Ore Reserve Statement for Dolphin Orebody

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Prepared for: King Island Scheelite Project

A.D.Fudge
Polberro Consulting
PO Box 130, Wynyard,
TAS, 7325

Executive Summary

The following ore reserve report has been produced to determine the ore reserve that may be estimated for the purpose of underground mining of the Dolphin Orebody at the former North Ltd Dolphin Mine.

The reserve has been produced from underground 3D models of the former mine openings that were produced by digitising old survey paper plan data. Fault and ore lens models have been produced by similar means. A digital resource model produced by Tim Callaghan of Resource and Exploration Geology was used as the Resource base for the estimation.

Two open stope voids (Lower Wedge W62 and Pit Dag) not included in the underground data set were generated and added to the data to deplete the resource to the appropriate level.

The reserve estimate assumes the use of post pillar mining on the former 14m centre grid system with 8m wide drives and 6m square post pillars. Up to 54% of ore reserve is contained within areas designated for post pillar stoping, a further 18% or the reserve may be recovered through long hole benching methods, 10% of the reserve is located within recoverable pillars and the remaining 18% of the reserve is contained in remnant zones.

Remnant ore is located within areas of known extremely poor ground conditions and low recovery of this material is anticipated. It is assumed that remnant and pillar ore will be mined last immediately prior to abandoning the mine except where the voids produced can be immediately filled to prevent subsidence and/or caving.

The ore reserve estimate for the Dolphin Mine contains a total of: -

1,630,000 tonnes at 1.30% WO_3 2,115,000 mtu's (Probable)

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1. Introduction

This report presents an estimate of the ore reserve that could be anticipated from an underground mining operation at the former Dolphin Mine on King Island. The mining method primarily assumed is post pillar as was formerly practiced with bench stoping assumed for parts of the mine where there are voids within 10m vertical distance above the stope backs.

2. History

A number of mining methods were previously practiced at the Dolphin Mine as follows: -

Post Pillar Stoping

The principal mining method in use was post pillar cut and fill. The post pillar mining method utilised 8m wide x 4-5m high drives and cross cuts with 6m square pillars on a chequerboard pattern i.e. a 14m centre grid. The pillars were fixed in position and exposed by each successive lift. The horizontal cut at the time of closure was 4m for each successive "lift". The method returned an ore recovery of 82.5% and a nominal dilution of 10% which consisted of fill and waste dilution. Dilution levels were low as most of the over break was either ore grade or marginally sub-grade material.

The first Sill or Undercut lift was mined as full face development and all subsequent lifts were mined as horizontal slices with all production using development jumbo equipment.

Open Stoping

Two open stopes were mined during the mine history. The Lower Wedge W62 stope was mined in W62 panel between 260 and 200 metre levels. The stope was successfully mined but the void failed when it was left unfilled for an extended period. The failure had a significant impact on surrounding ground conditions. A second smaller Pit Dag open stope was mined in the Swan B-lens. This stope was mined and filled successfully.

Sill Benching/Top Slicing

During the early 1980's a number of sill levels were mined in advance of the post pillar stopes (vertically above) to accommodate short fall's in production tonnes and/or grade. Subsequently as the post pillar stope advanced these voids had to be mined into utilising long hole benching. Initially the vertical distance for sill benching was 6m which was successful for competent ground such as the Lower Pit but led to the failure of one such bench in the mid wedge 150ml area. The method was abandoned in favour of filling the bottom level and stripping the floor from the upper level in a form of development top slicing.

