

Annual Report
for EL35/2007 Southern Cross
for the Period 19 December 2007 to 18 December 2008

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ABSTRACT

EL35/2007 Southern Cross is located 65km north-east of Launceston in north-east Tasmania. It lies some 20km north-east of the town of Scottsdale and forms the north-western parts of the Company's Warrentinna project. The tenement covers some 20 strike kilometres of Mathinna Group meta-sediments. The company's main focus is gold mineralisation, however other styles of mineralisation are present within the licence area.

Work completed during the period included research and compilation of data, drainage sampling and soil sampling. Results from drainage samples and soil samples collected by the Company during the period were subdued

Compilation of previous drainage sampling data highlighted three areas of elevated gold geochemistry and one area with elevated base metals worthy of further work. Follow up soil sampling of these areas was recommended.

KEYWORDS

Geology/Mineralisation

Mathinna Group

Minerals

Gold, copper, lead, zinc, tin, tungsten

Deposits/Occurrences

Southern Cross, Southern Cross North

COORDINATES

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

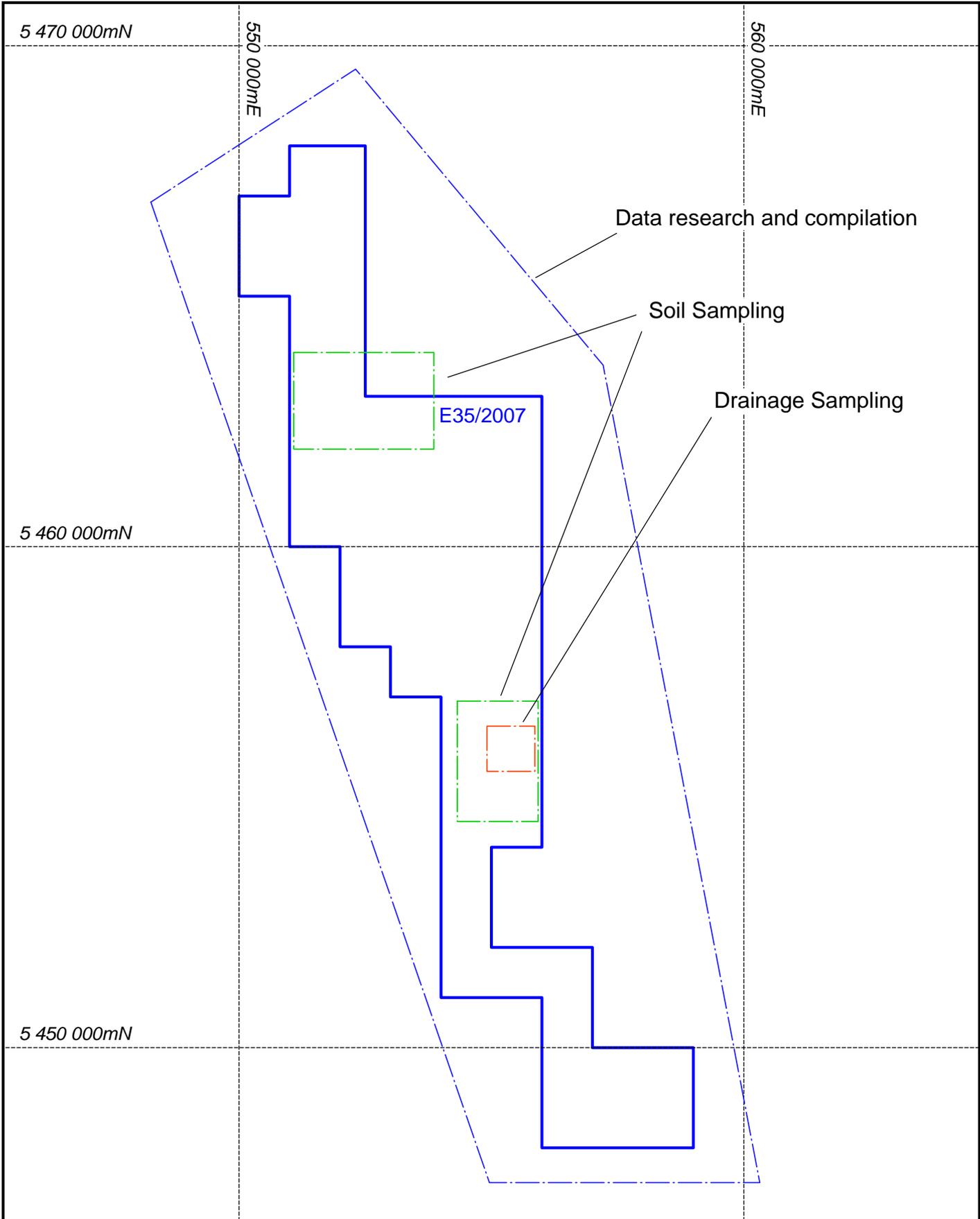
All AMG co-ordinates in this report refer to the AGD66 Datum - Zone55

FILE SUMMARY LIST

| File Name | Format | Contents |
|-------------------------------|---------------|-----------------|
| EL352007_200812_01_report.pdf | pdf | report |
| EL352007_200812_02_geochem | txt | data |
| EL352007_200812_03_geochem | txt | data |

**SUMMARY OF ACTIVITIES FOR EL35/2007 SOUTHERN CROSS
FOR THE PERIOD 19 DECEMBER 2007 TO 18 DECEMBER 2008**

- Data Research and Compilation
- Drainage Sampling
- Soil Sampling



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1.0 Introduction

This report details the exploration activities completed within EL35/2007 during the period 19 December 2007 to 18 December 2008. The lease is located 65km north east of Launceston in north-east Tasmania.

