, Austamax Pty Ltd (Austamax) and Outokumpu Australia Pty Ltd (Outokumpu) between 1973 and 1991. These companies completed BLEG and 80mesh drainage sampling that outlined a number of gold and base metal anomalies in the east of the current project area, with similar geochemical signatures, geology and structural setting to those at Firetower and Firetower West. No follow-up had been carried out.

Work completed during the previous year of the current tenure focused on developing targets for drill testing. This included acquisition and compilation of all previous exploration data. All data, including geology, geochemistry, geophysics and drilling was compiled into a standard format for GIS and 3D downhole modeling. Following review and synthesis of data a number of greenfield areas worthy of follow-up were outlined, while geophysical and drill data showed targets for further drilling. Drill program planning was also completed.

6.0 Work Carried Out During the Period

Work completed during the projects second year of tenure to 30 Oct 2006 included a review of previous exploration, geological mapping, rock chip sampling, soil sampling, re-logging and re-analysis of drill core, site access works and drilling.

6.1 Review of Previous Exploration

A review of work carried out in the eastern half of the project area was completed during the period. Most of this work was completed pre-1990 by companies including Asarco, Austamax, Outokumpu, and Comalco Ltd (Comalco).

There has been a considerable amount of base metal stream sediment sampling in the east of the project area. It was sparsely BLEG gold sampled by Austamax but sampled in more detail by Outokumpu. This samping identified several areas worthy of follow-up; Gregories Road, Noranda, Asarco, East Gog, Austamax, Magog and Lobster Rivulet (Figure 3). The Austamax prospect is considered the highest priority.

Asarco systematically stream sediment sampled the east of the project area during 1975. Sampling targeted base metals and analysis for gold was not routine.

Comalco identified shear related, vein style (possibly low temperature skarn type), magnetite + actinolite + quartz + K-feldspar mineralisation in tholeiitic basalt at Lobster Rivulet. Here, and at the nearby Magog prospect, costean and boulder sampling indicated low grade tin, tungsten, molybdenum and copper mineralisation in the magnetite rich parts. Results were up to some 500ppm Sn, 2500ppm W, 250ppm Mo and 3000ppm Cu.

In 1984 Austamax carried out follow-up of Asarco stream anomalies at the Gog East prospect. Soil sampling on 600m x 600m centres was completed but no significant results were returned. At the Gregory's Road prospect Austamax located quartz-tourmaline alteration as breccia matrix near a diorite contact. This prospect recorded the only detectable gold for Austamax in the area. Alteration is narrow and localized, with elevated base metals. At the Austamax prospect mineralisation was considered to be related to silicification and weak vein-style mineralisation of local breccia/shear zones with little continuity. Best rock chip was 900ppm Pb, 800ppm Zn, 25ppm Cu, 3.2ppm Ag, 50ppm As and Au was below detection. Although stream sediment samples located the Austamax gold anomaly, no rock chips to date have returned gold anomalism. However, few rockchip samples were analysed for gold.

445000 mE
450000 mE
455000 mE
460000 mE
5410000 mN
5405000 mN
5400000 mN

Star Of The West
Star Of The East
Lower Beulah (Beulah Barite)
West Gog (FT West)
Asarco
sample 6439 weak elevated lead
stream geochem
Au stream sedt
Gregories Road
Noranda
East Gog (Amax)
geochem rock chip
Fire Tower
Au As stream sedt
Austamax
Au stream sed
sample A6116 As=50pppm
Au stream sed
As stream sed
EL26/2004
Magog
Lobster Rivulet
EL31/2004

LEGEND

- Major Prospect
- Other target area
- Open file Petrology sample

GREATLAND PTY LTD

Firetower EL26 & 31/2004
Major Prospects
and priority areas

Figure 3

Date: 3/11/2006
Author:
Office: Tasmania
Drawing:
Scale: 1:50000
Projection: AMG Zone 55 (AGD 66)

0 0.5 1 2
kilometres

In 1988 Cyprus Exploration Ltd intended to undertake gold exploration at the Lobsters Rivulet prospect and Gregory's Road prospect. However this work does not appear to have been carried out.

The Outokumpu and Austamax petrology and rock chip samples were added to the project data-set which is stored in a format suitable for use with standard GIS software. Results of petrology generally confirmed the mapped lithologies. Rock chip samples were generally low in gold.

Rock chip and petrology data from various company reports were compiled and added to the project data set. Data are presented in Figure 3 and Appendix I.

6.2 Geological Mapping

During this reporting period several areas were traverse mapped. These include a) the Gregory's Road prospect (Firetower East), b) the Noranda prospect and c) the area southwest of the Noranda prospect to the Firetower prospect. Also, structural measurements were taken from outcrop at the Firetower prospect.

At the Gregory's Road prospect much more diorite was evident than is shown on published geological maps. The diorite is generally very little altered, but can be quite pyritic as can some adjacent rhyolites and rhyodacites.

At the Noranda prospect, the contact between mapped diorite and rhyolite lithologies was mapped. This contact is defined by a significant WNW trending fault that traverses the prospect.

Southwest of the Noranda prospect, on the northerly slopes of the Gog Range, a thick and often extensive apron of scree and debris flow lobes, comprising Roland Conglomerate, cover the volcanic sequence hosting the

mineralisation at the Firetower prospect. This cover extends west to the eastern most lines of the CRAE soil grid at the Firetower prospect, invalidating the use of classic soil sampling techniques in these areas.