3. Geology

The Dolphin mine orebody is a skarn orebody formed when a granite igneous intrusion altered the neighbouring host rocks by contact metamorphism. Typically skarns appear as haloes in the country rock reflecting the outline of the intrusion. In the case of the Dolphin orebody subsequent faulting has disrupted and dislocated the skarn deposit. The four elements of the orebody the wedge, central, pit and swan orebodies represent faulted sections of the original skarn lying between a series of well defined fault zones. The fault zones at Dolphin Mine are associated with poor ground conditions

The main economic components of the Dolphin Mine orebody are contained within the B and C Lens horizons. C Lens has historically been subdivided into distinct units or domains as follows: -

- Lower C banded hornfels group associated with low to medium scheelite grades.
- Marble Marker – an unmineralised geological marker between Upper and Lower C.
- Upper C massive garnet hornfels associated with medium to high scheelite grades.
- PGH pyroxene garnet hornfels is a distinct lighter coloured very hard unit containing generally low background levels of scheelite but is occasionally mineralised with high scheelite grades in a nuggetty manner

There is no sub-division of the B lens. The Upper C lens formed the principal mining target with the Lower C unit also being mined where the grade was economic. The PGH was not frequently mined because of generally lower grades and metallurgical factors.

Although the B lens unit may be found throughout the Dolphin Mine it was not mined as a specific target because of inconsistent grade and metallurgical properties.

4. Mining Method

It is proposed that the following mining methods be utilised under the circumstances described.

Post Pillar Stoping – As formerly utilised this method would form the main mining method. Post pillar stoping would be used to extract ore in existing and unmined areas where there is no pre-existing development or stoping within 10m of the backs of any proposed post pillar stope. The previous practice of mining 8m wide drives on 14m centres in orthogonally opposed directions creating 6m square post pillars is assumed. The recovery for this method is R=82.5% and dilution D=10% with the dilution representing fill and unplanned waste dilution.

Uphole Benching UHB – Uphole benching will be conducted as transverse uphole stopes where the lower level is open and the upper level filled. A 9m wide stope with the long axis centred on the original Lower Wedge crosscut system will be mined retreating from hangingwall to footwall. A 5m wide rib pillar is left between adjacent stopes to control fill and provide back support and a 2m crown pillar will be left prevent encroachment of fill into the stope. Uphole Bench stopes are to be filled prior to mining further stopes within 30m of the sidewalls of the stope. Recovery for the method is R=51% and dilution D=10% with the dilution representing fill and unplanned waste dilution.

Downhole Benching (DHB) – Downhole benching will be conducted as transverse downhole stopes where both the upper and lower levels are open. A 9m wide stope with the long axis centred on the original Lower Wedge crosscut system will be mined retreating from hangingwall to footwall. A 5m wide rib pillar is to be left between adjacent stopes to control fill and provide back support. Bench stopes are to be filled prior to mining further bench stopes within 30m of the sidewalls of the stope. Recovery for the method is R=64% and dilution D=10% with the dilution representing fill and unplanned waste dilution.

Remnant Stoping – Remnant stoping is assumed to conducted as uphole retreat stoping with the dimensions determined by access and orebody shape. Where practicable individual stopes should be small enough to present a possibility for post filling and breaking into filled areas should be avoided. The Recovery assumed for remnant stoping is set low at R=50% with Dilution D=10% (most dilution will be ore). The special case of mineralistion around the old W62 collapse zone has been considered. In the immediate area of the stope recoveries have been set to R=0% whilst in surrounding areas typical recoveries for post pillar and benching stopes have been reduced to reflect the potential for additional ore loss.

5. Geological Resource

The Mineralised resource for the Dolphin orebody was prepared for an underground option by Resource and Exploration Geology. This model exhibits improved geological domain grade control of the resource by utilising the well defined Upper C (garnet-hornfels), Lower C (banded garnet-hornfels) and PGH (pyroxene-garnet-hornfels) to improve the respective grade estimation.

The global mineral resource is shown in Table 1 as follows.

