

ANNUAL REPORT

Mineral Resources Tasmania

Department of Infrastructure, Energy and Resources

TITLE PAGE

Licence No:	25/2008
Nature of Report:	Annual Report
Period Covered:	18 September 2009 to 18 September 2010
Name & Address of Licensee:	Tiger Coal Pty Ltd C/- Resource Generation Limited Level 12, Chifley Tower 2 Chifley Square Sydney NSW 2000
Author:	Senior Geologist
Date of Report:	5 November 2010

Abstract

Historical exploration data has been reviewed, recollected and then remodeled.

Fieldwork has been conducted to define topography and indicative strata adjacent to prospective drill sites.

Land ownership details have been obtained.

Design of a drilling program has been undertaken.

Drilling tenders issued and quotes evaluated.

Work undertaken during this year included further geological data base analysis in order to evaluate the most appropriate locations for confirmation boreholes. The work involved surface mapping, geophysics and physical inspection.

Further identification of landowners and title information also continued.

No further work was conducted on rail and port infrastructure, as that identified in the previous year accommodated pre-feasibility requirements.

Further work will proceed after the logging and analysis of the 25 drill holes which have been completed in EL65/2007, as those results will have implications for the future direction of work in EL25/2008.

An extension of time is requested to complete year 2 commitments under the Exploration Licence (requested under separate letter).

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1 Introduction

1.1.1 Exploration rationale (objective) and geological setting

This area is being explored in conjunction with adjacent tenements 26/2008 and 41/2008. A major common structure to the three areas, the Jericho Trough, has constrained coal occurrence throughout the total area.

The principal objective of exploring in the Jericho region is to develop a geological and geophysical foundation for coal resource definition of the near surface Permo-Triassic coal measures. Typically the Coal measures are associated with a characteristic lithic sandstone sequence which has been preserved from erosion by dolerite capping. Continuity of the coal seams has been indicated by past workers through a combination of lithological, geophysical and analytical correlation. The Jericho area comprises a series of structural trends north-south and extends for a minimum of 50 kilometers long and varies from approximately 2-3 kilometres wide. Graben structures dominate the configuration of possible coal seams.

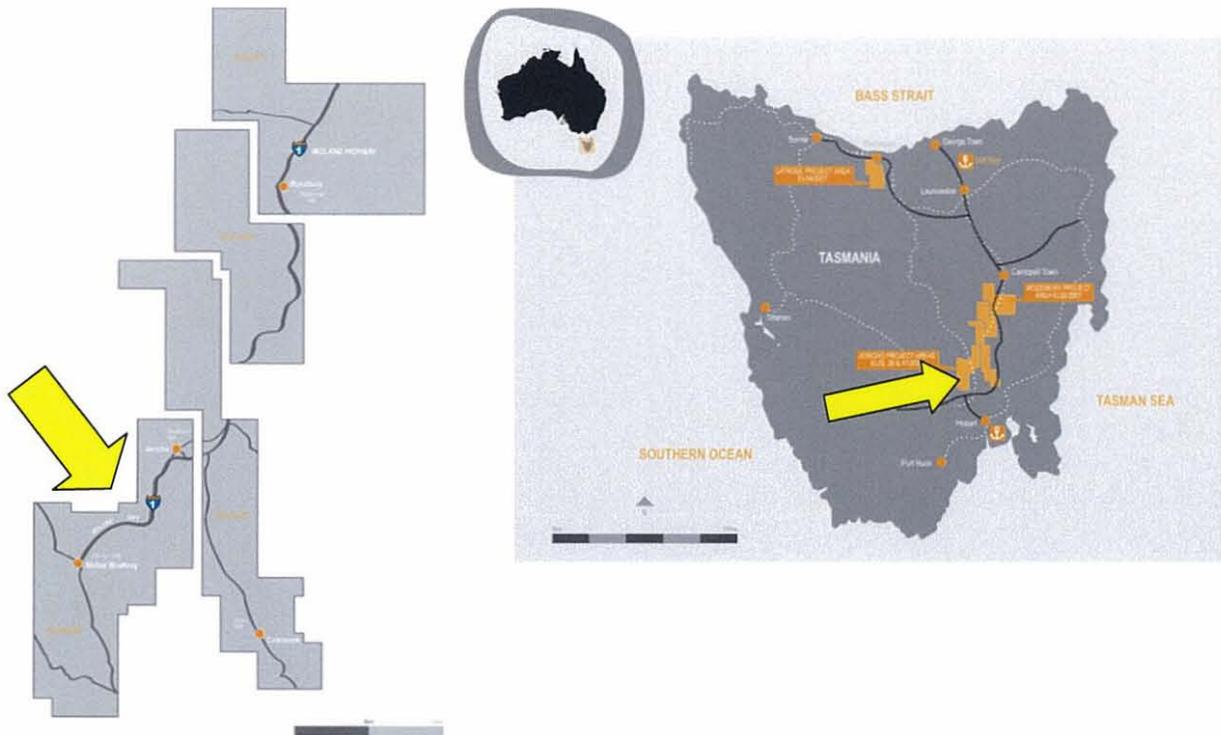
Following the remodeling of rudimentary historical borehole data, some of which is unreliable we now intend to test the veracity of open cut coal deposition through a series of exploratory boreholes to define structure and presence of coal seams.

Land owner access constraints have predominantly limited the siting of boreholes in the past. In particular some of the data obtained through a thorough investigation of Departmental records indicates that certain boreholes are realistically best described as "water bores".

1.1.2 Licence details

Tenement number:	EL 25/2008
Tenement name:	Melton Mowbray
Tenement location:	Dysart/Melton Mowbray/Jericho
Reporting period:	18 September 2009 – 18 September 2010
Tenement holder:	Tiger Coal Pty Ltd

1.1.3 Location



1.1.4 Tenure

Five years from 18 September 2008 to 18 September 2013

2 Review of previous work

2.1.1 Prior to current tenement

The Melton Mowbray area comprises parts of several previous EL areas originally held and explored by CRA in the early to mid 1980's. Titles which covered parts of the present title area included Parattah EL 18/82, Kempton EL 19/82 and Jericho EL 20/82. The current EL 25/2008 granted in this area has been designated as Melton Mowbray, being centered on that village, and covers an area of 203 square kilometers.

2.1.2 During current tenement

Initial appraisal of the data package leads to the view that the CRA geological assessment was carried out in a professional manner and included;

- Literature / data search – particularly of numerous existing water bores
- Photo and geophysical interpretation
- Field mapping
- Structural interpretation

- Drilling target development
- Core and open hole drilling
- Down hole geophysics
- Progressive reporting to MRT (Mineral Resources Tasmania)

The data generated was extensive. Regrettably, as with so much material provided for records at that time, the process of microfiche and subsequent conversion to electronic files (predominantly Acrobat) has resulted in substantial instances of poor copies of what were already inferior-quality field plans. Further data access is impeded by the fact that the borelogs and geophysics were generally provided as appendices to progress reports and it can be time-consuming to locate a borelog in a 360 page Acrobat file with no index; again the odd-sized pages have led to difficult image handling.

The exploration focused on defining coal depositional environments within elongate graben structures. The major feature partly within this area was the Jericho graben structure, extending up to 50 kilometres on a NNW – SSE trend, and averaging several kilometres in width. Scout drilling which took place along the feature was possibly somewhat reduced in effectiveness by the need to drill on public access land; certainly not all the sites on the planning map have been drilled. Some hypotheses regarding seam development have been developed and could be useful in future exploration. Unexplained termination of CRA field activities occurred abruptly in 1985; a search as to whether there were other subsequent titles could be enlightening.

Two secondary graben structures have been identified immediately to the west of Melton Mowbray and Kempton. These are possibly truncated structures of somewhat limited extent. Their resource potential has not been appraised.

3 Exploration completed during the reporting period

3.1.1 Literature review

A thorough review of Departmental records was undertaken, this comprising the data collection of all hard copy historical information (borehole cross-sections, reports and interpretations) and the recompilation of that data into electronic form. Once having completed that exercise which involved several months of input, that data was subsequently recompiled for remodeling onto a Mincom Minescape platform.