At the Firetower prospect measurements were taken of vein, joint and shear orientations. All data is presented in Appendix II. Vein orientations from within the resource area show there is a maximum 14% stereonet density defining a plane 230/35 (dip direction/dip), with a secondary 10% density at 105/80 (Figure 4). A cluster of veins at 170-230/35-50 is noted but the dominant northwest strike is unexpected. In plan view, solely NW striking narrow vein corridors can envelope mineralization, but it is harder to correlate such low dip envelopes in cross section unless 50 degree dips are assumed with strict stratabound limits to mineralization, both to the north and south. Assuming all but flat vein orientations are mineralised, then drilling orientated moderately to the northeast would best sample the vein distribution. Shears dominantly strike NW (230/55) or N (260/70-80), which supports the observation that most mineralised veins are shear-veins or replacement veins, rather than tension gash crack-seal veins. Veins outside the resource area dip very flat to the north.

Mapping has shown that the project-scale geological interpretation of previous explorers is generally good given the often thick vegetation and steep terrain. Project based mapping is still in progress and results will be presented in the following annual report. Interpretation of structural measurements from the Firetower prospect suggested that NE oriented drilling would best sample the vein style mineralisation.

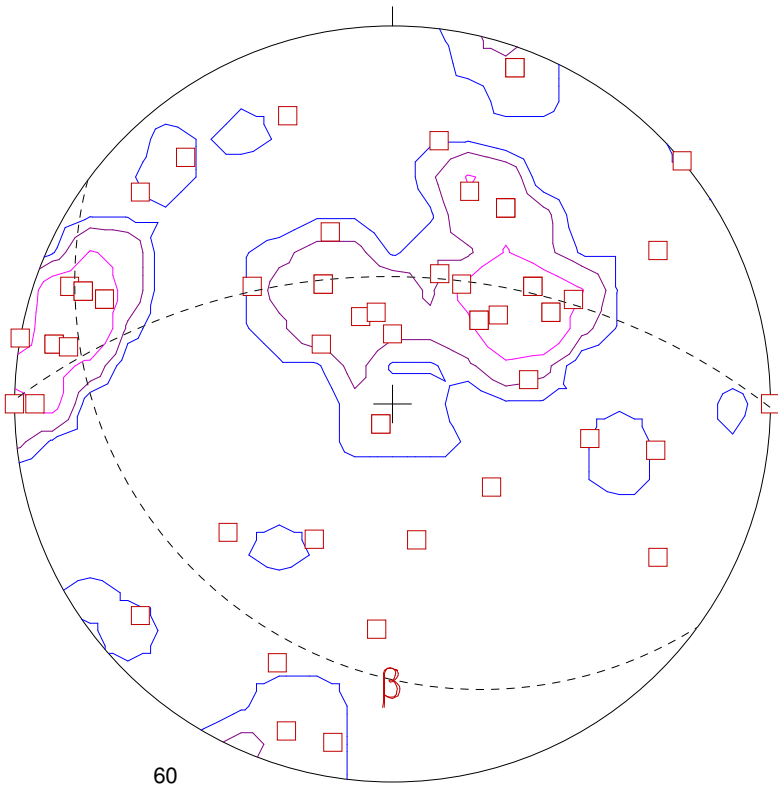
6.3 Rock Chip Sampling

During the period rock chip samples were collected from the Firetower and Firetower West prospects. To the end of the reporting period results from 32 samples had been received. All samples were sent to Genalysis Laboratory Services Pty Ltd (Genalysis) in Adelaide/Perth and submitted in four batches

FIRE TOWER PROJECT
All veins in resource area only
equal area
n=60

May 2006

Figure 4



2%
4%
8%

Mean Principal Orientation = 216/33
Mean Resultant dir'n = 21-161
Mean Resultant length = 0.59
(Variance = 0.41)
Calculated. girdle: 001/62
Calculated beta axis: 28-181

totalling 32 samples. All results are presented in Appendix III. Sample locations and results for Au, As, Pb and Cu are shown in Figures 5 and 6.