Table 1: Dolphin Mineral Resource

	0.25% WO_3 Cut Off			0.70% WO_3 Cut Off		
Classification	Tonnes	WO_3%	Mtu's	Tonnes	WO_3%	Mtu's
Indicated	8,419,000	0.95	7,998,000	4,752,000	1.29	6,130,000
Inferred	524,000	0.50	262,000	7,000	0.73	5,000
Total	**8,943,000**	**0.92**	**8,260,000**	**4,759,000**	**1.29**	**6,135,000**

6. Mining Reserve Estimation

The Dolphin mine reserve estimate was prepared by developing perimeter sets for individual stopes or mining zones at 5m intervals on East-West sections. The perimeter sets were designed to represent realistic mining shapes containing mainly mineralisation above 0.7% WO3. The different ore domains were modelled separately to permit separate consideration of different ore types. This methodology was utilised for the following reasons: -

- To remove isolated units of mineralisation that would otherwise be processed in a global model evaluation.

- To remove mineralisation that could not reasonably be expected to be mined because of its location beneath old filled stopes, in post pillars or in areas of extremely poor or failed ground.

Both of the above could lead to significant overestimation, particularly in the case of previously mined deposits, if not appropriately considered.

The perimeter sets were processed into wireframes utilising Datamine Studio 2 software to produce a mining resource of undiluted tonnes within the mining shapes. The data was entered into a spreadsheet format and appropriate recovery and dilution factors were applied to estimate an ore reserve.

The ore categorisation of the mining reserve is “Probable as the resource model contains principally “Indicated” category resources. The Mining Reserve (see Tabulation in Appendix 1) estimate may be be summarised as follows: -

Table 2: Mining Reserve Estimate Dolphin Mine April 2010

Item	Tonnes	WO3	Mtu’s	Category
Global Resource	4,752,000	1.29	6,130,000	Indicated
Mining resource	2,192,000	1.46	3,204,000	-
Mining Reserve	1,630,000	1.30	2,115,000	Probable

7. Statement of capability

This review has been undertaken by Alan Fudge, of Polberro Consulting. Alan Fudge is a qualified mining and geotechnical engineer with over 30 years experience of mining projects principally in Australia, UK and Zambia. He has extensive experience in the areas of reserve estimation, mining method selection, providing of mining and geotechnical technical support (for underground and surface mining operations), scheduling, mine design and project feasibility. He has been involved in all stages of mine development from feasibility to closure and has worked at both open-pit and underground mines.

Alan Fudge is a Member of the AUSIMM and has prepared reserve statements as a competent person as defined by the 2004 Edition of the JORC code. He has worked on and produced reserve statements for tin, copper, nickel, zinc, lead, tungsten, magnetite, gold and uranium.

Limitations and consent

This report is provided to the King Island Scheelite Pty Ltd in the context of an Ore Reserve Statement conducted on behalf of KIS for the Dolphin Mine and should not be used or relied upon for any other purpose.

The report has been prepared using information available to the author at the time of writing. The opinions stated herein are given in good faith and with the belief that the basic assumptions are factual and correct and the interpretations reasonable.

This report is not intended for use as a public document nor, in whole or in part, in a public document without written consent to the form and context in which it appears.

Statement of independence

Alan Fudge has no material interest or entitlement in the securities or assets of King Island Scheelite Pty Ltd or any associated companies.

8. References/Software

The following documents and data were referenced and form the principal basis for inferences drawn and recommendations made in this report. Only documents that could be studied and commented on within the time frame of this review are included and areas not covered by these reports and references have not been considered in this review.

1. Resource and Exploration Geology – April 2010 Ore Resource Estimate
2. Resource and Exploration Geology – Digital Block Model *Dolphin_bm410.mdl*
3. Polberro Consulting - Independent review of Underground Mining at the Dolphin Mine on King Island : Revision 1 March 2010
4. Processed using Datamine Studio 2