3.1.2 Regional exploration activities

An extensive search was undertaken of land titles. In addition several field trips were undertaken of the area including contact with landowners to derive an understanding of regional topography and geological settings.

In respect to land ownership many Landowners have been identified in the tenement. A copy of the landowner information is attached herewith including a plan of the area.

Contact with several of the key landowners has been attempted to obtain access to commence an exploration program.

3.1.3 Prospect- based exploration activities

Significant coal occurrences have been inferred (CRAE, 1984) to exist within the Jericho graben structure which extends some 50 kilometres N-S through the Midlands region – Resource Generation Limited titles do not include the most southerly extent of this geological feature. The graben is usually between 1 and 5 kilometres wide and bounded by sub-vertical flanking faults. Additionally the region is intersected by a number of secondary faults; they are generally vertical or normal and trend NE-SW.

Previous exploration has been by way of both core and non-core drilling (predominantly circa 1982 – 1985) plus water bores which may be anything up to a century old. This data has been the subject of some rather speculative interpretation, (by previous title holders) leading ultimately to statements of ‘hypothetical reserves’. Under the present JORC Code these results would constitute, at best, exploration results and would not support any quantification or public statement of coal resources. The second major source of geological data to support sub-surface exploration in the area is the State geological mapping; there is good 1:50,000 coverage plus some 1:25,000 areas in digital format; mapping and publishing is circa 1976. If the data presented is accurate (spot verification field mapping required) then these maps should prove invaluable in identifying coal deposits. There are some structural and remote sensing geophysical data available for the area but difficulties have been experienced in loading and locating (map gridding and scaling, large data file handling) this data and it has proven to be of minimal use. There is good magnetometer data in the far north of the area but sparse airborne survey data over the balance of the area.

Sixteen prospective drilling sites have been selected based on the interpretation of the above data. All of these sites will be drilled as chip-sampled open holes in the first instance. As far as possible these sites have been selected to potentially provide an intersection of the “Sequence 1” strata of previous workers – this is the uppermost member of the Triassic stratum of the region and has been inferred to be the most prospective section for economic coal seam occurrence. These new bore sites are generally some 2 – 3 kilometres apart but it is believed that if there is continuity of seams over significant areas, then this additional drilling in combination with what may be gleaned from past work, has the potential to define some economic coal occurrences. Should there be a potentially interesting intersection in any one of these bores then some step-off drilling will be undertaken in the immediate vicinity as part of this stage of the Jericho graben assessment – at this time allowance is made for 2 target areas to be assessed with 5 holes, including one core hole, in each of the prospective targets. Jericho graben exploration drilling is detailed in the following attachments.

- Proposed drill hole locations are as shown on the attached plan “... / *Jericho Bore site Plan _ April 2009.pdf*”.
- Detailed drill site locations and predicted intersections are detailed in the attached “... / *Jericho Exploration Boreholes _ April 2009.xlsx*” (TABLE 2).
- Estimated costs for these exploration activities are included in “... / *Tasmanian Exploration Budget _ April 2009.xlsx*”.

Proposed exploration for next year includes:

A series of fully cored and open holes are proposed to be undertaken over the suite of adjoining tenements within the Resource Generation Ltd group depending upon the results from the analysis of the holes drilled in 65/2007. This encapsulates 25/2008, 26/2008, 41/2008 & 65/2007. The plan for the Jericho Trough is attached to this return, however the first series of holes has been completed in 65/2007 and following the analysis of coal core a further review of the program will be completed prior to undertaking land access negotiations and physical drilling.

An extension of time is requested to complete year 2 commitments under the Exploration Licence (requested under separate letter).

4 Discussion of results

Further exploratory drilling is required to assist in defining the nature of structures and the coal occurrences within those which based on work to date indicate the presence of various grabens. In the event that initial drilling is successful in this regard, it is believed that further regional drilling may prove and extend the viable limits of the deposit.

Following this stage in the proving of the resource, and assuming results continue to be encouraging, a significant grid-infill drilling program would be undertaken. Coal quality of the deposit will also be addressed as part of these drilling and sample analysis activities; it must be recognised at all times that coal occurrences in this coalfield are predominantly poorer-quality high-ash steaming coals. Finally, a bulk sampling exercise would need to be carried out – the most appropriate sampling method remains undecided at this time.

5 Conclusions

Investigate the presence and possible quantity of coal within the deposit as historically interpretations have to be considered to be unreliable based on the nature of exploration previously undertaken. This was mainly due to limited access. Subject to obtaining adequate access a drilling program is to be undertaken in order to derive the viable presence of coal occurrences.

A significant number of landowners are present in the tenement and this will require considerable management to ensure ease of access and to minimize any negative sentiment toward exploration or subsequent activity.

6 Environment

Generally the area comprises a variation of undulating to steep properties which vary in agricultural uses.

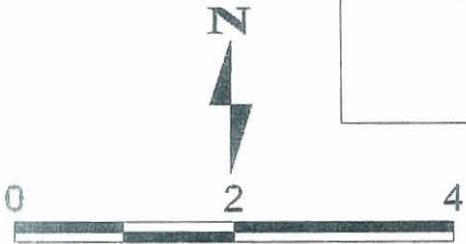
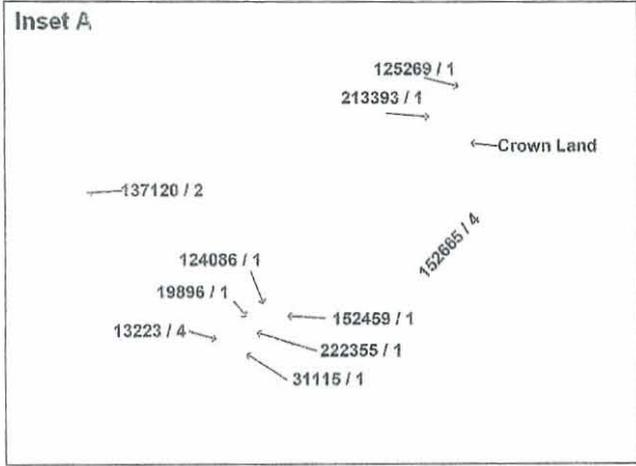
Economic conditions have been unfavourable and this is reflected in a general “run-down state” of infrastructure. Until recent rains, drought conditions have prevailed for a number of years.

The currently planned drilling program has been designed to result in minimal impact to the area and any disturbance to the land will be rehabilitated at the completion of drilling.

7 Expenditure

Expenditure to date has amounted to \$147,720 this being a pro-rata calculation for work conducted on all three Jericho tenements (\$65,965 during 2008/09 period, \$81,755 during 2009/10 period). Please note these figures include the salary costs of the supervising geologist (however the expenditure figures in the quarterly reports submitted have not included this cost). Also the expenditure figure shown in our previous MRT Annual Report (2008/09) used a forecast expenditure in error (rather than actual figures as intended).

Further exploration will be undertaken following initial exploration which will assist in defining the presence and location of viable coal sequences. A budget for the exploration program will be prepared once the results of the data analysis are known for the drilling conducted in EL65/2007. It is envisaged that Licence conditions will be met subject to initially achieving access and subsequent success of the first program.