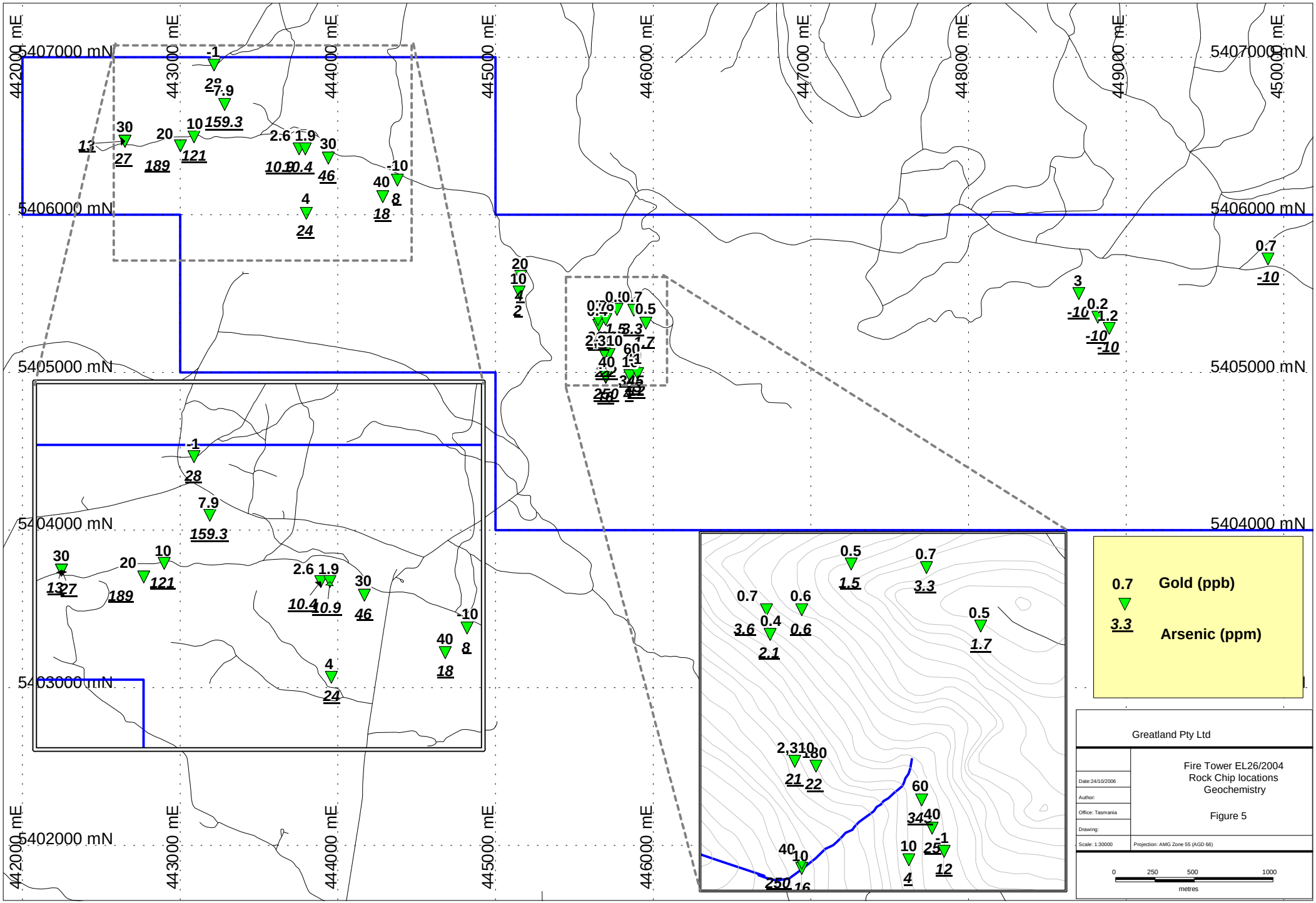
Batch 1 (15 samples) was analysed for Au by Aqua Regia digest with solvent extraction and an AAS finish (Lab Code B/SAAS) to a detection limit of 0.01ppm, and As, Cu, Pb and Zn by Aqua Regia digest and an OES finish (Lab Code B/OES) to detection limits of 2, 1, 2 and 1ppm respectively, and Sb and W by Aqua Regia digest with an enhanced sensitivity OES finish (Lab Code B/EOES) to detection limits of 1 and 2ppm respectively.

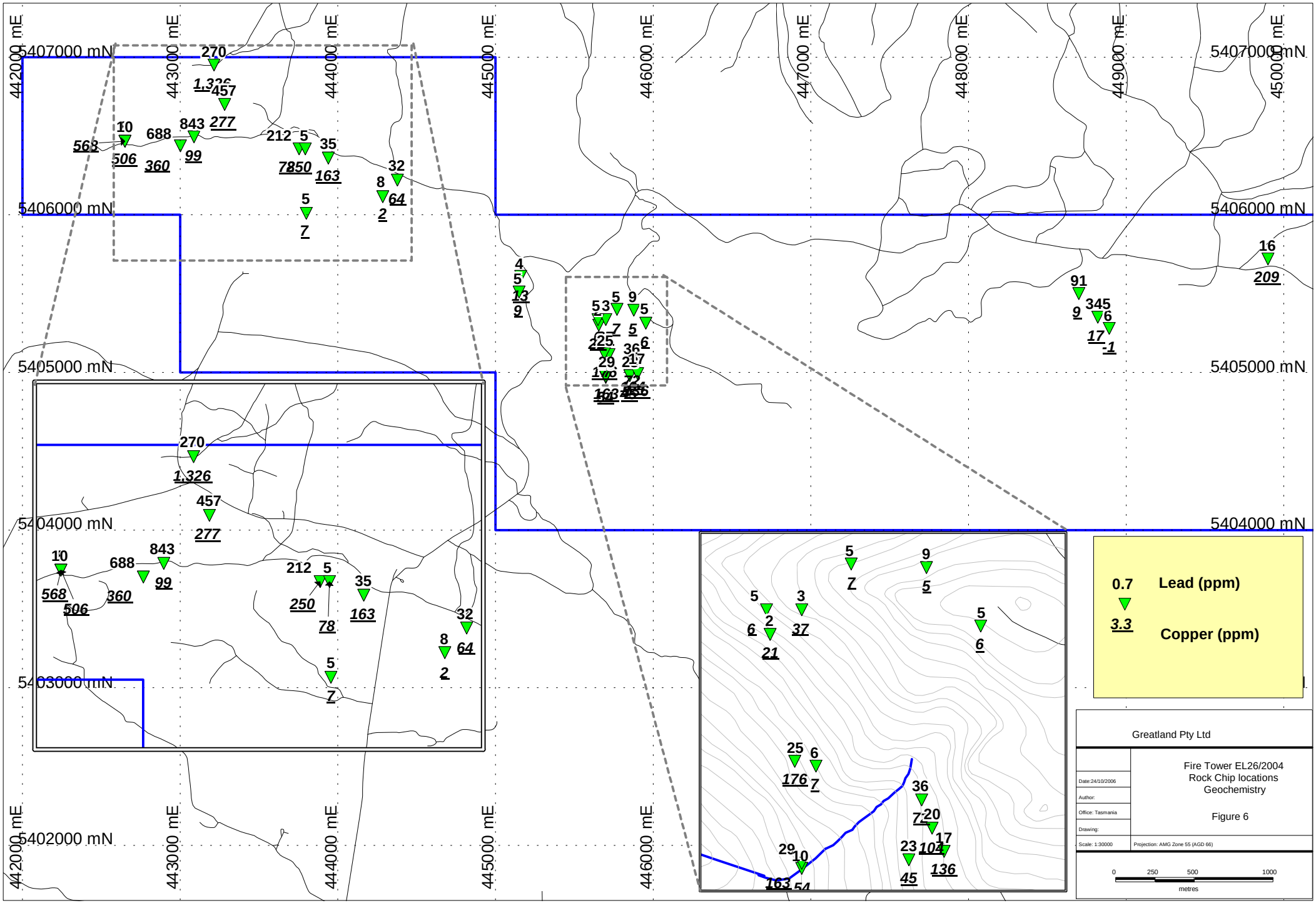
Batch 2 (5 samples) was analysed for Au by Aqua Regia digest with an enhanced sensitivity graphite furnace finish (Lab Code B/EETA) to a detection limit of 0.1ppb, and As, Cu, Mo, Pb and Zn by Aqua Regia digest and an AAS finish (Lab Code B/AAS) to detection limits of 10, 1, 1, 1 and 1ppm respectively.