Appendix One

Ore Reserve Tabulation for Dolphin Mine

Underground Ore Reserve Estimate April 2010

Dolphin Mine Ore Reserve Calculation Sheet - April 2010

Total

1,629,956 1.30 2,115,340

Orebody/Lens		Resource Base for Estimate					Location and Dimension							Reserve Estimation							Comments
O/B	Lens	Vol	SG	Tonnes	WO3	Class	South	North	Lower	Upper	Strike	Height	PROP	Type	Rec	Dil	risk	Tonnes	Grade	G x T	
Swan																					
S7638U	UC	1786	3.349	5,981	0.945	2.693	563760	563775	380	340	15	40	1	PP	0.825	0.1	L	5,428	0.86	4,663	
S7834U	UC	3740	3.315	12,398	0.864	2.489	563785	563845	340	290	60	50	1	PP	0.825	0.1	L	11,251	0.79	8,837	
S8230U	UC	17938	3.37	60,451	0.981	2.819	563820	563880	300	255	60	45	1	PP	0.825	0.1	L	54,859	0.89	48,925	
S9025U	UC	7552	3.386	25,571	1.214	2.914	563900	563925	250	235	25	15	1	PP	0.825	0.1	L	23,206	1.10	25,611	
S8526U	UC	13377	3.365	45,014	0.998	2.79	563850	563905	260	225	55	35	1	PP	0.825	0.1	L	40,850	0.91	37,062	
S8924U	UC	23925	3.333	79,742	0.952	2.596	563895	563960	245	210	65	35	1	PP	0.825	0.1	L	72,366	0.87	62,629	
S0018U	UC	2614	3.353	8,765	1.297	2.72	564000	564015	185	175	15	10	1	PP	0.825	0.1	L	7,954	1.18	9,378	
S8429B	B	864	2.9	2,506	0.88	2.596	563845	563865	290	280	20	10	1	PP	0.825	0.1	L	2,274	0.80	1,819	
S8529B	B	5036	3.07	15,461	1.126	2.554	563850	563895	295	260	45	35	1	PP	0.825	0.1	L	14,030	1.02	14,362	
S9123B	B	3588	3.07	11,015	1.266	2.552	563910	563950	235	205	40	30	1	PP	0.825	0.1	L	9,996	1.15	11,505	
S9520B	**B**	**4868**	**3.096**	**15,071**	**1.049**	**2.767**	**563950**	**563985**	**200**	**175**	**35**	**25**	**0**	**OS**	**0**	**0**	**X**	**0**	**0.00**	**0**	**Mined Out as Pit Dag Open stope**
Pit																					
P0116G	PGH	826	3.363	2,778	1.058	2.779	564010	564025	160	140	15	20	1	PP	0.825	0.1	L	2,521	0.96	2,425	
P0608G	PGH	18005	3.356	60,425	1.549	2.736	564060	564125	85	45	65	40	1	PP	0.825	0.1	L	54,835	1.41	77,218	
P9922L	LC	1053	3.362	3,540	1.307	2.771	563990	564000	220	200	10	20	1	PP	0.825	0.1	L	3,213	1.19	3,817	
P0118L	LC	3850	3.382	13,021	1.424	2.895	564010	564030	180	155	20	25	1	PP	0.825	0.1	L	11,816	1.29	15,297	
P0607L	LC	3206	3.367	10,795	0.984	2.8	564060	564085	70	55	25	15	1	PP	0.825	0.1	L	9,796	0.89	8,763	
P9401U	UC	10477	3.366	35,266	1.46	2.797	563940	564015	175	150	75	25	1	PP	0.825	0.1	L	32,004	1.33	42,477	
P9704U	UC	27803	3.367	93,613	1.595	2.801	563975	564045	175	145	70	30	1	PP	0.825	0.1	L	84,954	1.45	123,183	
P0608U	UC	8303	3.356	27,865	1.037	2.738	564060	564115	80	55	55	25	1	PP	0.825	0.1	L	25,287	0.94	23,839	