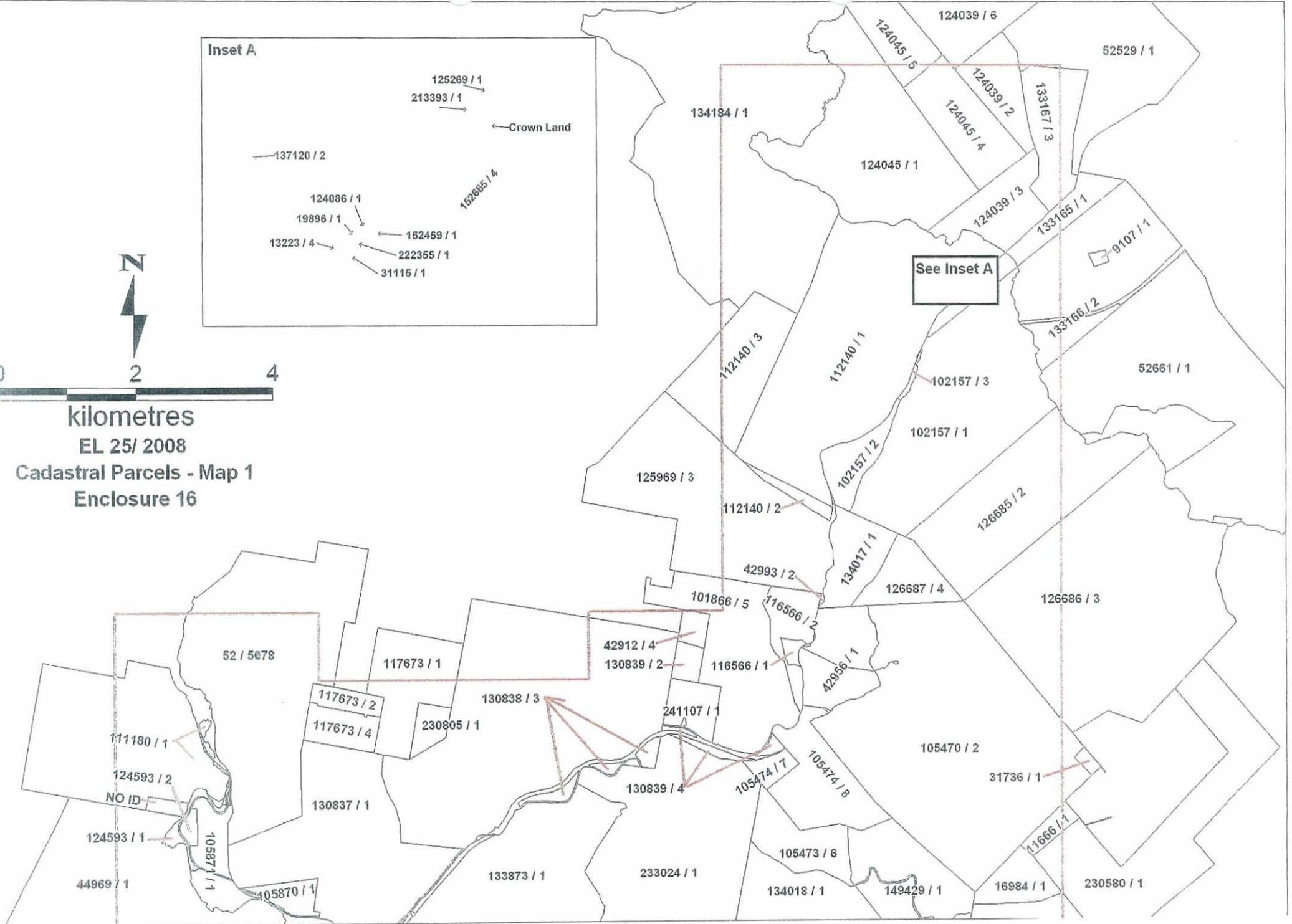


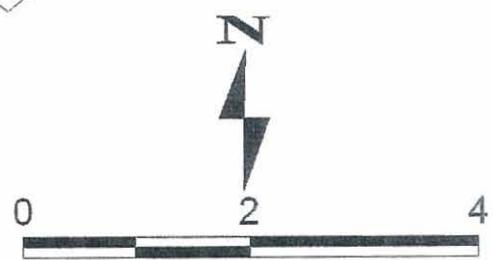
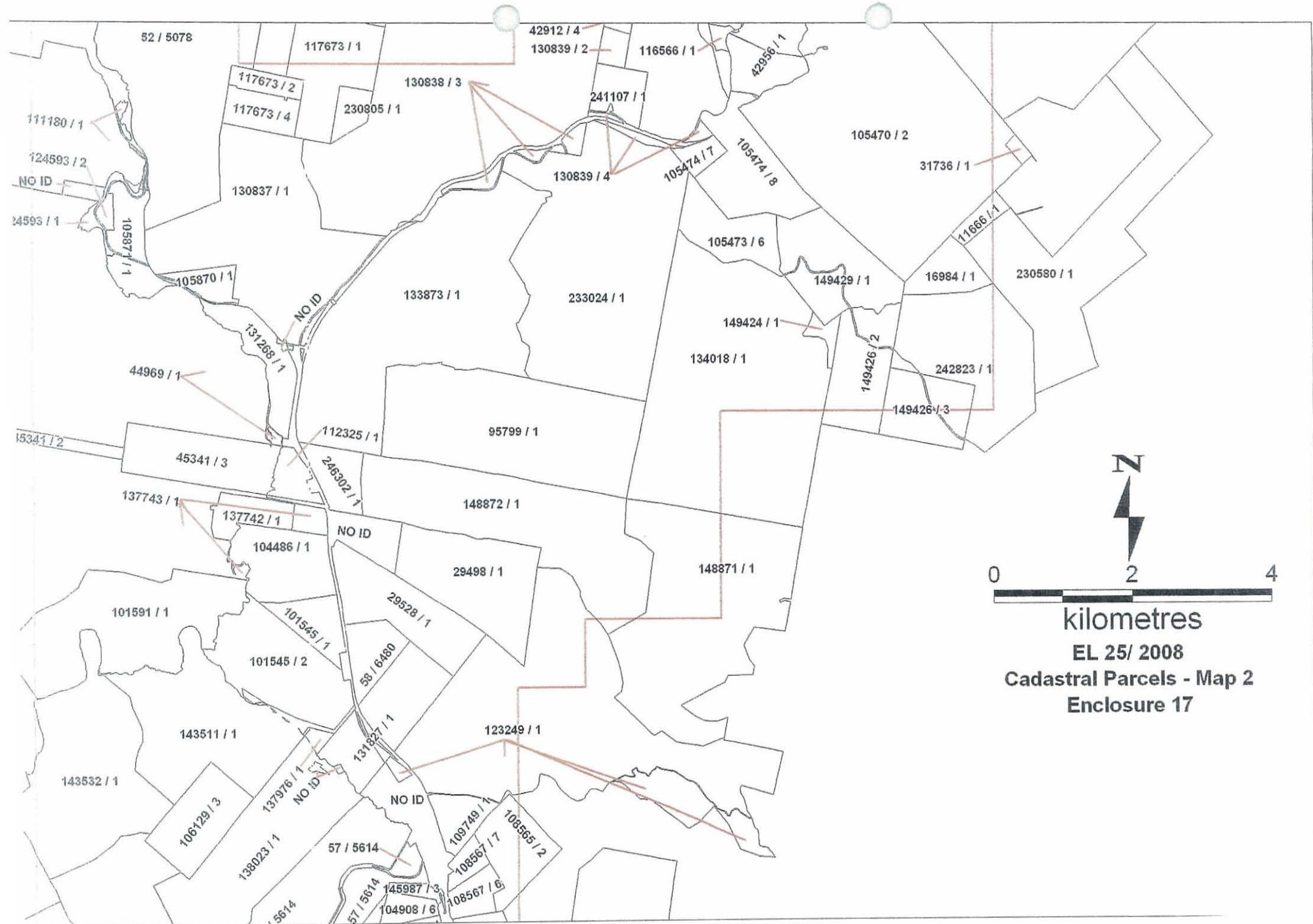
kilometres

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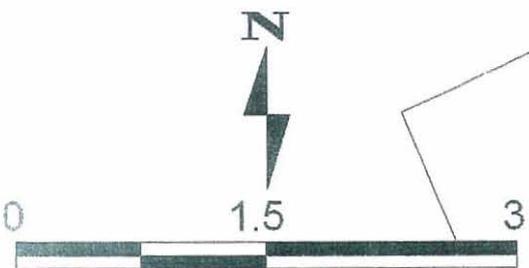
Cadastral Parcels - Map 1