Batch 3 (3 samples) was analysed for Au by Fire Assay with an AAS finish (Lab Code FA50/AAS) to a detection limit of 10ppb, and Ag, As, Co, Cu, Pb, Sb, W and Zn by a four acid digest (hydrofluoric, nitric, perchloric and hydrochloric acids) and an OES finish (Lab Code A/OES) to detection limits of 1, 5, 1, 1, 5, 10, 10 and 1ppm respectively.

Batch 4 (9 samples) was analysed for Au by Aqua Regia digest with an enhanced sensitivity graphite furnace finish (Lab Code B/EETA) to a detection limit of 0.1ppb, and Ag, As, Bi, Co, Pb, Sb, and W by a Aqua Regia digest and an MS finish (Lab Code B/MS) to detection limits of 0.01, 0.5, 0.01, 0.1, 1, 0.02 and 0.05ppm respectively, and Cu and Zn by Aqua Regia digest with an AAS finish (Lab Code B/AAS) to detection limits of 1 and 1ppm.

At the Firetower prospect best gold value was 2.47g/t Au from a grab sample taken 50m west of the western most drilled hole (FTD-12). A rock chip 20m west is also anomalous (0.18g/t Au). At the Firetower West prospect elevated copper to 0.13% and lead to 843ppm were returned.


442000 mE
443000 mE
444000 mE
445000 mE
446000 mE
447000 mE
448000 mE
449000 mE
450000 mE
5407000 mN
5406000 mN
5405000 mN
5404000 mN
5403000 mN
5402000 mN
0.7 Gold (ppb)
3.3 Arsenic (ppm)
Greatland Pty Ltd
Fire Tower EL26/2004
Rock Chip locations
Geochemistry
Figure 5
Date:24/10/2006
Author:
Office: Tasmania
Drawing:
Scale: 1:30000
Projection: AMG Zone 55 (AGD 66)
0 250 500 1000
metres


442000 mE
443000 mE
444000 mE
445000 mE
446000 mE
447000 mE
448000 mE
449000 mE
450000 mE
5407000 mN
5406000 mN
5405000 mN
5404000 mN
5403000 mN
5402000 mN
0.7
Lead (ppm)
3.3
Copper (ppm)
Greatland Pty Ltd
Fire Tower EL26/2004
Rock Chip locations
Geochemistry
Figure 6
Date:24/10/2006
Author:
Office: Tasmania
Drawing:
Scale: 1:30000
Projection: AMG Zone 55 (AGD 66)
0
250
500
1000
metres

6.4 Soil Sampling

A program of auger soil sampling was completed at the Firetower West prospect during the period. Sampling was primarily designed to extend coverage of surface geochemistry east of that completed by AurionGold. A total of 253 samples were collected over six line kilometres of grid on 200m x 25m centres and infill samples at 100m x 50m or 25m centres. Maximum values returned include 100.8ppb Au, 646ppm Pb and 167ppm As.

Gridding in preparation for the sampling program was GPS located and assisted by tape and compass. Minimal line clearing was required, at no time requiring a chainsaw. No grid pegs were used.

Samples were collected by hand auger to maximum depths of 1.5m from the b-c soil horizon. One kilogram bulk samples were bagged in the field and submitted to Genalysis in Adelaide/Perth. Samples were submitted in two batches of 198 and 55 samples; all were ground to –100micron prior to analysis. The first batch of 198 samples were analysed for Au by Aqua Regia digest and a graphite furnace AAS finish to a detection limit of 0.1ppb (Lab Code B/EETA), and As, Cu, Co and Zn by Aqua Regia digest with an AAS finish to detection limits of 2, 1, 1 and 1ppm respectively (Lab Code B/AAS). The second batch of 55 samples were analysed for Au by Aqua Regia digest and a graphite furnace AAS finish to a detection limit of 0.1ppb (Lab Code B/EETA), and Ag, As, Bi, Co, Pb, Sb and W by Aqua Regia digest and Mass Spectrometer finish to detection limits of 0.01, 0.5, 0.01, 0.1, 1, 0.02 and 0.5ppm respectively (Lab Code B/MS), and Cu and Zn by Aqua Regia digest with an AAS finish to detection limits of 1 and 1ppm respectively (Lab Code B/AAS). Results are presented in Appendix IV.