The tenement covers some 20 strike kilometres of Mathinna Group meta-sediments. The company's main focus is gold mineralisation, however other styles of mineralisation are present within the licence area.

Work completed during the period included data research and compilation along with drainage sampling and soil sampling.

2.0 Tenement Details

EL35/2007 Southern Cross was applied for by Greatland Pty Ltd during May 2007 and was granted during December 2007. The tenement covers an area of 53 square kilometres. Tenement details are shown in Table 1.

Table 1 – Tenement Details

| Tenement | Holder | Date Applied | Date Granted | Size |
|-----------------------------|---------------------------|---------------------|---------------------|-------------------|
| EL35/2007 Southern Cross | Greatland Pty Ltd 100% | 11 May 2007 | 19 Dec 2007 | 53km ² |

3.0 Location and Access

EL35/2007 Southern Cross is located 65km north-east of Launceston in north-east Tasmania (Figure 1). It lies some 20km north-east of the town of Scottsdale and 20km east of the town of Bridport. The tenement forms the north-western parts of the Company's Warrentinna project (Figure 2). Land within the southern parts of the tenement is state forest or private land under forestry plantation, while the northern parts cover private farming land.

The tenement lies within the Tasmania NE (SK55-21) 1:250,000 map sheet. It straddles the two 1:100,000 map sheets of Forester (8415) and Cape Portland (8416).

From Launceston, access to the project area is by sealed road to either Bridport or Scottsdale then east via sealed or formed gravel roads which traverse the tenement. Formed gravel roads and logging tracks provide adequate 4WD access throughout the tenement.

4.0 Geology and Mineralisation

The licence area covers some 20 strike kilometres of Mathinna Group rocks (Figure 3) which comprise metamorphosed sandstones, siltstones and mudstones of late Cambrian to Early Devonian age. The Mathinna Group metasediments, together with intrusive Devonian granites, cover much of the northeastern parts of Tasmania and are considered to be equivalent to rocks of the Melbourne Trough which host the bulk of Victoria's gold mineralisation. Goldfields in northeastern Tasmania hosted by the Mathinna group or adjacent rocks of the same age include Beaconsfield, Lefroy, Mangana, Mathinna, Alberton, Warrentinna, Forester, Waterhouse, Scamander and Portland (Figure 2).

Metamorphism of the Mathinna Group is attributed to granite intrusion and Silurian regional (orogenic) deformation events. Regional deformation resulted in pervasive low grade metamorphism of the sediments, and large scale (5km) folding. Contact metamorphic effects are present in the sediments, as a result of granite intrusion, up to 5km from contacts.

Gold mineralisation in northeastern Tasmania generally occurs as quartz veins hosted by the Mathinna Group rocks, and also in local placer deposits derived from their erosion. However, there is recorded gold mineralisation in quartz veining in granitoid rocks, for example, at Golconda and Scamander. Northeastern Tasmania is also recognised as being well endowed with granite related tin mineralisation.

The historic Southern Cross goldfield lies in the north of the project area (Figure 3). Here, gold and associated sulphide mineralisation is found in quartz veins hosted by metasediments of the Mathinna Group. Exposed lodes, prospecting pits and shallow shafts have been mapped over a strike of 600m (Blake, 1934).

5.0 Previous Exploration

Historical maps show the Southern Cross goldfield to contain several strike parallel gold reefs over a strike length of some 600m (Blake, 1934). The original prospecting claim was taken up in 1878, and the reefs worked sporadically between 1880 and 1911. Details on development, production figures etc are unavailable but it appears minimal work was carried out (Summons, 1983).

Modern exploration commenced with Union Corporation (Winnall, 1981), CSR Limited (Ellis, 1995) and Shell/Billiton (Randell, 1991) completing regional drainage surveys between 1980 and 1989. Goldfields Exploration completed a review of gold mineralisation in the district during the early 1980s (McOnie, 1983). Soil sampling and rock chip sampling over the Southern Cross goldfield was carried out by Placeco between 1989 and 1990 (Hofto and Morrison, 1990).

Between 1994 and 1995 Herald resources completed a detailed regional drainage sampling program collecting approximately 100 samples throughout the 53sq km tenement. Herald also completed soil sampling, trenching and four RC drillholes at the Southern Cross goldfield (Turner, 1996).

Private operator Bardenhagen investigated the Southern Cross goldfield between 2003 and 2005 (MacDonald, 2004 and MacDonald, 2005). Work completed included rock chip sampling, trenching and three diamond drillholes.

Relevant aeromagnetic and radiometric surveys over the tenement have been flown by Placeco in 1987 (Davidson and Hofto, 1988) and the Tasmanian Geological Survey in 2007. Line spacings were 125m and 200m respectively. Interpretation of the data sets was completed by Leaman (1994) and Godbear (2008).

A review of all drainage sampling data shows maximum values of 124ppb Au, 46ppm As, 8ppm Ag, 95ppm Cu, 46ppm Pb and 457ppm Zn. Elevated gold in streams identified the Southern Cross goldfield and also highlighted a further three areas worthy of follow-up. Also, one area with elevated base metals was apparent. It was recommended to follow up these areas with soil sampling.

Rock chip samples were collected from the Southern Cross goldfield by various operators. Maximum results of 13.7ppm Au, 17.4% As, 179ppm Cu, 4104ppm Pb and 1430ppm Zn were returned from work by Herald (Turner, 1996). Over 150g/t gold was reported from rock chips by Placeco (Hofto and Morrison, 1990). Results of 2m composite trench samples by Herald were uniformly low.