Enclosure 16

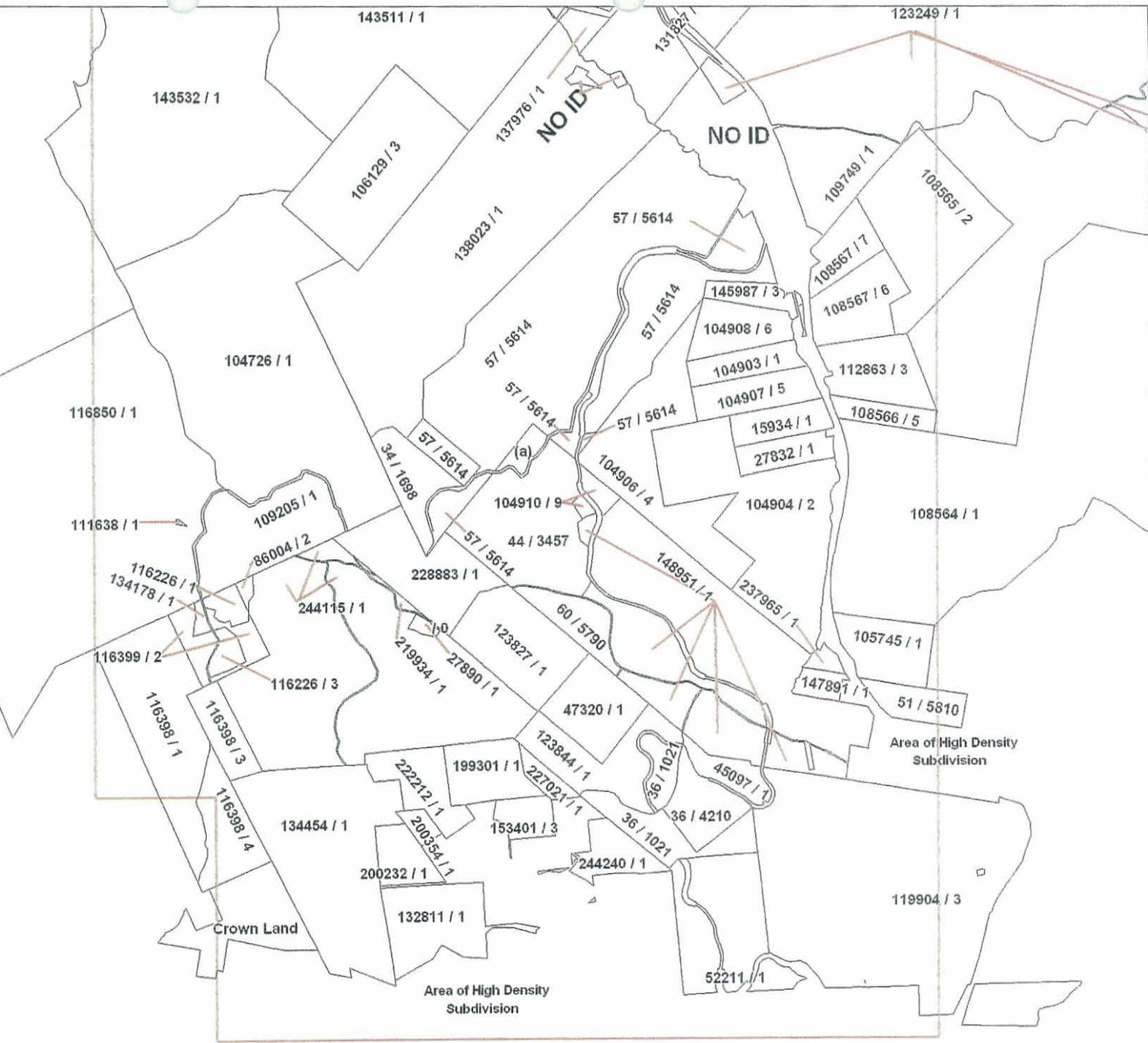




kilometres
EL 25/ 2008
Cadastral Parcels - Map 2
Enclosure 17



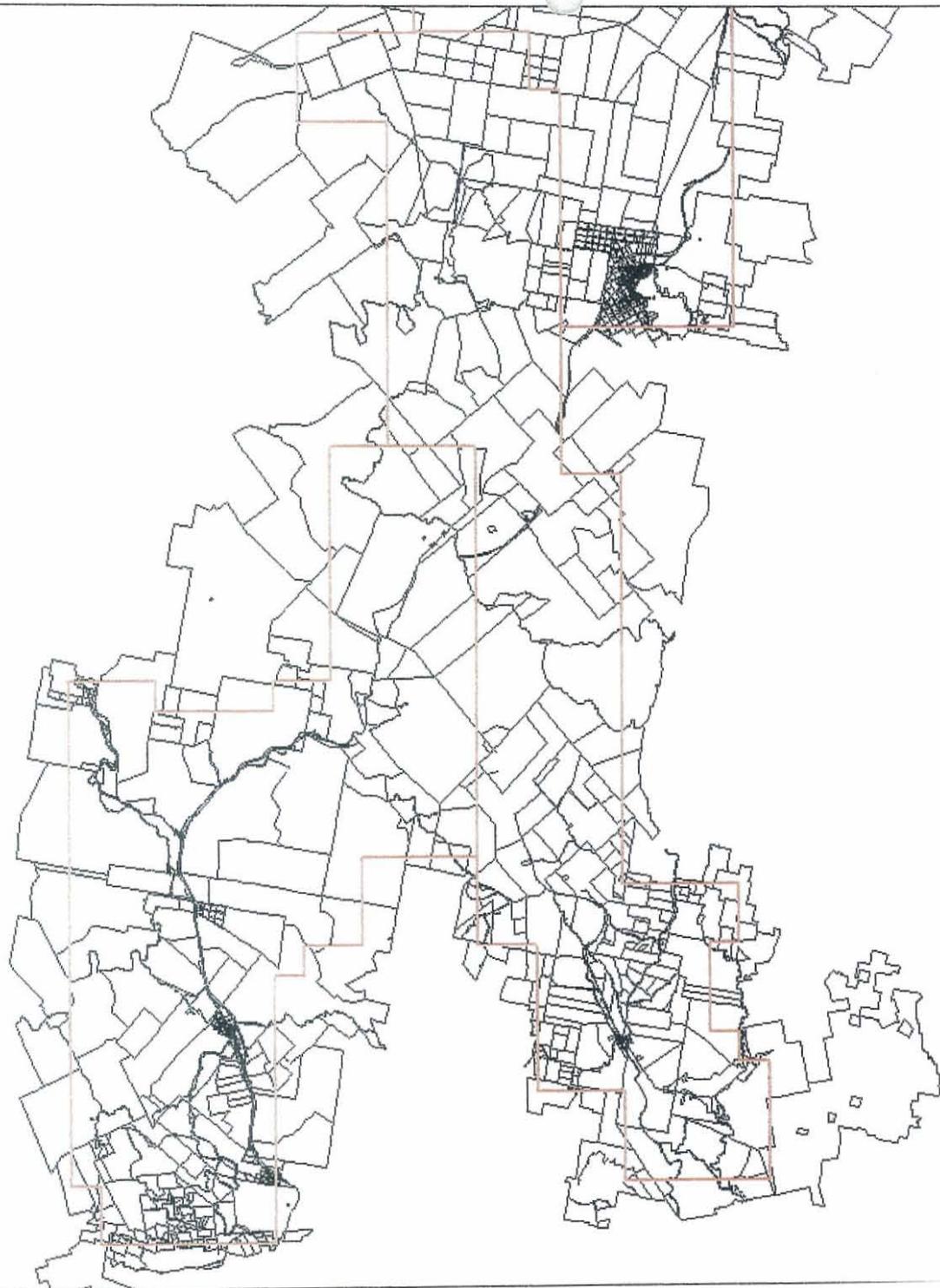
kilometres
EL 25/2008
Cadastral Parcels - Map 3
Enclosure 18



