

GREAT SOUTH LAND MINERALS LIMITED

ABN 54 068 650 386

QUARTERLY REPORT FOR THE PERIOD ENDING 30TH SEPTEMBER 2006

FOR

MINERAL RESOURCES TASMANIA

**SPECIAL EXPLORATION LICENCE
13/98**

Dr Clive Burrett – Geologist/CEO
Ms Nicole Chesterman – Administrator - Operations
Mr Tim Bendall – Seismic Project Officer

26th October 2006

Over the previous quarter, Great South Land Minerals has been working in two project areas. Firstly, the analysis of data from the autumn 2006 TB02 Seismic Survey and planning for the 06/07 summer seismic program, and secondly, the creation and submission of 4 exploration drilling programs at locations of interest across Special Exploration Licence 13/98. GSLM has also been collaborating with MR Associates in the planning of two wells in their joint venture area in the Longford Basin.

Seismic Data Analysis – from TB02 Seismic Survey

Great South Land Minerals have employed the services of Fugro Ground Geophysics in Western Australia to process the data acquired by Terrex Seismic during the autumn 2006 TB02 seismic survey. This processing has now been completed, although the final data have not been interpreted in detail. GIF images of the final migrations and stacks for the lines from the TB02 seismic survey may be found in the appendix.

Interpretation of this data has allowed GSLM to define many features in the Tasmania Basin. Of particular interest is a large anticlinal structure that has been named the ‘Thunderbolt Anticline’.

Preliminary seismic interpretation indicates a large anticlinal structure both within the older and younger Paleozoics. This anticline is parallel to similar structures within exposed Ordovician carbonates on the floor of the Florentine Valley, which were also recorded in the current survey. However, no useful seismic detail was obtained from the exposed Ordovician in contrast to that obtained from the Ordovician in the subsurface.

The Thunderbolt structure may be as much as 20 km across and, based on surface geology, is possibly 50 km long, potentially forming another domal structure. Therefore, it may be comparable in size and shape to the adjacent Bellevue Anticline (dome). The Thunderbolt Anticline is situated near Lake Repulse just west of Ouse and east of Mount Thunderbolt and the Florentine Valley. It is possible that this structure contains considerable petroleum reserves, however the structure will have to be better defined (for example, by a seismic cross-line) before a suitable drilling location may be determined.

Other attractive anticlinal structures have been identified in the seismic data that are evident north of Ouse, both within the older (Larapintine) and younger (Gondwana) petroleum systems.

GSLM has engaged RPS Energy to undertake a complete analysis of all seismic, magnetic, gravity, geological and geochemical data acquired by the company and its predecessors and to provide a succinct summary along with recommendations for future work. RPS Energy has completed 30% of this report at the time of writing.

Exploration Drilling Programs

Great South Land Minerals has submitted 4 exploration drilling programs since the previous quarterly report. These are:

- Lachish #1
- Eglon #1
- Gezer #1
- Hebron #1

Location maps for these wells can be found in the appendix. These planned wells are located near the townships of Epping Forest, Longford, Miena and Tunbridge respectively and have been selected based on data from the 2001 seismic survey combined with existing knowledge of the areas' geological characteristics.

The submitted documents for these 4 drill programs may be found in the appendix.

Planing is well advanced with MR Associates to spud these GSLM wells in the first and second quarters of 2007 following the drilling of their own two wells early in that year.

GSLM has engaged local consultants in environmental, botanical, aboriginal, historical and cultural matters to carry out the necessary surveys for each well and is engaged with discussions with land owners concerning the drilling programs.

06/07 Summer Exploration Program

In addition to the drill program previously mentioned, GSLM have been liaising with Terrex Seismic for the planned continuation of the TB02 seismic survey. Current scheduling will allow for a further 600 to 800 line kilometres to be acquired during the first and second quarters of 2007 and has been booked in accordance with Terrex Seismic 2007 scheduling program. GSLM's financial commitment to a AUD\$4.0 M program will be detailed within the December 2006 quarterly report.

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

Dr Clive Burrett	Geologist/CEO
Miss Nicole Chesterman	Company Secretary/Administrator
Mr Geoff Squibb	Manager, Public and Government Liaison
Mr Tim Bendall	GIS and Planning
Mr Andrew Stacey	Geophysics

In addition, the following external Consultants have been used:

Terrex Seismic
Dynamic Satellite Surveys
Fugro

RPS Energy
ECL Energy with Allan Eisenbarth
Appendix Contents:

- 2006 Seismic Survey Operations Report from Terrex Seismic
- 2006 Seismic Survey Operations Report from Dynamic Satellite Surveys
- Location maps for planned drill sites
- Exploration Drilling Program – Lachish #1
- Exploration Drilling Program – Eglon #1
- Exploration Drilling Program – Gezer #1
- Exploration Drilling Program – Hebron #1
- Tasmania Basin Seismic Survey Map