P9914B	B	3614	3.081	11,135	0.926	2.717	563990	564025	140	125	35	15	1	PP	0.825	0.1	L	10,105	0.84	8,506	
P1108B	B	2093	3.061	6,407	1.242	2.396	564090	564110	80	70	20	10	1	PP	0.825	0.1	L	5,814	1.13	6,565	
Central																					
C0417L	LC	6051	3.388	20,501	1.115	2.931	564045	564060	170	140	15	30	1	PP	0.825	0.1	L	18,604	1.01	18,858	
C1200L	LC	2682	3.354	8,995	1.355	2.723	564120	564145	100	70	25	30	1	PP	0.825	0.1	L	8,163	1.23	10,056	
C9225U	UC	6453	3.384	21,837	1.318	2.902	563925	563985	250	220	60	30	1	PP	0.825	0.1	L	19,817	1.20	23,744	
C0119U	UC	17613	3.375	59,444	1.592	2.851	564015	564090	195	125	75	70	1	PP	0.825	0.1	L	53,945	1.45	78,074	
C0811U	UC	1401	3.38	4,735	1.218	2.881	564080	564090	110	90	10	20	1	PP	0.825	0.1	L	4,297	1.11	4,758	
C1000U	UC	36884	3.367	124,188	1.856	2.802	564100	564185	100	20	85	80	1	PILL	0.7	0.1	L	95,625	1.69	161,346	
C0017B	B	1741	3.071	5,347	1.459	2.544	564000	564020	175	145	20	30	1	PP	0.825	0.1	L	4,852	1.33	6,436	
C0510B	B	15580	3.086	48,080	1.299	2.788	564055	564125	100	75	70	25	1	PP	0.825	0.1	L	43,632	1.18	51,526	
C0807B	B	6341	3.073	19,486	1.081	2.594	564085	564115	70	50	30	20	1	PILL	0.7	0.1	L	15,004	0.98	14,745	
C1005B	B	3704	3.083	11,419	1.235	2.739	564105	564135	50	20	30	30	1	PILL	0.7	0.1	L	8,793	1.12	9,872	
C1204B	B	2530	3.08	7,792	1.03	2.698	564125	564155	40	10	30	30	1	PILL	0.7	0.1	L	6,000	0.94	5,618	
Wedge																					
W8930L	LC	8415	3.363	28,300	1.487	2.82	563890	563950	300	280	60	20	1	REM	0.5	0.1	E	15,565	1.35	21,041	
W9028L	LC	8700	3.37	29,319	1.317	2.914	563900	563945	280	260	45	20	1	REM	0.5	0.1	E	16,125	1.20	19,307	
W9126L	LC	1965	3.36	6,602	1.16	2.757	563910	563925	260	240	15	20	0.7	UHB	0.64	0.1	H	3,254	1.05	3,431	70/30 UHB TO F/B
W9126L	LC												0.3	PP	0.825	0.1	M	1,798	1.05	1,896	
W9926L	**LC**	**3672**	**3.394**	**12,463**	**1.007**	**2.972**	**563990**	**564015**	**260**	**240**	**25**	**20**	**1**	**REM**	**0**	**0.1**	**E**	**0**	**0.92**	**0**	**W62 STOPE**
W0326L	LC	6132	3.393	20,806	1.161	2.956	564030	564055	260	240	25	20	0.8	DHB	0.64	0.1	H	11,718	1.06	12,368	80/20 UHB TO F/B
W0326L													0.2	PP	0.825	0.1	M	3,776	1.06	3,986	
W0324L	LC	8448	3.395	28,681	1.279	2.97	564030	564050	240	220	20	20	0.67	UHB	0.51	0.1	H	10,716	1.16	12,460	67/33 UHB TO F/B
W0324L	LC												0.33	PP	0.825	0.1	M	8,667	1.16	10,078	
W0524L	LC	4827	3.383	16,330	1.675	2.897	564050	564070	240	220	20	20	0.67	UHB	0.51	0.1	H	6,101	1.52	9,290	67/33 UHB TO F/B