Land Owner and Address Information for EL 25/ 2008

Volume	Folio	Property Identifier	Cadastral Type	Tenure Type	Most Recent Data	Er Owner	Property Name	Property Address 1	Property Address 2	Postal Address 1	Postal Address 2	Postal Address 3
34	1090	5463002	Private Parcel	Freehold Title	4/09/2000 9:58	EL DELANEY		2018 CLIFTON VALE RD	DYSART TAS 7030		2018 CLIFTON VALE RD	DYSART TAS 7030
36	1021	5461058	Private Parcel	Freehold Title	4/09/2000 9:58							
36	1021	5461058	Private Parcel	Freehold Title	17/07/2008 8:27	LM & K FOSTER		170 HORSEYS RD	DYSART TAS 7030		140 HALL LANE	BAGDAD TAS 7030
36	4210	5461631	Private Parcel	Freehold Title	15/05/2006 8:25	ME JONES		917 COCKATOO GULLY RD	DYSART TAS 7030		919 COCKATOO GULLY	DYSART TAS 7030
44	3457	5461332	Private Parcel	Freehold Title	12/11/2007 10:37	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
51	5810	5463282	Private Parcel	Freehold Title	12/11/2007 10:37	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
52	5076	7208218	Private Parcel	Freehold Title	4/09/2000 9:58							
57	5614	5463002	Private Parcel	Freehold Title	4/09/2000 9:58	JP & PM ALLWRIGHT	BEAUMONT COTTAGE	997 COCKATOO GULLY RD	DYSART TAS 7030		997 COCKATOO GULLY	DYSART TAS 7030
57	5614	5463002	Private Parcel	Freehold Title	4/09/2000 9:58	MA & MJ & MC PEARCE		HORSEYS RD	DYSART TAS 7030		HORSEYS RD	DYSART TAS 7030
57	5614	5463002	Private Parcel	Freehold Title	4/09/2000 9:58	V JONES		936 COCKATOO GULLY RD	DYSART TAS 7030		CLIFTON VALE RD	DYSART TAS 7030
57	5614	5463002	Private Parcel	Freehold Title	14/07/2005 8:45	T HOSKINSON, MJ & CE CL# THE BASIN		50 FOSTERS RD	DYSART TAS 7030		50 FOSTERS RD	DYSART TAS 7030
57	5614	5461308	Private Parcel	Freehold Title	15/05/2006 8:25	MM PEARCE		150 HORSEYS RD	DYSART TAS 7030		150 HORSEYS RD	DYSART TAS 7030
57	5614	5463002	Private Parcel	Freehold Title	4/09/2000 9:58							
57	5614	5463002	Private Parcel	Freehold Title	26/06/2007 9:53	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
58	6480	7752034	Private Parcel	Freehold Title	25/09/2004 11:56	ME JONES		917 COCKATOO GULLY RD	DYSART TAS 7030		919 COCKATOO GULLY	DYSART TAS 7030
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9107	1	5845862	Private Parcel	Freehold Title	14/07/2005 8:45	ME JONES		917 COCKATOO GULLY RD	DYSART TAS 7030		919 COCKATOO GULLY	DYSART TAS 7030
9363	8	0	Casement	Crown Land	25/11/2003 12:49	DEPARTMENT OF TOURISM PARKS HE		COCKATOO GULLY RD	DYSART TAS 7030		GPO BOX 1751	HOBART TAS 7001
11666	1	5465456	Private Parcel	Freehold Title	4/09/2000 9:58	ME JONES		917 COCKATOO GULLY RD	DYSART TAS 7030		919 COCKATOO GULLY	DYSART TAS 7030
13223	4	5945706	Private Parcel	Freehold Title	4/09/2000 9:58							
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16984	1	5465448	Private Parcel	Freehold Title	4/09/2000 9:58	V JONES		936 COCKATOO GULLY RD	DYSART TAS 7030		CLIFTON VALE RD	DYSART TAS 7030
19896	1	5945790	Private Parcel	Freehold Title	21/02/2008 9:20	T HOSKINSON, MJ & CE CL# THE BASIN		50 FOSTERS RD	DYSART TAS 7030		50 FOSTERS RD	DYSART TAS 7030
27832	1	5462482	Private Parcel	Freehold Title	4/09/2000 9:58	PM ALLWRIGHT		995 COCKATOO GULLY RD	DYSART TAS 7030		997 COCKATOO GULLY	DYSART TAS 7030
27890	1	7315419	Private Parcel	Freehold Title	4/09/2000 9:58							
28787	1	1876928	Private Parcel	Freehold Title	12/11/2007 10:37	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
29499	1	2765103	Private Parcel	Freehold Title	28/09/2007 9:14	JC COX	DYSART PARK	2391 CLIFTON VALE RD	DYSART TAS 7030		DYSART DR	DYSART TAS 7030
29528	1	2765103	Private Parcel	Freehold Title	30/06/2006 9:07	TA SHEARING		112 HUNTINGDON TIER RD	DYSART TAS 7030	C/- POST OFFICE	DYSART TAS 7030	
31115	1	5945774	Private Parcel	Freehold Title	13/08/2008 13:53	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
31736	1	5465544	Private Parcel	Freehold Title	13/08/2008 13:53	JC COX	DYSART PARK	2391 CLIFTON VALE RD	DYSART TAS 7030		DYSART DR	DYSART TAS 7030
42090	1	7657953	Private Parcel	Freehold Title	2/12/2005 15:32	OAKMORE PTY LTD	GLENFERN	MIDLAND HWY	KEMPTON TAS 7030	C/- EJ HOSKINSON	PO BOX 95	KEMPTON TAS 7030
42912	4	7882376	Private Parcel	Freehold Title	28/06/2007 9:53	GL HILL		1 MAIN ST	KEMPTON TAS 7030		MAIN ST	KEMPTON TAS 7030
42956	1	7657945	Private Parcel	Freehold Title	13/08/2008 13:53	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
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44969	1	2589277	Private Parcel	Freehold Title	26/06/2007 9:53	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
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45341	3	5465149	Private Parcel	Freehold Title	3/09/2008 0:20	TA SHEARING		112 HUNTINGDON TIER RD	DYSART TAS 7030	C/- POST OFFICE	DYSART TAS 7030	
45341	2	5465149	Private Parcel	Freehold Title	26/06/2007 9:53	MURRAY JONES & SONS PT THE GRANGE		142 GRANGE RD	KEMPTON TAS 7030		142 GRANGE RD	KEMPTON TAS 7030
47320	1	5461316	Private Parcel	Freehold Title	12/11/2007 10:37	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
52211	1	7910619	Private Parcel	Freehold Title	14/02/2007 12:02	R HOWLETT ENTERPRISES	GRANFIELD	2286 MIDLAND HWY	DYSART TAS 7030		MOONAH TAS 7009	
52529	1	2856531	Private Parcel	Freehold Title	3/09/2008 0:20	JS BANHAM		126 GREEN VALLEY RD	BAGDAD TAS 7030		126 GREEN VALLEY RD	BAGDAD TAS 7030
52661	1	5946064	Private Parcel	Freehold Title	2/12/2005 15:32	OAKMORE PTY LTD	GLENFERN	MIDLAND HWY	KEMPTON TAS 7030	C/- EJ HOSKINSON	PO BOX 95	KEMPTON TAS 7030
86004	2	5461498	Private Parcel	Freehold Title	13/08/2008 13:53	DP READ		134 MEMORIAL AVE	KEMPTON TAS 7030		134 MEMORIAL AVE	KEMPTON TAS 7030
95799	1	5465747	Private Parcel	Freehold Title	30/06/2006 9:07	BJ SHEARING		HUNTINGDON TIER RD	DYSART TAS 7030		80 REGENT ST	SANDY BAY TAS 7005
101545	2	5485050	Private Parcel	Freehold Title	26/06/2007 9:53	JC COX	DYSART PARK	2391 CLIFTON VALE RD	DYSART TAS 7030		DYSART DR	DYSART TAS 7030
101545	1	5485050	Private Parcel	Freehold Title	28/09/2007 9:14	JC COX	DYSART PARK	2391 CLIFTON VALE RD	DYSART TAS 7030		DYSART DR	DYSART TAS 7030
101591	1	5465077	Private Parcel	Freehold Title	14/02/2007 12:02	R HOWLETT ENTERPRISES	GRANFIELD	2286 MIDLAND HWY	DYSART TAS 7030		PO BOX 71	MOONAH TAS 7009
101866	5	7882376	Private Parcel	Freehold Title	8/12/2006 11:53	BJ SHEARING		HUNTINGDON TIER RD	DYSART TAS 7030		80 REGENT ST	SANDY BAY TAS 7005
102157	3	2820205	Private Parcel	Freehold Title	10/04/2001 14:38	CW & SJ NICHOLS		110 MEMORIAL AVE	KEMPTON TAS 7030	C/- EJ HOSKINSON	PO BOX 95	KEMPTON TAS 7030
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104903	1	5463002	Private Parcel	Freehold Title	8/12/2006 11:53	T HOSKINSON, MJ & CE CL# THE BASIN		50 FOSTERS RD	DYSART TAS 7030		50 FOSTERS RD	DYSART TAS 7030
104904	2	5463002	Private Parcel	Freehold Title	12/11/2007 10:37	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
104906	4	5463002	Private Parcel	Freehold Title	8/12/2006 11:53	DB CLAYDON, KC & MK FOSTER		CLIFTON VALE RD	DYSART TAS 7030		DYSART TAS 7030	
104907	5	5463002	Private Parcel	Freehold Title	8/12/2006 11:53	JC COX	DYSART PARK	2391 CLIFTON VALE RD	DYSART TAS 7030		DYSART DR	DYSART TAS 7030
104908	6	5463002	Private Parcel	Freehold Title	8/12/2006 11:53	T HOSKINSON, MJ & CE CL# THE BASIN		50 FOSTERS RD	DYSART TAS 7030		50 FOSTERS RD	DYSART TAS 7030
104910	9	5463002	Private Parcel	Freehold Title	8/12/2006 11:53	DE & TH NIEKAMP		2250 CLIFTON VALE RD	DYSART TAS 7030		CLIFTON VALE RD	DYSART TAS 7030
105470	2	5465915	Private Parcel	Freehold Title	3/09/2008 9:20	DA WHITFIELD		287 HUNTINGDON TIER RD	DYSART TAS 7030		PO BOX 15	BAGDAD TAS 7030
105473	6	5465915	Private Parcel	Freehold Title	4/09/2000 9:58	T HOSKINSON, MJ & CE CL# THE BASIN		50 FOSTERS RD	DYSART TAS 7030		50 FOSTERS RD	DYSART TAS 7030
105474	7	5465915	Private Parcel	Freehold Title	28/06/2007 9:53							
105474	8	5465915	Private Parcel	Freehold Title	17/07/2008 8:27	RA & GW FOSTER		Lot 1 HORSEYS RD	DYSART TAS 7030		36 EAST BAGDAD RD	BAGDAD TAS 7030
105745	1	5463282	Private Parcel	Freehold Title	2/07/2003 14:56	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
105870	1	2653013	Private Parcel	Freehold Title	3/09/2008 9:20	RK WRIGHT		MCKAYS RD	BAGDAD TAS 7030		41 MCKAYS RD	BAGDAD TAS 7030
105871	1	2653013	Private Parcel	Freehold Title	6/10/2008 12:43	BJ RISELEY & HF BEVIS		56 HORSEYS RD	DYSART TAS 7030		57 KENTON RD	GEILSTON BAY TAS 7015
106129	3	2933832	Private Parcel	Freehold Title	14/07/2005 8:45	ME JONES		917 COCKATOO GULLY RD	DYSART TAS 7030		919 COCKATOO GULLY	DYSART TAS 7030
108564	1	1453562	Private Parcel	Freehold Title	12/11/2007 10:37	LAURISTON PTY LTD	LAURISTON	10 SUGARLOAF RD	KEMPTON TAS 7030	C/- MR T JOHNSON	PO BOX 21	KEMPTON TAS 7030
108565	2	1453562	Private Parcel	Freehold Title	30/01/2004 12:29							
108566	5	1453562	Private Parcel	Freehold Title	4/07/2006 9:24	KEM WHITE	TRANQUILLITY	305 HIGHLAND LAKES RD	MELTON MOWBRAY TAS 7030		126 HIGHLAND LAKES F	MELTON MOWBRAY TAS 7030
108567	6	1453562	Private Parcel	Freehold Title	30/01/2004 12:29							
108567	7	1453562	Private Parcel	Freehold Title	26/06/2007 9:53	KEM WHITE	TRANQUILLITY	305 HIGHLAND LAKES RD	MELTON MOWBRAY TAS 7030		126 HIGHLAND LAKES F	MELTON MOWBRAY TAS 7030
109205	1	5461359	Private Parcel	Freehold Title	21/02/2008 9:20	KEM WHITE	TRANQUILLITY	305 HIGHLAND LAKES RD	MELTON MOWBRAY TAS 7030		126 HIGHLAND LAKES F	MELTON MOWBRAY TAS 7030
109749	1	7208154	Private Parcel	Freehold Title	4/07/2006 9:24	LOVELY BANKS PTY LTD (A/C	KELVIN GROVE	3353 MIDLAND HWY	MELTON MOWBRAY TAS 7030		3997 MIDLAND HWY	MELTON MOWBRAY TAS 7030