Results from four RC holes by Herald and three diamond holes by Bardenhagen at the Southern Cross goldfield were uninspiring. Highest result from RC drilling was 1m at 0.671ppm Au and 5ppm As from 15m in SCRC004. Highest result from diamond drilling were 0.275m at 1.27g/t Au and 4.0% As from 10.2m in LH2, and 0.25m at 2.38g/t Au and 0.54% As from 15.3m in LH3.

6.0 Work Carried Out During the Period

Work completed during the period included data research and compilation, drainage sampling and soil sampling.

Data Research and Compilation

During the period all historical records were collated and reviewed. Relevant data was compiled into a standard GIS format for integration and review of spatial data sets. A review of previous exploration results is presented in Section 5.

Drainage Sampling

Trace gold was panned in a creek at 555 780mE and 5 455 900mN and two - 80# stream samples were collected to follow up. Samples numbers were 89139 and 89161 (2).

Both samples were sent to Genalysis Laboratories in Perth for analysis of Au, Ag, As, Bi, Pb, Sb, Sn and W to detection limits of 0.1, 0.05, 1, 0.01, 1, 0.02, 0.05 and 0.05 respectively. Gold analysis was by Aqua Regia digest with an enhanced sensitivity AAS read (lab code B/EETA) while all other elements were by Aqua Regia digest with a mass spectrometry read (lab code B/MS).

Highest results were 0.09ppb Au, 4ppm As, 0.12ppm Bi, 3ppm Pb, 0.33ppm Sb, 0.36ppm Sn and 0.1ppm W. All sample results are presented in Appendix I and locations are shown in Figure 4.

Soil Sampling

A total of 32 soil samples were collected along three reconnaissance traverses during the period. Samples were collected every 50m along the traverse and composited to 100m centres. Material was taken from a depth of

around 150mm and 250g of -80# material retained for analysis. Sample numbers were 89127-89137 (11) and 89140-89160 (21).

All samples were sent to Genalysis Laboratories in Perth for analysis of Au, Ag, As, Bi, Pb, Sb, Sn and W to detection limits of 0.1, 0.05, 1, 0.01, 1, 0.02, 0.05 and 0.05 respectively. Gold analysis was by Aqua Regia digest with an enhanced sensitivity AAS read (lab code B/EETA) while all other elements were by Aqua Regia digest with a mass spectrometry read (lab code B/MS).

Maximum results were 3.5ppb Au, 0.06ppm Ag, 41ppm As, 10ppm Pb, 0.76ppm Bi, 0.26ppm Sb, 0.15ppm W and 1.42ppm Sn. All sample results are presented in Appendix II and locations are shown in Figure 5.

7.0 Conclusions

EL35/2007 Southern Cross is located 65km north-east of Launceston in north-east Tasmania (Figure 1). It lies some 20km north-east of the town of Scottsdale and forms the north-western parts of the Company's Warrentinna project.

The tenement covers some 20 strike kilometres of Mathinna Group meta-sediments. The company's main focus is gold mineralisation, however other styles of mineralisation are present within the licence area.

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Turner, N.J., 1996. Exploration Licence 24/94 Boobyalla Tasmania, Annual Report 1994-1995. Herald Resources Ltd, p1-10. TCR96-3858

Winnall, N.J., 1981. EL20/2180 Preliminary Report. Union Corporation
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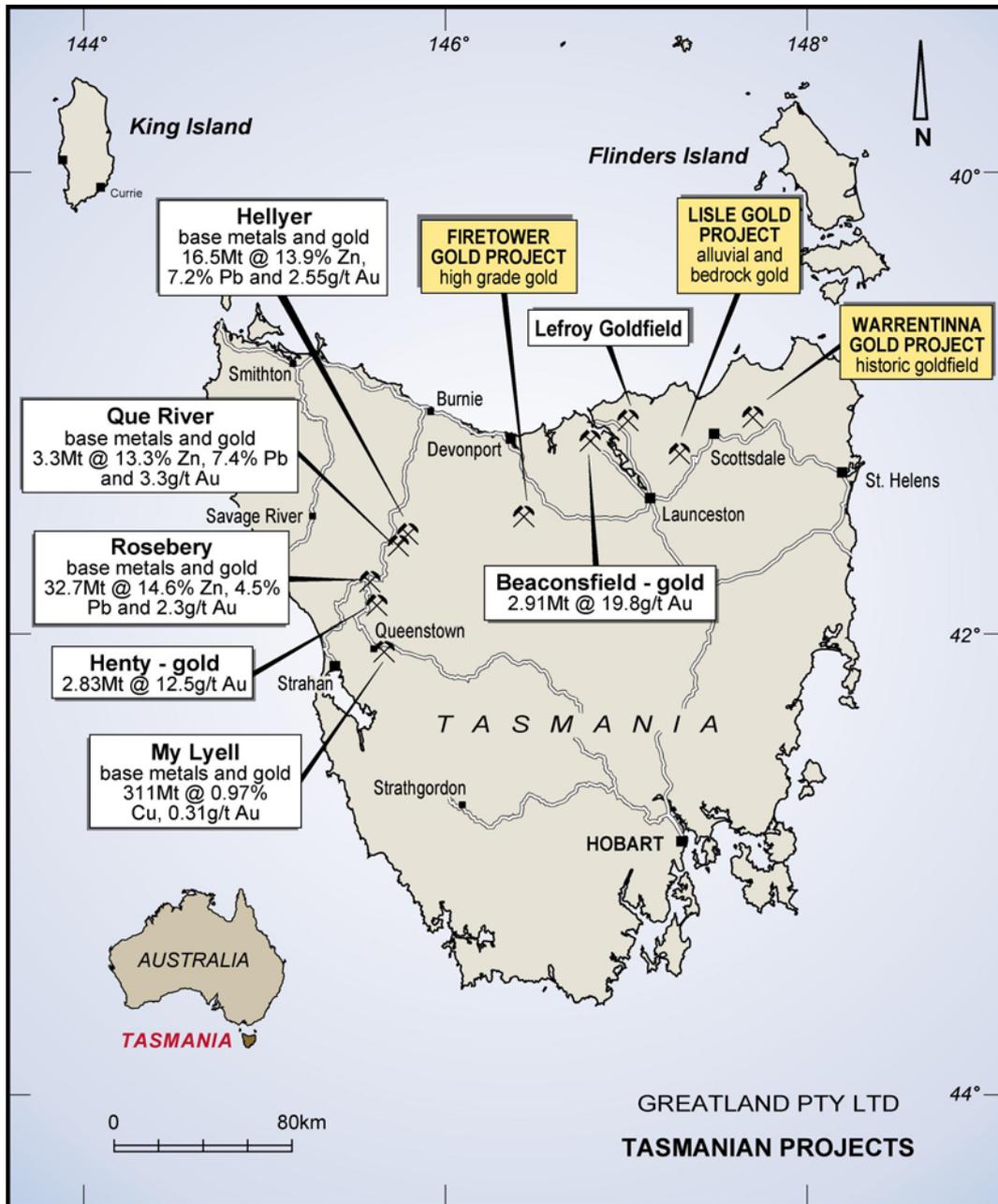