W0524L	LC											0.33	PP	0.825	0.1	M	4,935	1.52	7,514	
W0724L	LC	5270	3.384	17,834	1.304	2.904	564070	564090	240	220	20	20	0.67	UHB	0.51	0.1	H	6,663	1.19	7,899	67/33 UHB TO F/B
W0724L	LC												0.33	PP	0.825	0.1	M	5,389	1.19	6,389	
W0924L	LC	3143	3.376	10,611	1.194	2.854	564090	564115	240	220	25	20	0.8	UHB	0.51	0.1	H	4,762	1.09	5,169	80/20 UHB TO F/B
W0924L	LC												0.2	PP	0.825	0.1	M	1,926	1.09	2,090	
W0322L	LC	2791	3.387	9,453	1.018	2.921	564030	564050	220	200	20	20	1	PP	0.825	0.1	M	8,579	0.93	7,939	
W0522L	LC	5758	3.39	19,520	1.293	2.943	564050	564070	220	190	20	30	1	PP	0.825	0.1	M	17,714	1.18	20,822	
W0722L	LC	7873	3.379	26,603	1.128	2.871	564070	564090	220	180	20	40	1	PP	0.825	0.1	M	24,142	1.03	24,757	
W0922L	LC	5046	3.378	17,045	1.116	2.871	564090	564120	220	180	30	40	1	PP	0.825	0.1	M	15,469	1.01	15,694	
W0120L	LC	4568	3.377	15,426	1.32	2.864	564010	564045	200	160	35	40	1	REM	0.5	0.1	H	8,484	1.20	10,181	
W9128B	B	2700	3.082	8,321	1.276	2.724	563915	563950	285	250	35	35	1	REM	0.5	0.1	H	4,577	1.16	5,309	
W9527B	B	6533	3.091	20,194	1.664	2.872	563950	563970	270	240	20	30	1	REM	0.5	0.1	H	11,106	1.51	16,801	
W9727B	B	21355	3.097	66,136	1.519	2.953	563970	564000	270	220	30	50	1	REM	0.6	0.1	E	43,650	1.38	60,277	W62 HANGINGWALL
W0118B	B	6973	3.085	21,512	1.001	2.878	564010	564045	185	160	35	25	1	PP	0.825	0.1	H	19,522	0.91	17,765	W62 ADJACENT
W0815B	B	10259	3.089	31,690	1.029	2.837	564085	564135	150	115	50	35	1	PP	0.825	0.1	M	28,759	0.94	26,902	
W1609B	B	9875	3.089	30,504	1.109	2.842	564160	564185	90	60	25	30	1	PP	0.825	0.1	M	27,682	1.01	27,909	
W9428M	MIX	12264	3.276	40,177	1.404	2.904	563945	563985	286	260	40	26	1	REM	0.5	0.1	E	22,097	1.28	28,204	
W9326P	PGH	1460	3.275	4,782	1	2.903	563930	563950	260	240	20	20	0.7	UHB	0.64	0.1	H	2,356	0.91	2,142	70/30 UHB TO F/B
W9326P	PGH												0.3	PP	0.825	0.1	M	1,302	0.91	1,183	
W9526P	PGH	1267	3.126	3,961	1.369	2.885	563950	563965	260	240	15	20	0.7	UHB	0.64	0.1	H	1,952	1.24	2,429	70/30 UHB TO F/B
W9526P	PGH												0.3	PP	0.825	0.1	M	1,078	1.24	1,342	
W9624P	PGH	3724	3.226	12,014	1.085	2.893	563960	563980	240	220	20	20	0.67	UHB	0.51	0.1	H	4,516	0.99	4,454	67/33 UHB TO F/B
W9624P	PGH												0.33	PP	0.825	0.1	M	3,598	0.99	3,549	
W9824P	PGH	2814	3.168	8,915	1.391	2.791	563980	564000	240	220	20	20	1	REM	0	0.1	E	0	1.26	0	W62 HANGINGWALL
W0124P	PGH	972	3.362	3,268	2.082	2.77	564015	564030	240	220	15	20	0.67	REM	0.5	0.1	H	1,204	1.89	2,279	67/33 UHB TO F/B
W0124P	PGH												0.33	PP	0.7	0.1	H	830	1.89	1,572	CLOSE TO W62
W0324P	PGH	1720	3.365	5,788	1.468	2.789	564030	564050	240	220	20	20	0.67	UHB	0.51	0.1	H	2,175	1.33	2,903	67/33 UHB TO F/B
W0324P	PGH												0.33	PP	0.825	0.1	M	1,733	1.33	2,313	
W0524P	PGH	1163	3.383	3,934	1.1	2.895	564050	564065	240	220	15	20	0.67	UHB	0.51	0.1	H	1,479	1.00	1,479	67/33 UHB TO F/B
W0524P	PGH												0.33	PP	0.825	0.1	M	1,178	1.00	1,178	
W9719P	PGH	6002	3.376	20,263	1.143	2.858	563970	564005	195	175	35	20	1	PP	0.7	0.1	M	15,602	1.04	16,212	CLOSE TO W62