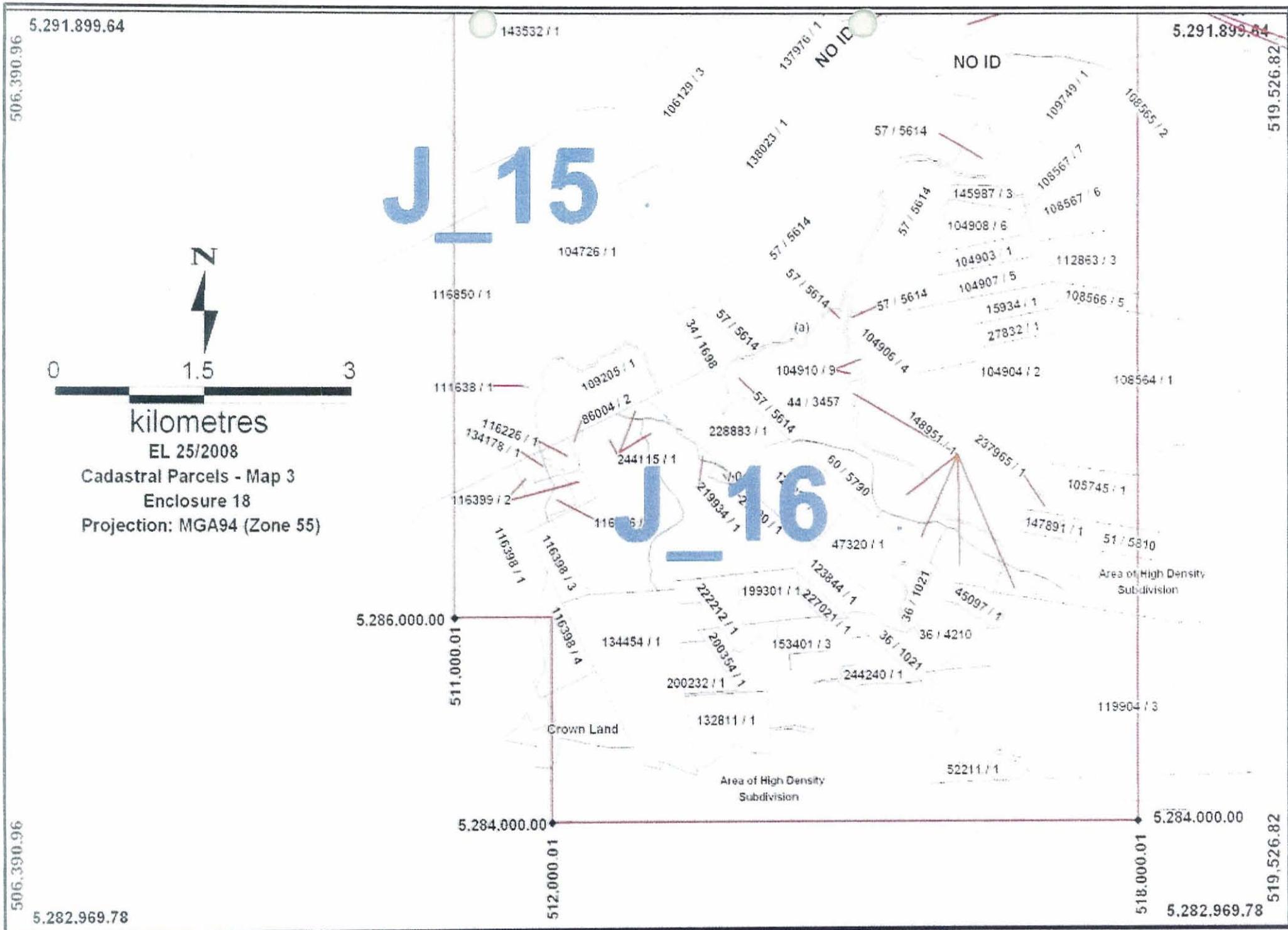
219934	1	5461324 Private Parcel	Freehold Title	4/09/2000 9:58 RC JONES	MIDLAND HWY	JERICO TAS 7030	4208 MIDLAND HWY	MELTON MOWBRAY TAS 7030
222212	1	2669340 Private Parcel	Freehold Title	17/07/2008 8:27 LOVELY BANKS PTY LTD, EJ BROOKLYN	Lst 4 LOWER MARSHES RD	JERICO TAS 7030	3977 MIDLAND HWY	MELTON MOWBRAY TAS 7030
222355	1	5845782 Private Parcel	Freehold Title	17/07/2008 8:27 LOVELY BANKS PTY LTD, EJ BROOKLYN	Lst 4 LOWER MARSHES RD	JERICO TAS 7030	3977 MIDLAND HWY	MELTON MOWBRAY TAS 7030
224173	1	0 Casement	Crown Land	7/06/2004 16:42 M K TAYLOR & SONS PTY L' ELLESMERE	187 ELLESMERE RD	JERICO TAS 7030	187 ELLESMERE RD	JERICO TAS 7030
227021	1	5461324 Private Parcel	Freehold Title	19/11/2007 11:31 LOVELY BANKS PTY LTD, EJ SANDHILL	140 LOWER MARSHES RD	JERICO TAS 7030	3977 MIDLAND HWY	MELTON MOWBRAY TAS 7030
226883	1	5461324 Private Parcel	Freehold Title	4/09/2000 9:58 LOVELY BANKS PTY LTD, EJ NORTHUMBRIA	400 JERICO RD	JERICO TAS 7030	3977 MIDLAND HWY	MELTON MOWBRAY TAS 7030
230580	1	7774685 Private Parcel	Freehold Title	4/09/2000 9:58 LOVELY BANKS PTY LTD, EJ NORTHUMBRIA	400 JERICO RD	JERICO TAS 7030	3977 MIDLAND HWY	MELTON MOWBRAY TAS 7030
230805	1	5465835 Private Parcel	Freehold Title	8/11/2005 11:12 LOVELY BANKS PTY LTD, EJ NORTHUMBRIA	400 JERICO RD	JERICO TAS 7030	3977 MIDLAND HWY	MELTON MOWBRAY TAS 7030
233024	1	5465384 Private Parcel	Freehold Title	8/11/2005 11:12 LOVELY BANKS PTY LTD, EJ NORTHUMBRIA	400 JERICO RD	JERICO TAS 7030	3977 MIDLAND HWY	MELTON MOWBRAY TAS 7030
237965	1	5461308 Private Parcel	Freehold Title	14/07/2005 8:45 DF & DF FISH	ROSEHILL	JERICO TAS 7030	PAWTELLA TAS 7120	
241107	1	7882376 Private Parcel	Freehold Title	14/07/2005 8:45 LOVELY BANKS PTY LTD, EJ HUTTON PARK	638 MUDDY PLAINS RD	MELTON MOWBRAY TAS 7030	3977 MIDLAND HWY	MELTON MOWBRAY TAS 7030
242823	1	1884717 Private Parcel	Freehold Title	21/02/2008 9:20 ACKLAND HOLDINGS PTY L' APSLEY PARK	510 HIGHLAND LAKES RD	APSLEY TAS 7030	610 HIGHLAND LAKES F	APSLEY TAS 7030
244115	1	7315400 Private Parcel	Freehold Title	16/10/2001 12:26 THE FOLLIES PTY LTD	MOORLANDS	MELTON MOWBRAY TA/ C/- A.W. JONES	MIDLAND HWY	MELTON MOWBRAY TAS 7030
244240	1	7882165 Private Parcel	Freehold Title	14/07/2005 8:45 RC JONES	SUNNYHAVEN	MELTON MOWBRAY TAS 7030	4208 MIDLAND HWY	MELTON MOWBRAY TAS 7030
246302	1	2765103 Private Parcel	Freehold Title	16/10/2001 12:26 THE FOLLIES PTY LTD	MOORLANDS	MELTON MOWBRAY TA/ C/- A.W. JONES	MIDLAND HWY	MELTON MOWBRAY TAS 7030
248154	1	2653013 Private Parcel	Freehold Title	4/09/2000 9:58 THE FOLLIES PTY LTD	MOORLANDS	MELTON MOWBRAY TA/ C/- A.W. JONES	MIDLAND HWY	MELTON MOWBRAY TAS 7030
	0	5463602 Private Parcel	Freehold Title	14/07/2005 8:45 LOVELY BANKS PTY LTD, EM MCSHA	TEDWORTH DR	MELTON MOWBRAY TAS 7030	3977 MIDLAND HWY	MELTON MOWBRAY TAS 7030
	0	0 Private Parcel	Unknown	13/05/2008 17:01 GM & EM MCSHANE	GROVE HOUSE	JERICO TAS 7030	3997 MIDLAND HWY	MELTON MOWBRAY TAS 7030
	0	0 Private Parcel	Freehold Title	17/07/2008 8:27 GM & EM MCSHANE	JERICO RD	JERICO TAS 7030	3997 MIDLAND HWY	MELTON MOWBRAY TAS 7030
	0	5645838 Private Parcel	Freehold Title	14/07/2005 8:45 GUNNS LIMITED	WANGALEA	COLEBROOK TAS 7027	58 CIMITIERE ST	LAUNCESTON TAS 7250