Figure 1 – Project Location Map

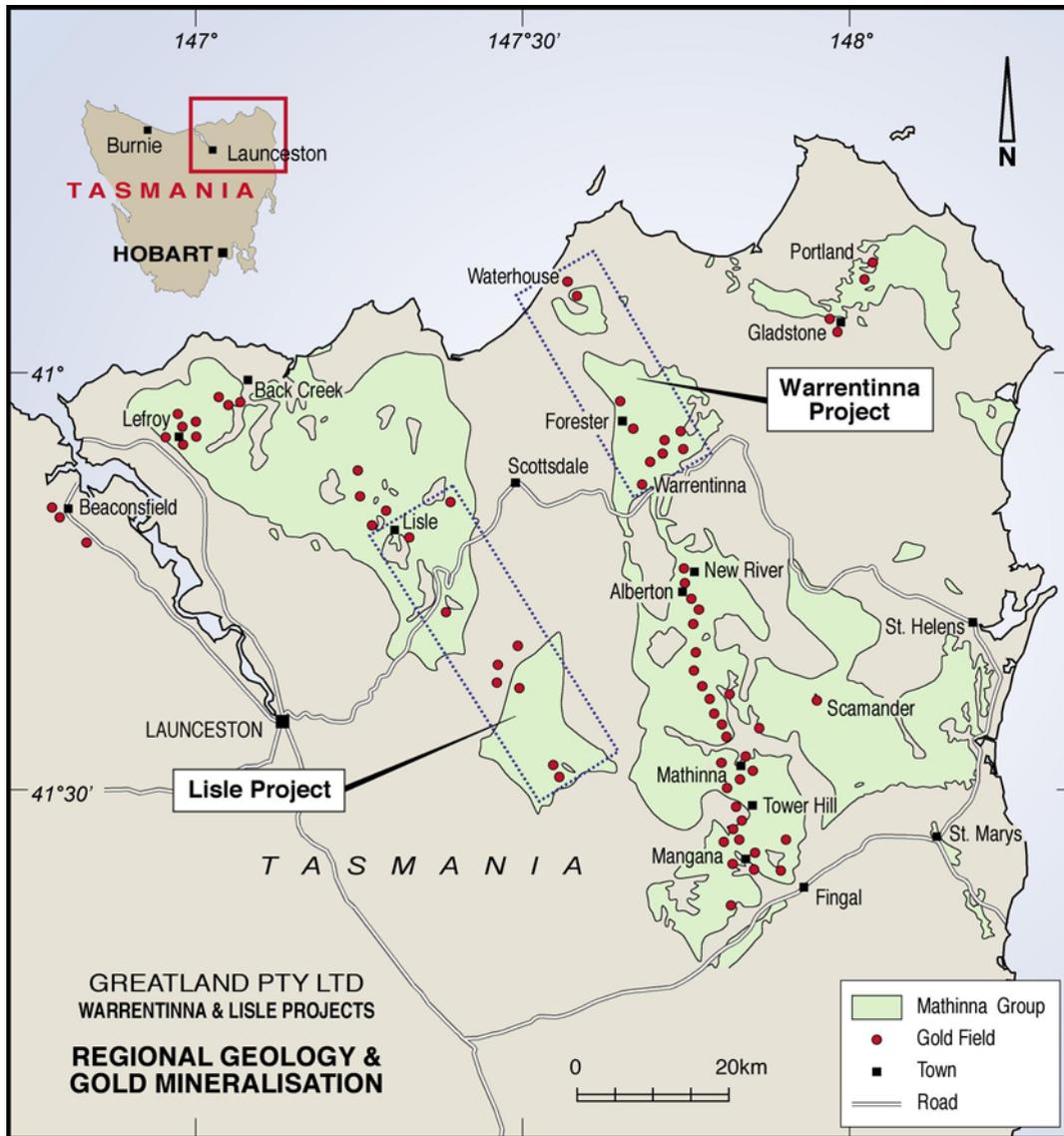


Figure 2 – Regional Geology