In the field, sample collection and quality was overall good but in clear-felled logged areas the soil profiles were locally very disturbed, with 1m depth samples sometimes not penetrating the disturbance, for example the northern slopes of 443 400mE and 443 600mE. Also, coarse talus slopes were

sometimes impossible to penetrate at, for example, the higher elevation south slopes of 444 000mE and 444 200mE.

Interpretation of the combined AurionGold and Greatland soil results show both ENE stratigraphy parallel, and WNW foliation/shear parallel trends. Results showed a notable change in the level of gold in soils between the two western-most AurionGold lines (443 000mE and 443 200mE) and the adjacent Greatland lines.

Due to a marked variation in absolute gold levels between lines, repeat analyses and repeat sampling was undertaken. This involved re-assaying of 14 soil sample pulps, and re-sampling of the same locations over line 443 600mE. All samples were submitted to Genalysis in Adelaide/Perth and analysed for Au by Aqua Regia digest with a graphite furnace AAS finish (Lab Code B/EETA) to a detection limit of 0.1ppb, and Ag, As, Co, Cu, Pb, Sb and Zn by Aqua Regia digest and an OES finish (Lab Code B/OES) to detection limits of 0.5, 2, 1, 1, 2, 10 and 1ppm respectively, and for Bi and W by Aqua Regia digest with and OES finish (Lab Code B/EOES) to detection limits of 1 and 2ppm respectively. Results are presented in Appendix IV. Results of repeat analyses and repeat sampling returned similar results to the original samples.

The 55 infill soil samples support the patchy nature of gold distribution shown by previous sampling. The two previous low-gold value lines both have low values to their east. Infill east of the eastern AurionGold line supports those results, gold stops east of 443 600mE and picks up again east of 443 700mE - typically on steep slopes (Figure 7). Arsenic has a more dispersed response than gold, and appears to conform to stratigraphic trends, as can lead (Figures 8 and 9). Zinc does not seem to have a discrete anomalous population within Greatland sampling. Copper is closely spatially related to gold (Figure 10). All elements analysed suggest that in the south-east, southerly facing slopes (south of a particular stratigraphic unit) contain universally low grades.

5407000 mN

5406500 mN

5406000 mN

442500 mE

443000 mE

443500 mE

444000 mE

Soils_Compil_2004minfo by Au_ppl

1,400 to	8,290	(10)
20 to	1,400	(140)
1 to	20	(157)
0 to	10	(4499)
-1 to	0	(1073)

_200605FTWsoils by Au_ppb

20 to	100.8	(4)
6.1 to	20	(20)
2.4 to	6.1	(39)
0.7 to	2.4	(74)
-0.1 to	0.7	(124)

FTW_all_soilsminfo_Au_ppb02

129
14.7
10.5
7.51
5.46
4.03
3
2.27
1.8
1.39
0.972
0.583
0.427
0.272
-0.377
-0.87
-1

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Fire Tower EL26/2004
Fire Tower West
Soil Geochemistry
- Au

Figure 7

Date:23/10/2006
Author:
Office:
Drawing:
Scale: 1:5000
Projection: AMG Zone 55 (AGD 66)

0 50 100 200
metres

5407000 mN

5406500 mN

5406000 mN

442500 mE

443000 mE

443500 mE

444000 mE

Soils_Compil_2004minfo by As_ppn

109 to 167 (12)

40 to 109 (71)

10 to 40 (1641)

0 to 10 (3874)

-10 to 0 (253)

all others (28)

_200605FTWsoils by As

109 to 167 (8)

40 to 109 (34)

10 to 40 (109)

0 to 10 (14)

-10 to 0 (96)

227
50
37
29.3
23.7
18.2
14
10.2
7.36
5.6
4.37
3.18
2.14
0.954
0.8
6.59
10

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Fire Tower EL26/2004
Fire Tower West
Soil Geochemistry
- As
Figure 8

Date:23/10/2006
Author:
Office:
Drawing:
Scale: 1:5000
Projection: AMG Zone 55 (AGD 66)

0 50 100 200
metres

5407000 mN

5406500 mN

5406000 mN

442500 mE

443000 mE

443500 mE

444000 mE

Soils_Compil_2004minfo by Pb_ppm

1,150 to 2,800		(43)
278 to 1,150		(167)
94 to	278	(600)
32 to	94	(1564)
-1 to	32	(3505)

_200605FTWsoils by Pb

267 to 646		(17)
119 to 267		(57)
61 to 119		(48)
20 to	61	(55)
-1 to	20	(84)

1100
291
230
191
153
125
98.2
78.1
64.7
55.5
47.4
39.3
31.2
23.1
15.2
10.8
0.177

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Fire Tower EL26/2004
Fire Tower West
Soil Geochemistry
- Pb

Figure 9

Date:23/10/2006
Author:
Office:
Drawing:
Scale: 1:5000
Projection: AMG Zone 55 (AGD 66)