kilometres

EL 26/2008

EL 25/2008



J_15

J_16



kilometres

EL 25/2008
 Cadastral Parcels - Map 3
 Enclosure 18
 Projection: MGA94 (Zone 55)

Page 2

TASMANIAN EXPLORATION BUDGET

Drilling and directly related activities

ACTIVITY

JERICHO
Regional Appraisal JERICHO
Target Assessment

LOCATION

Easting MGA
Northing MGA
Collar AHD

as per TABLE 2 as per TABLE 2
" "
" "

	UNIT COST	UNIT	QUANTITY	SUPPLIER	TOTAL COST OF ACTIVITY		
ESTABLISHMENT							
Landowner Access	\$500	ea. site	50	(local contractor)	\$25,000	\$8,000	\$5,000
Site Preparation - core hole	\$800	ea. site	2	(local contractor)	\$1,600	\$0	\$1,600
Site Preparation - open hole	\$200	ea. site	24	(local contractor)	\$4,800	\$3,200	\$1,600
Exploration Management	\$1,450	ea. bore	26	Geologist	\$37,700	\$23,200	\$14,500
Survey (GPS approx.)	\$100	ea. site	26	Surveyor	\$2,600	\$1,600	\$1,000
Final Survey	\$200	ea. bore	26	Surveyor	\$5,200	\$3,200	\$2,000
SUB-TOTAL					\$76,900	\$39,200	\$25,700