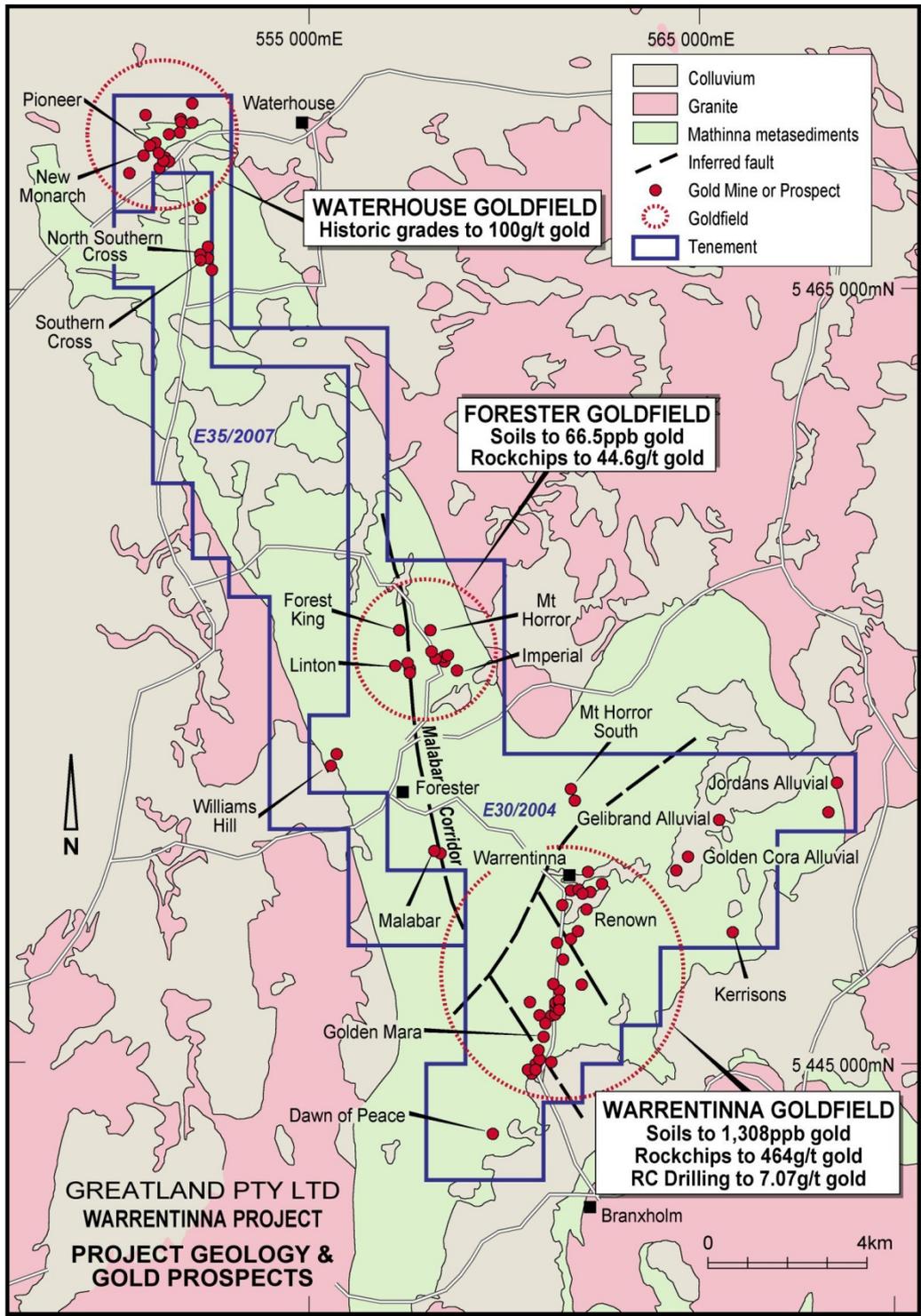
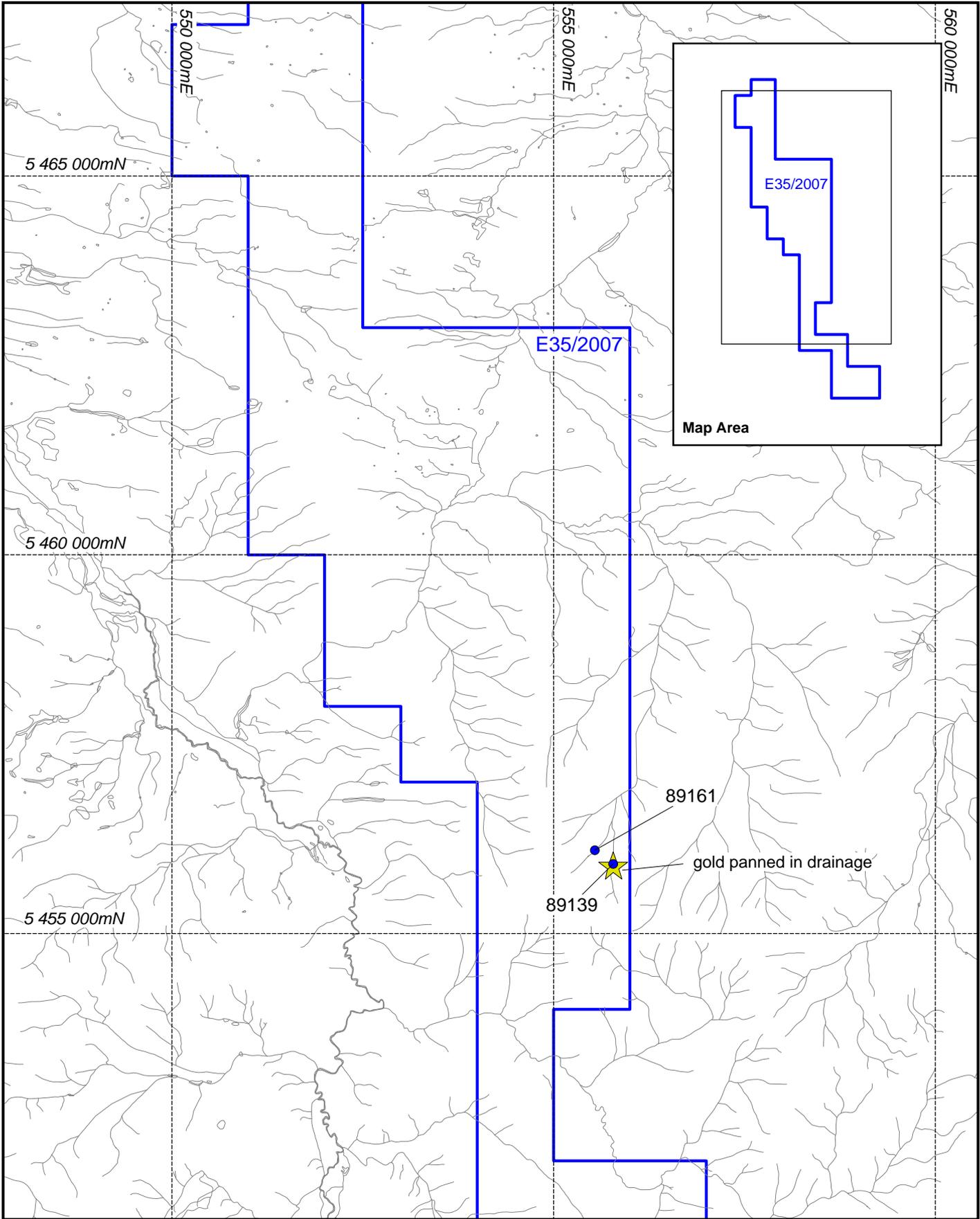