0 50 100 200
metres

5407000 mN

5406500 mN

5406000 mN

442500 mE

443000 mE

443500 mE

444000 mE

Soils_Compil_2004minfo by Cu_ppn

218 to 2,480 (104)

84 to 218 (853)

48 to 84 (1489)

24 to 48 (1930)

-1 to 24 (1503)

_200605FTWsoils by Cu

200 to 245 (1)

27 to 200 (75)

13 to 27 (86)

3 to 13 (78)

-1 to 3 (19)

2300
346
215
166
123
97.5
75.4
59.7
45
34.9
29.4
25.7
22
18.8
15.6
11
0.0539

GREATLAND PTY LTD

Fire Tower EL26/2004
Fire Tower West
Soil Geochemistry
- Cu

Figure 10

Date:23/10/2006
Author:
Office:
Drawing:
Scale: 1:5000
Projection: AMG Zone 55 (AGD 66)

0 50 100 200
metres

Soil sampling at the Firetower West prospect has extended gold and base metal anomalism. The anomaly is now some 2000m x 1000m with spot peaks over 100ppb Au.

6.5 Re-Logging of Drill Core

Previous explorers completed 29 core holes at the Firetower prospect between 1989 and 2003. Core from these holes is largely in-tact and held at an MRT storage facility in Hobart. During the period this core was re-logged primarily for lithological familiarisation and identification of mineralisation styles.

Lithological Information

Gross lithologic units were easily recognised and identification consistent with the previous logging. Inspection of the sulphide bearing mineralisation within central Firetower prospect areas suggests there may be preferred orientations for different vein assemblages and mineralisation styles. Within typically oriented holes, the sulphide poor, iron carbonate rich veins dominate at low angles to core axis, whereas the chalcopyrite bearing, sulphide rich veins occur at high angles. Other (?later) hematite-quartz sheeted or en echelon crack-seal veins are weathering products of (barren) quartz-chlorite-carbonate or quartz-iron carbonate bearing veins.

Oxidation Data

The Base of Complete Oxidation (BOCO) in the core holes is very shallow, at less than 3m. Base of Partial Oxidation (BOPO) may subtly reach to 50m or more down hole and is at or greater than 20m across the centre of the prospect. But this becomes markedly shallower in the extreme west, corresponding with lower collar heights relative to the Aust Height Datum (AHD). BOPO is deeper than Total Fresh Rock (TFR) logged by previous workers. Compilation of oxidation depth data is presented in Appendix V.

Structural Data

Core to bedding angles (CA) do not always agree with the interpretation of previous explorers. Assuming that sub-horizontal dips are unlikely, and a gross east-west strike, then CA often indicate that bedding dips moderately-steeply to the north, whereas these have been interpreted as steep south apparent dips on cross sections by AurionGold. Northerly dips are also seen in outcrop north of the Firetower prospect.

Open buckle flexures are seen in siltstone units within drill holes. Carbonate matrixed, flattened-clast volcanogenic breccias have developed a foliation of different orientation than nearby compositional bedding planes. Bedding and core axis data suggest the presence of a gentle reclined east plunging fold at the Firetower prospect, likely pre-syn mineralisation.

Recording of sulphidic and scheelite bearing vein CA orientations demonstrate that they dominantly dip moderately to steeply south, possibly not striking east-west. These veins are intersected at high angles in holes drilled to north, acute angles in holes directed to south and moderate angles in one hole drilled to the east. An association between Au and scheelite, but not a co-dependence, is suggested. Overprinting (barren) sheeted crack-seal quartz–carbonate veins tend to have low CA angles in north directed holes and high to 45 degree CA angles in south directed holes suggesting moderate (?northerly) dips; but can also be seen counter dipping to bedding. Thus, it seems individual vein styles are not random stockworks as previously reported.

Vein orientation data are presented in Appendix VI.

Mineralisation

Core from previous drilling was inspected with a short wave UV lamp. This work confirmed the presence of significant scheelite mineralisation at the

Firetower prospect. Data from logging of scheelite is presented in Appendix VII.

From re-logging it was found that gold has a positive correlation with arsenopyrite, or galena, and scheelite bearing pyrite veins. However, not all pyrite is gold bearing. There is a possibility of two gold phases; one with chalcopyrite, often spatially associated with scheelite, and a second (?later) event with arsenopyrite or galena. A previous explorer noted an arsenopyrite-tungsten (scheelite-ferberite) spatial association but this was not confirmed by re-logging. UV light detected scheelite is widespread in trace amounts (<1%) near gold zones and is a useful pathfinder. Scheelite is only very rarely hosted by carbonaceous siltstone units, but is widespread within sandstones. Wolframite (ferberite) is associated with sulphide but the content appears not to be volumetrically significant.

6.6 Re-Analysis of Drill Core

During re-logging of previous explorers drill core nine samples were selected for re-analysis. These nine samples showed different styles of mineralisation and/or mineral assemblages. Re-analysis was used to spot check previous analytical results; particularly Au, As, W and base metals. All nine samples were sent to Genalysis in Adelaide/Perth and analysed for Au, As, Cu, Pb, Sb and Zn by Aqua Regia digest with an AAS finish to detection limits of 10, 1, 1, 2 and 1ppm respectively (Lab Code B/AAS). W was analysed by Aqua Regia digest and OES finish to a detection limit of 2ppm (Lab Code B/OES). There was variance between gold assays with the initial assays being, on average, 30% higher than the re-assays (Table 2). This was a result of the smaller sample size (quarter core) and a ‘refractory’ component to the gold, as the new assays are Aqua Regia digest with an AAS finish compared to initial fire assay. Best lead values were 0.6% and zinc 1.2%. Tungsten (maximum 111ppm) and antimony were universally low despite visible scheelite.