W9918P	PGH	962	3.32	3,194	1.321	2.587	563990	564005	180	165	15	15	1	PP	0.825	0.1	M	2,898	1.20	3,481	CLOSE TO W62
W0021P	PGH	2134	3.385	7,224	1.613	2.913	564000	564030	215	200	30	15	1	DHB	0.6	0.1	M	4,768	1.47	6,991	CLOSE TO W62
W0321P	PGH	2935	3.379	9,917	1.945	2.874	564030	564050	210	200	20	10	1	PP	0.825	0.1	M	9,000	1.77	15,914	
W0521P	PGH	2194	3.38	7,416	2.02	2.879	564050	564075	215	200	25	15	1	PP	0.825	0.1	M	6,730	1.84	12,358	
W0420P	PGH	3815	3.342	12,750	1.768	2.649	564040	564085	201	180	45	21	1	PP	0.825	0.1	M	11,570	1.61	18,597	
W0116P	PGH	10559	3.345	35,320	1.354	2.676	564010	564065	165	140	55	25	1	PP	0.825	0.1	M	32,053	1.23	39,454	
W0912P	PGH	5229	3.344	17,486	0.952	2.665	564090	564150	125	95	60	30	1	PP	0.825	0.1	M	15,868	0.87	13,733	
W9028U	UC	4951	3.295	16,314	1.926	2.904	563905	563945	280	260	40	20	1	REM	0.5	0.2	E	9,788	1.61	15,710	
W9126U	UC	3073	3.387	10,408	1.556	2.919	563915	563930	265	240	15	25	0.7	UHB	0.64	0.1	H	5,129	1.41	7,255	70/30 UHB TO F/B
W9126U	UC												0.3	PP	0.825	0.1	M	2,834	1.41	4,008	
W9326U	UC	4413	3.398	14,995	1.405	2.996	563930	563950	260	240	20	20	0.7	UHB	0.64	0.1	H	7,390	1.28	9,439	70/30 UHB TO F/B
W9326U	UC												0.3	PP	0.825	0.1	M	4,082	1.28	5,214	
W9526U	UC	4790	3.36	16,094	1.951	2.966	563950	563970	260	240	20	20	0.7	UHB	0.64	0.1	H	7,931	1.77	14,067	70/30 UHB TO F/B
W9526U	UC												0.3	PP	0.825	0.1	M	4,382	1.77	7,772	
W9726U	UC	5219	3.329	17,374	1.917	2.961	563970	563990	260	240	20	20	0.7	UHB	0.5	0.1	H	6,689	1.74	11,657	70/30 UHB TO F/B
W9726U	UC												0.3	PP	0.7	0.1	H	4,013	1.74	6,994	CLOSE TO W62
W9926U	UC	3173	3.304	10,484	1.695	2.881	563990	564010	260	240	20	20	1	REM	0	0.1	H	0	1.54	0	W62 STOPE
W0126U	UC	4589	3.344	15,346	1.464	2.688	564010	564030	260	240	20	20	0.7	UHB	0.5	0.1	H	5,908	1.33	7,863	70/30 UHB TO F/B
W0126U	UC												0.3	PP	0.7	0.1	H	3,545	1.33	4,718	CLOSE TO W62
W0326U	UC	2375	3.384	8,037	1.4	2.904	564030	564050	260	240	20	20	0.8	UHB	0.64	0.1	H	4,526	1.27	5,761	80/20 UHB TO F/B
W0326U	UC												0.2	PP	0.825	0.1	M	1,459	1.27	1,857	
W0526U	UC	932	3.367	3,138	1.265	2.803	564050	564070	250	240	20	10	1	UHB	0.64	0.1	H	2,209	1.15	2,541	
W9324U	UC	5858	3.388	19,847	1.635	2.93	563930	563950	240	220	20	20	0.6	UHB	0.51	0.1	H	6,680	1.49	9,930	60/40 UHB TO F/B
W9324U	UC												0.4	PP	0.825	0.1	M	7,204	1.49	10,708	
W9524U	UC	8278	3.396	28,112	1.486	2.974	563950	563970	240	220	20	20	0.6	UHB	0.51	0.1	H	9,463	1.35	12,783	60/40 UHB TO F/B
W9524U	UC												0.4	PP	0.825	0.1	M	10,205	1.35	13,786	
W9724U	UC	7925	3.396	26,913	1.53	2.978	563970	563990	240	220	20	20	0.6	UHB	0.5	0.1	H	8,881	1.39	12,353	60/40 UHB TO F/B
W9724U	UC												0.4	PP	0.7	0.1	M	8,289	1.39	11,530	CLOSE TO W62
W9924U	UC	649	3.372	2,188	1.575	2.834	563990	564010	240	220	20	20	1	REM	0	0.1	H	0	1.43	0	W62 STOPE
W0124U	UC	3354	3.398	11,397	2.293	2.99	564010	564030	240	220	20	20	0.75	UHB	0.5	0.1	H	4,701	2.08	9,800	75/25 UHB TO F/B