Figure 3 – Project Geology



AGD66-ZONE55

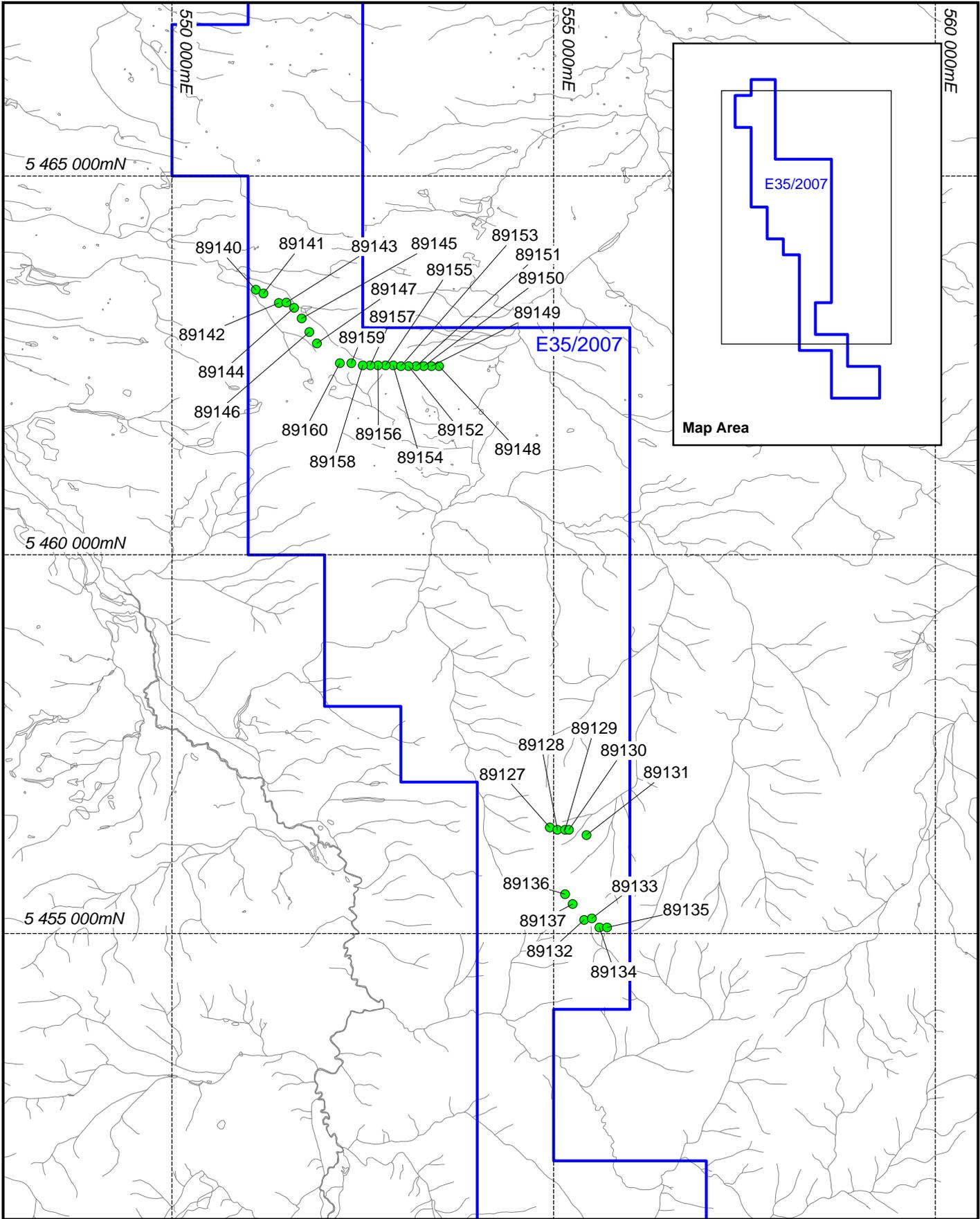


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GREATLAND PTY LTD
EL35/2007 SOUTHERN CROSS
Drainage Samples