A further 109 1m interval samples from 8 drill holes were taken from previous explorers drill core (FTD001-011). These samples targeted areas where gold averaged above 1 g/t and where UV lamp inspection suggested the presence of tungsten. No samples were taken from the GP-90 series holes as quarter BQ core of these holes would provide a sample too small. Samples were sent to Genalysis Adelaide/Perth and analysed for Bi, Co, Mo, As and W using a four acid digest (hydrofluoric, nitric, perchloric and hydrochloric acids) and OES finish (Lab Code A/OES) to detection limits of 5, 10, 2, 1 and 10ppm respectively. Results are presented in Appendix VIII. Results include a maximum of 4979ppm W, 6087ppm As and 3974ppm Co.

Table 2 – Results of Core Re-Analysis

Hole ID	From	To	Au (ppm)	As (ppm)	Cu (ppm)	Pb (ppm)	Sb (ppm)	W (ppm)	Zn (ppm)	Au_original (ppm)
FTD002	36	37	0.09	749	410	28	4	3	405	0.13
FTD002	44	45	0.04	937	347	5745	2	29	11896	0.06
FTD002	57	58	0.9	471	122	103	X	50	165	2.18
FTD002	79	80	2.4	97	1419	84	2	111	278	1.93
FTD004	16	17	0.35	137	105	12	2	3	115	0.47
FTD004	23	24	0.36	74	15	14	1	6	157	0.59
FTD004	49	50	0.88	61	6	39	1	X	33	1.17
FTD004	64	65	0.02	213	169	2452	2	24	9542	0.01
FTD004	69	70	1.9	560	4974	4731	3	26	7778	1.93

Results show a good correlation between cobalt and arsenic, suggesting the occurrence of cobalt-bearing arsenopyrite (glaucodot). Bismuth (max. 21 ppm) and molybdenum (max. 17 ppm) were generally below detection, and so not supporting of a direct felsic porphyry genesis. Tungsten and arsenic do not correlate very well, although both correlate slightly better with gold. Again, there is a suggestion arsenic/galena, and tungsten relate to two separate gold events. The best tungsten grades occur with logged scheelite, so wolframite is probably a minor constituent. There are erratic but locally significant differences in arsenic assays where duplicated from earlier sampling. However, generally anomalous samples remain anomalous, and low samples remain low.

6.7 Site Access Works

To make exploration activities possible, rehabilitation of existing access tracks and establishment of new access was carried out during the period. Approximately 120m of previous access track was re-established and 160m of new track was created at the Firetower prospect.

Site works range from minor vegetation clearing, particularly at higher elevations, to moderate benching into the hillside contour. Equipment used ranges from hand tools, through backhoe to D3 bulldozer. Also, a forestry track blocked by a previous explorer was re-opended for drill equipment access and lockable gate installed at 446 570mE and 5 404 930mN.

Access routes and drill pads at the Firetower prospect are maintained by drainage and silt fencing. Due to ongoing work all disturbed areas are yet to be rehabilitated.

6.8 Drilling

Diamond drilling commence at the Firetower prospect during July and to the end of the reporting period ten holes had been completed for a total of 780m. Drilling is ongoing and primarily designed to establish the style and continuity of high grade gold trends at the Firetower prospect. The drill program largely follows that proposed in the previous annual report but modifications have been required to extend the gold resource and work with the steep topography.

Equipment used is an Onram 1000 drill rig capable of +150m deep NQ holes. The rig is contracted from Boart Longyear Pty Ltd with drill crew. All drilling completed to the end of the period is NQ2 with regular core orientations being taken in the core barrel.

Drill hole collars for the reporting period are summarised in Table 3 and shown in Figure 11. Drill core was routinely logged; geology and geotechnical logs are presented in Appendix IX, and structural data is presented in Appendix X.

Table 3: Drill Hole Collar Data

Hole ID	AMG East (m)	AMG North (m)	RL (m)	Azm (deg)	Dip (deg)	EOH (m)	Date End
FTD013	446 003	5 405 101	631	10	-50	80.5	3/08/2006
FTD014	446 000	5 405 121	640	10	-50	55.5	8/08/2006
FTD015	446 000	5 405 122	640	10	-30	36.5	10/08/2006
FTD016	446 026	5 405 100	636	31	-50	73.5	18/08/2006
FTD017	446 025	5 405 101	638	3	-30	60.8	22/08/2006
FTD018	446 104	5 405 084	640	1	-50	70.5	31/08/2006
FTD019	445 855	5 405 015	536	34	-50	124.1	18/09/2006
FTD020	445 815	5 405 048	520	38	-50	106	25/09/2006
FTD021	445 815	5 405 045	520	175	-50	71.6	29/09/2006
FTD022	446 025	5 405 088	634	20	-70	100.3	10/10/2006

All core was cut in half, generally sampled as 1m intervals, and sent for analysis to Genalysis in Adelaide/Perth. Analysis for Au was by Fire Assay with an AAS finish (Lab Code FA50/AAS) to a detection limit of 0.01ppm, and for Ag, As, Co, Cu, Pb, Sb, W and Zn by a four acid digest (hydrofluoric, nitric, perchloric and hydrochloric) with and OES finish (Lab Code A/OES) to detection limits of 1, 5, 1, 1, 5, 10, 10 and 1ppm respectively. Final analyses for the initial four drill holes had been received at the end of the period, results are presented in Appendix XI. Significant intersections are presented in Table 4.

