

Mineral Resources Tasmania

ABN 36 388 980 563

<http://www.mrt.tas.gov.au>

Form No. E7

Mineral Resources Development Act 1995 (Section 28)

EXPLORATION LICENCE ANNUAL REVIEW

(Note: This form and the annual report are due 30 days before the annual anniversary of the licence)

DETAILS OF LICENCE AS AT ANNIVERSARY DATE	Exploration Licence No.: SEL 32/2003..... Area: 11,295 km ² Location: Tasmania..... Anniversary Date: July 30, 2007 .. Licensee: OME Resources Australia Pty Ltd.....
ARE YOU REDUCING THE LICENCE AREA ?	Yes <input type="checkbox"/> If yes please attach a plan clearly showing area(s) held No <input checked="" type="checkbox"/> and area(s) to be relinquished.
SUMMARY OF EXPLORATION COMPLETED	
<i>Office Use</i>	
Brief outline of work undertaken and major results during the current year:	
In the year July 30, 2006 to July 30, 2007, a total of approximately \$1,068,072 will have been spent in the planning, drilling and evaluation of 2 coreholes in the Fingal-Dalmyne Coalfield. The total expenditure over the last three years is then \$1,359,793, representing an over-expenditure of approximately \$9793 to be carried forward.	
The work carried out in the past year included: <ul style="list-style-type: none"> • further geological evaluation, finalising drill locations in Fingal-Dalmyne • site visits, finalising drilling and evaluation programs with contractors • coordinating with the MRT on drilling programs and environmental requirements • Drilled two coreholes for CSG evaluation: cored all prospective coal seams, took 28 coal samples for gas desorption, 9 Drillstem tests for permeability 	
PROPOSED EXPLORATION	
Summary of proposed exploration for next year (including expenditure details where appropriate):	
The proposed work for next year includes geological modelling, based on the recent corehole and test results, and drilling and testing 2 further appraisal coreholes. The expenditure is estimated at \$700,000 for the two coreholes and associated studies.	
If successful, then more wells would be proposed to follow, as the area moves into pilot and then phased development. The general next steps in the appraisal process are: <ol style="list-style-type: none"> 1. Interpretation of results from the recent coreholes 2. Selection of appraisal drilling locations within the Fingal-Dalmyne coalfield 3. Drilling of two coreholes, including desorption and permeability testing 4. If successful, drilling and completing pilot production wells 	
The ultimate objective is to conduct a pilot project to de-water, establish gas deliverability, and confirm/certify recoverable gas reserves	
<u>If space insufficient please attach separate sheet.</u>	

<u>Office Use Only</u>	
Satisfactory Performance:	
– Assessing Geologist:	Yes <input type="checkbox"/> No <input type="checkbox"/>
Signature:	Date:
– Senior Geologist:	Yes <input type="checkbox"/> No <input type="checkbox"/>
Signature:	Date:
– Managing Geologist:	Yes <input type="checkbox"/> No <input type="checkbox"/>
Signature:	Date:

ENVIRONMENTAL IMPACT ACTIVITIES	Office Use Only
Describe activities which caused disturbance detailing type and location:	
Two coreholes were drilled in the Fingal – Dalmayne coalfield, between March and June of 2007.	
REHABILITATION	
Describe environmental rehabilitation during current year:	
The well bores have been capped and labeled as per MRT guidelines. The well bores may be re entered for use as monitor wells and as such the access tracks have been left open. Should a decision be made to abandon these core holes then an excavator will be contracted to carry out the necessary site works, which will be minimal.	
<u>If space insufficient please attach separate sheet.</u>	
Satisfactory Environmental Performance:	
– Environmental Field Officer:	Yes <input type="checkbox"/> No <input type="checkbox"/>
Signature:	Date:

Proposed expenditure for next year:	\$ 700,000
Signed:	
Position:	
Date:	

Office Use Only		
<u>EXPENDITURE COMMITMENTS</u>		<u>Comments</u>
Actual Expend. Yr.....	\$.....	
(–) Yr..... Comm.	\$.....	
(=) Surplus / Shortfall**	\$.....	
Yr..... Comm.	\$.....	
(+) **Shortfall	\$.....	
(=) Total Comm. Yr.....	\$.....	
<u>REPORTING</u>		
Annual		
– Received	/ /	
– TCR No.:	
Relinquishment		
– Received	/ /	
– TCR No.:	