Figure 4



AGD66-ZONE55



GREATLAND PTY LTD
 EL35/2007 SOUTHERN CROSS
 Soil Samples

Figure 5

APPENDIX I

Drainage Sample Data

Data Template Drainage Samples

| | | | |
|-------|--------------------------------|---------------------------------|------|
| H0100 | Tenement No/Combined Report No | EL35/2007 | |
| H0101 | Tenement Holder | Greatland Pty Ltd | |
| H0102 | Tenement Operator | Greatland Pty Ltd | |
| H0103 | Project Name | Southern Cross | |
| H0104 | 250K Map Sheet | SK55-21 | |
| H0105 | 100K Map Sheet | 8415 | 8416 |
| H0200 | Start Date of Data Acquisition | Dec-07 | |
| H0201 | End Date of Data Acquisition | Nov-08 | |
| H0202 | Data Format | SG2 | |
| H0203 | Number of Data Records | 2 | |
| H0204 | Date of Metadata Update | Jan-09 | |
| H0500 | Feature Located | Sample Point | |
| H0501 | Geodetic Datum | AGD66 | |
| H0502 | Vertical Datum | N/A | |
| H0503 | Projection | AMG | |
| H0504 | Projection Zone | 55 | |
| H0505 | Surveying Instrument | Handheld GPS | |
| H0506 | Surveying Company | Greatland Pty Ltd | |
| H0600 | Sample Code | Drainage | |
| H0601 | Sample Type | Drainage | |
| H0602 | Sample Description | 180micron | |
| H0700 | Sample Prep Code | SSMG | |
| H0701 | Sample Prep Details | 75micron | |
| H0702 | Job No | 807799 | |
| H0800 | Assay Code | B/EETA | B/MS |
| H0801 | Assay Company | Genalysis Laboratories | |
| H0802 | Assay Description | Aqua Regia digest - AAS/MS read | |
| H0900 | Remarks | below detection -1 no data -999 | |

Drainage Samples

| Sample_ID | SampleType | Mesh | AMG_East | AMG_North | Datum_Zone | Au ppb | Ag ppm | As ppm | Bi ppm | Pb ppm | Sb ppm | Sn ppm | W ppm |
|-----------|------------|------|----------|-----------|------------|--------|--------|--------|--------|--------|--------|--------|-------|
| 89139 | Drainage | -80# | 555780 | 5455920 | AGD66-55 | 0.8 | -0.05 | 4 | 0.08 | 3 | 0.33 | 0.21 | 0.1 |
| 89161 | Drainage | -80# | 555540 | 5456100 | AGD66-55 | 0.9 | -0.05 | -1 | 0.12 | 3 | 0.04 | 0.36 | -1 |

APPENDIX II

Soil Sample Data

Data Template

Soils

| | | | |
|-------|--------------------------------|---------------------------------|------|
| H0100 | Tenement No/Combined Report No | EL35/2007 | |
| H0101 | Tenement Holder | Greatland Pty Ltd | |
| H0102 | Tenement Operator | Greatland Pty Ltd | |
| H0103 | Project Name | Southern Cross | |
| H0104 | 250K Map Sheet | SK55-21 | |
| H0105 | 100K Map Sheet | 8415 | 8416 |
| H0200 | Start Date of Data Acquisition | Dec-07 | |
| H0201 | End Date of Data Acquisition | Nov-08 | |
| H0202 | Data Format | SG2 | |
| H0203 | Number of Data Records | 32 | |
| H0204 | Date of Metadata Update | Jan-09 | |
| H0500 | Feature Located | Sample Point | |
| H0501 | Geodetic Datum | AGD66 | |
| H0502 | Vertical Datum | N/A | |
| H0503 | Projection | AMG | |
| H0504 | Projection Zone | 55 | |
| H0505 | Surveying Instrument | Handheld GPS | |
| H0506 | Surveying Company | Greatland Pty Ltd | |
| H0600 | Sample Code | Soil | |
| H0601 | Sample Type | Soil | |
| H0602 | Sample Description | 180micron | |
| H0700 | Sample Prep Code | SSMG | |
| H0701 | Sample Prep Details | 75micron | |
| H0702 | Job No | 807799 | |
| H0800 | Assay Code | B/EETA | B/MS |
| H0801 | Assay Company | Genalysis Laboratories | |
| H0802 | Assay Description | Aqua Regia digest - AAS/MS read | |
| H0900 | Remarks | below detection -1 no data -999 | |