The best intercept was 11m at 3.4g/t gold in FTD013, which includes a very high grade zone of 0.5m at 10.4 g/t Au. 0.7% tungsten, 1.3% copper, and 0.14% cobalt (Table 4). Gold seems to occur in two associations, one with elevated lead values, up to 1% in places, and the other with tungsten (and locally copper). Cobalt values are surprisingly high, reaching 0.3%.

Geology can be correlated between holes on single sections and meta-sediments, volcaniclastics, rhyolite and thin quartz-porphyry dykes were

4575 0 mE
4580 0 mE
4585 0 mE
4590 0 mE
4595 0 mE
4600 0 mE
4605 0 mE
4610 0 mE

5405200 mN
5405150 mN
5405100 mN
5405050 mN
5405000 mN
5404950 mN

GP-90-4
GP-90-5
GP-90-2
GP-90-1
GP-90-10
GP-90-9
GP-90-6
GP-90-7
GP-90-8
GP-90-15
GP-90-16
GP-90-3
GP-90-12
GP-90-11
GP-90-14
GP-90-13
GP-90-17
FTD12
FTD11
FTD1
FTD2
FTD3
FTD4
FTD5
FTD6
FTD7
FTD8
FTD9

FTD014
55.5m
FTD015
36.5m
FTD013
80.5m
FTD017
60.8m
FTD016
73.5m
FTD018
70.5m
FTD022
100.3m
FTD013
FTD022
FTD018
FTD020
106m
FTD019
124.1m
FTD020
FTD021
FTD019
FTD021
71.6m

LEGEND

Recent or proposed drill hole collar

Drill hole trace (this period)

Previous Company drill hole collar

10m interval elevation contours

GREATLAND PTY LTD

Fire Tower EL26/2004
Fire tower Prospect
Location of Drill Holes
to October 2006

Figure 11

Date: 6/11/2006
Author:
Office: Tasmania
Drawing:
Scale: 1:1000
Projection: AMG Zone 55 (AGD 66)

0 10 20 40
metres

intersected. Core orientations agreed with interpretations from outcrop mapping and core re-logging. Fine grained units are commonly gently buckle folded. Sulphidic veins have a low density, and are typically at high angles to core axis. Scheelite vein content drops rapidly going east, away from the core of the system, but continues west.

Table 4: Significant Intersections

Hole ID	From (m)	To (m)	Width (m)	Au (g/t)	W (%)	Pb (%)	Zn (%)	Cu (%)	Co (%)
FTD013	21.0	27.5	6.5	2.43	0.004	0.22	0.12	0.02	0.06
incl	23.0	27.5	4.5	3.09	0.004	0.31	0.17	0.02	0.08
incl	25.5	26.5	1.0	7.19	0.002	0.33	0.12	0.02	0.30
FTD013	32.0	43.0	11.0	3.40	0.170	0.07	0.20	0.23	0.14
incl	38.0	43.0	5.0		0.340				
incl	40.5	41.0	0.5	10.41	0.730	0.02	0.07	1.28	0.14
FTD014	1.0	12.0	11.0	2.39	0.070	0.10	0.12	0.02	0.02
FTD015	1.0	10.0	9.0	2.14	0.001	0.10	0.14	0.02	0.02
FTD016	25.0	27.0	2.0	1.84	0.020	0.01	0.04	0.09	0.05

Diamond drilling is ongoing and will continue into the following period at a number of prospects. Also, at the end of the reporting period a program of open hole percussion drilling had commenced at the Firetower and Firetower West prospects. Further data from all drilling programs will be reported in the following annual report.

7.0 Environment

Site access works were carried out during the period to facilitate exploration activities. These activities are outlined in Section 6.7 and were approved by Mineral Resources Tasmania (MRT) following a standard review process. Due to ongoing work all disturbed areas are yet to be rehabilitated.

8.0 Conclusions

Work completed during the period included a review of previous exploration, geological mapping, rock chip sampling, soil sampling, re-logging and re-analysis of drill core, site access works and drilling.

A review of previous exploration has highlighted greenfield areas in the east of the project area worthy of follow-up. Geological mapping has generally confirmed the project scale geological interpretation presented by previous explorers and highlighted a steep northerly dip to the target volcaniclastic sequence.

Rock chip sampling has located gold mineralisation immediately west of previously known gold mineralisation at the Firetower prospect with a best result of 2.47g/t Au. Soil sampling at the Firetower West prospect has extended gold and base metal anomalism; the anomaly now some 2000m x 1000m with spot peaks over 100ppb Au.

Re-logging and re-sampling of previous explorers drill core has confirmed the presence of scheelite at the Firetower prospect, and that it is likely individual vein styles are not random stockworks as previously reported.

To the end of the reporting period ten diamond holes had been completed for 780m. Best intercept was 11m at 3.4g/t Au including 0.5m at 10.4 g/t Au, 0.7% W, 1.3% Cu, and 0.14% Co. Results show the high-grade nature of gold mineralisation at the Firetower prospect and the addition of high-grade base metal and tungsten mineralisation. At the end of the reporting period a program of open hole percussion drilling had commenced at the Firetower and Firetower West prospects.

Exploration activities are ongoing. Further information will be presented in the following annual report.

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