DRILLING

No. of core holes	2	-	-		-	0	2
No. of o/holes	24	-	-		-	16	8
Total no. of holes	26	-	-		-	16	10
Core drilling	\$225	m.	1020		\$2,040	0	140
Open hole drilling	\$100	m.	3600		\$86,400	1120	560
Total drilling	-	m.	4620		-	1120	700
Surface casing	\$628	m.	2		\$100	16	10
Re-casing to depth	\$30	m.	-		-		
Drilling time	\$320	hr.	8		\$66,560		
Standby time	\$270	hr.	4		\$28,080		

Establishment	\$5,500	only	2	\$11,000
Set-up per hole	\$540	hole	26	\$14,040
Water Cartage	\$60	hr	104	\$6,240
Consumables	cost + 10%	hole	2600	\$5,000
SUB-TOTAL				\$219,460

GEOLOGICAL / GEOTECHNICAL

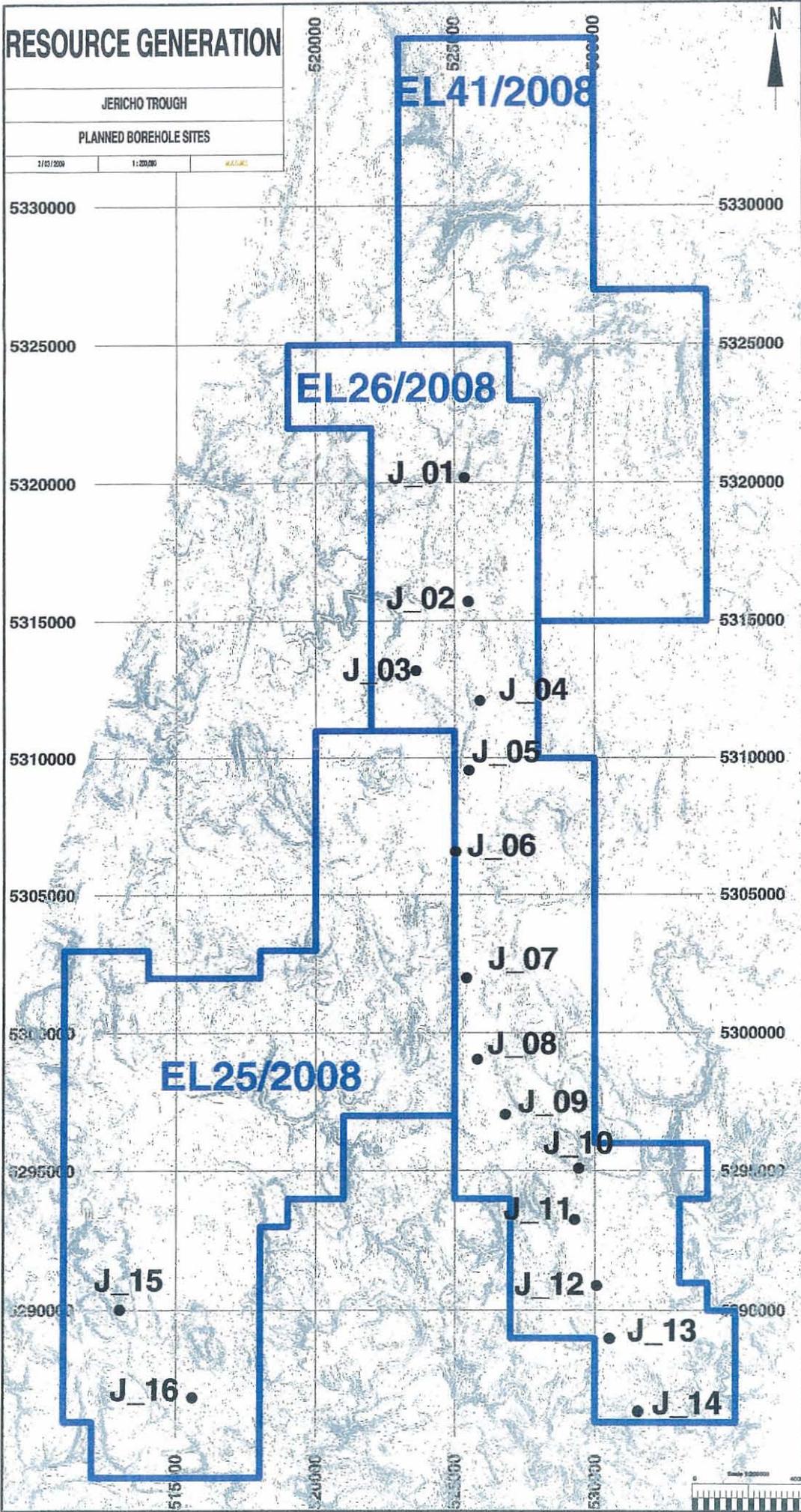
Geological Supervision	\$600	per day	25	\$15,000
Establishment	\$500		2	\$1,000
Accommodation & meals	\$150	per day	28	\$4,200
Vehicle & Travel	\$250	per day	28	\$7,000
Core boxes / bags	\$6	m.	1020	\$6,120
Consumables	cost + 10%	hole	\$30 x 50	\$1,500
Geotech Testing	\$3,000	avg./ hole	6	\$18,000
Groundwater	\$40	per sample	20	\$800
Geophysics	\$1,500	day	5	\$7,500
SUB-TOTAL				\$61,120

CORE ANALYSIS

ACIRL

2		cored holes		
2		seams/cored hole		
3		coal plies/seam		
4		stone plies/seam		
Raw Coal Ply	\$132	ea.	12	\$1,584
Stone Ply	\$77	ea.	16	\$1,232
Raw Coal Composite (est.)	\$400	ea.	4	\$1,600
Composite Section F/S	\$920	ea.	4	\$3,680
Clean Coal Steaming Comp.	\$515	ea.	4	\$2,060
Contingency				\$100,000
SUB-TOTAL				\$110,156

GRAND TOTAL **\$467,636**



JERICHO TROUGH - Proposed Exploration Borehole Sites

TABLE 2

REGIONAL APPRAISAL SITES

SITE	BORE TYPE	Grid Location : MGA94		COLLAR (m)	est T.D. (m)		
		EASTING (mE)	NORTHING (mN)				
J-01	O/H	525,362	5,320,182	440	70	No. of Core Holes	0
J-02	O/H	525,489	5,315,701	400	70	No. of O/Holes	16
J-03	O/H	523,612	5,313,182	375	70	Total Holes	16
J-04	O/H	525,912	5,312,082	410	70		
J-05	O/H	525,512	5,309,532	400	70	Total Core (m)	0
J-06	O/H	525,029	5,306,586	400	70	Total O/Hole (m)	1120
J-07	O/H	525,412	5,301,982	440	70	Total Drilling (m)	1120
J-08	O/H	525,806	5,299,038	455	70		
J-09	O/H	526,812	5,297,032	450	70	Average Core Depth	0
J-10	O/H	529,426	5,295,090	500	70	Average O/Hole Depth	70
J-11	O/H	529,273	5,293,245	230	70		
J-12	O/H	530,062	5,290,882	240	70		
J-13	O/H	530,512	5,288,982	210	70		
J-14	O/H	531,528	5,286,373	240	70		
J-15	O/H	512,988	5,290,018	330	70		
J-16	O/H	515,585	5,286,861	300	70		

TARGET ASSESSMENT SITES

SITE	BORE TYPE	Grid Location : -		COLLAR (m)	est T.D. (m)		
		EASTING (mE)	NORTHING (mN)				
J-0x.a	O/H	To be defined based on regional results			70	No. of Core Holes	2
J-0x.b	O/H	"	"	"	70	No. of O/Holes	8
J-0x.c	O/H	"	"	"	70	Total Holes	10
J-0x.d	O/H	"	"	"	70		
J-0x.e	Core	"	"	"	70	Total Core (m)	140
						Total O/Hole (m)	560
						Total Drilling (m)	700
J-0y.a	O/H	"	"	"	70		
J-0y.b	O/H	"	"	"	70		
J-0y.c	O/H	"	"	"	70	Average Core Depth	70
J-0y.d	O/H	"	"	"	70	Average O/Hole Depth	70
J-0y.e	Core	"	"	"	70		