Soil Samples

| Sample_ID | SampleType | Mesh | AMG_East | AMG_North | Datum_Zone | Au_ppb | Ag_ppm | As_ppm | Pb_ppm | Bi_ppm | Sb_ppm | W_ppm | Sn_ppm |
|-----------|------------|------|----------|-----------|------------|--------|--------|--------|--------|--------|--------|-------|--------|
| 89127 | Soil | -80# | 554950 | 5456400 | AGD66-55 | 1 | -0.05 | -1 | 4 | 0.11 | -0.02 | -0.05 | 0.32 |
| 89128 | Soil | -80# | 555050 | 5456370 | AGD66-55 | 3.5 | -0.05 | 22 | 10 | 0.76 | 0.06 | 0.07 | 1.03 |
| 89129 | Soil | -80# | 555150 | 5456370 | AGD66-55 | 1 | -0.05 | 6 | 7 | 0.21 | 0.03 | 0.08 | 0.63 |
| 89130 | Soil | -80# | 555200 | 5456370 | AGD66-55 | 1.4 | -0.05 | 41 | 4 | 0.17 | 0.06 | 0.15 | 1.1 |
| 89131 | Soil | -80# | 555430 | 5456300 | AGD66-55 | 1 | -0.05 | 14 | 8 | 0.2 | 0.05 | 0.09 | 0.82 |
| 89132 | Soil | -80# | 555400 | 5455180 | AGD66-55 | 1 | -0.05 | 18 | 10 | 0.32 | 0.14 | 0.08 | 1.32 |
| 89133 | Soil | -80# | 555500 | 5455200 | AGD66-55 | 0.6 | -0.05 | 7 | 5 | 0.12 | 0.26 | -0.05 | 0.57 |
| 89134 | Soil | -80# | 555600 | 5455080 | AGD66-55 | 0.3 | -0.05 | 2 | 4 | 0.11 | 0.12 | -0.05 | 0.49 |
| 89135 | Soil | -80# | 555700 | 5455080 | AGD66-55 | 0.5 | -0.05 | 4 | 5 | 0.17 | 0.09 | -0.05 | 0.44 |
| 89136 | Soil | -80# | 555150 | 5455520 | AGD66-55 | 0.7 | -0.05 | 3 | 6 | 0.16 | 0.07 | 0.07 | 0.64 |
| 89137 | Soil | -80# | 555250 | 5455390 | AGD66-55 | 0.8 | 0.06 | 16 | 10 | 0.35 | 0.24 | 0.14 | 1.42 |
| 89140 | Soil | -80# | 551100 | 5463500 | AGD66-55 | 0.4 | -0.05 | -1 | -1 | 0.02 | -0.02 | -0.05 | 0.13 |
| 89141 | Soil | -80# | 551200 | 5463450 | AGD66-55 | 0.4 | -0.05 | -1 | 2 | 0.04 | -0.02 | -0.05 | 0.16 |
| 89142 | Soil | -80# | 551400 | 5463325 | AGD66-55 | 0.2 | -0.05 | -1 | 2 | 0.04 | 0.03 | -0.05 | 0.13 |
| 89143 | Soil | -80# | 551500 | 5463330 | AGD66-55 | 0.4 | -0.05 | -1 | 2 | 0.03 | -0.02 | -0.05 | 0.14 |
| 89144 | Soil | -80# | 551600 | 5463260 | AGD66-55 | 0.4 | -0.05 | -1 | 4 | 0.1 | 0.05 | -0.05 | 0.33 |
| 89145 | Soil | -80# | 551700 | 5463120 | AGD66-55 | 0.4 | -0.05 | -1 | 1 | 0.04 | -0.02 | -0.05 | 0.21 |
| 89146 | Soil | -80# | 551800 | 5462940 | AGD66-55 | 2.1 | -0.05 | 18 | 9 | 0.22 | 0.16 | -0.05 | 0.83 |
| 89147 | Soil | -80# | 551900 | 5462790 | AGD66-55 | 0.6 | -0.05 | -1 | -1 | 0.02 | -0.02 | -0.05 | 0.15 |
| 89148 | Soil | -80# | 553500 | 5462490 | AGD66-55 | 0.3 | -0.05 | -1 | 2 | 0.05 | -0.02 | -0.05 | 0.3 |
| 89149 | Soil | -80# | 553400 | 5462490 | AGD66-55 | 0.2 | -0.05 | -1 | 4 | 0.06 | -0.02 | -0.05 | 0.32 |
| 89150 | Soil | -80# | 553300 | 5462490 | AGD66-55 | 0.3 | -0.05 | -1 | 3 | 0.05 | -0.02 | -0.05 | 0.16 |
| 89151 | Soil | -80# | 553200 | 5462490 | AGD66-55 | 0.4 | -0.05 | -1 | 1 | 0.03 | 0.02 | -0.05 | 0.18 |
| 89152 | Soil | -80# | 553100 | 5462490 | AGD66-55 | 0.1 | -0.05 | -1 | 2 | 0.06 | -0.02 | -0.05 | 0.22 |
| 89153 | Soil | -80# | 553000 | 5462490 | AGD66-55 | 0.5 | -0.05 | -1 | 3 | 0.11 | 0.06 | -0.05 | 0.24 |
| 89154 | Soil | -80# | 552900 | 5462500 | AGD66-55 | 0.8 | -0.05 | -1 | 4 | 0.11 | 0.05 | -0.05 | 0.42 |
| 89155 | Soil | -80# | 552800 | 5462500 | AGD66-55 | 0.4 | -0.05 | -1 | 3 | 0.1 | 0.03 | -0.05 | 0.36 |
| 89156 | Soil | -80# | 552700 | 5462500 | AGD66-55 | 2 | -0.05 | -1 | 3 | 0.12 | 0.04 | -0.05 | 0.4 |
| 89157 | Soil | -80# | 552600 | 5462500 | AGD66-55 | 0.5 | -0.05 | -1 | -1 | 0.03 | -0.02 | -0.05 | 0.2 |
| 89158 | Soil | -80# | 552500 | 5462500 | AGD66-55 | 0.3 | -0.05 | -1 | 3 | 0.07 | 0.02 | -0.05 | 0.42 |
| 89159 | Soil | -80# | 552350 | 5462530 | AGD66-55 | 0.4 | -0.05 | 2 | 5 | 0.12 | 0.04 | -0.05 | 0.25 |
| 89160 | Soil | -80# | 552200 | 5462530 | AGD66-55 | 2.8 | -0.05 | 3 | 3 | 0.18 | 0.23 | -0.05 | 0.85 |