W0124U	UC												0.25	PP	0.7	0.1	M	2,194	2.08	4,573	CLOSE TO W62
W0324U	UC	2069	3.388	7,010	1.568	2.925	564030	564050	240	220	20	20	0.75	UHB	0.51	0.1	H	2,949	1.43	4,204	75/25 UHB TO F/B
W0324U	UC												0.25	PP	0.825	0.1	M	1,590	1.43	2,267	
W0524U	UC	2342	3.384	7,925	1.593	2.904	564050	564070	240	220	20	20	0.75	UHB	0.51	0.1	H	3,335	1.45	4,829	75/25 UHB TO F/B
W0524U	UC												0.25	PP	0.825	0.1	M	1,798	1.45	2,604	
W0724U	UC	1706	3.381	5,768	1.298	2.886	564070	564090	240	220	20	20	0.75	UHB	0.51	0.1	H	2,427	1.18	2,864	75/25 UHB TO F/B
W0724U	UC												0.25	PP	0.825	0.1	M	1,309	1.18	1,544	
W0924U	UC	745	3.357	2,501	1.53	2.744	564090	564110	240	220	20	20	1	UHB	0.51	0.1	H	1,403	1.39	1,952	
W9521U	UC	2922	3.37	9,847	1.988	2.812	563955	563970	210	200	15	10	1	DHB	0.64	0.1	M	6,932	1.81	12,529	
W9721U	UC	5440	3.398	18,485	2.426	2.988	563970	563990	210	200	20	10	1	DHB	0.6	0.1	M	12,200	2.21	26,907	CLOSE TO W62
W9921U	UC	3368	3.397	11,441	2.444	2.984	563990	564010	210	200	20	10	1	DHB	0.5	0.1	H	6,293	2.22	13,981	CLOSE TO W62
W0121U	UC	4468	3.396	15,173	2.426	2.979	564010	564030	210	200	20	10	1	DHB	0.5	0.1	M	8,345	2.21	18,405	CLOSE TO W62
W0321U	UC	2037	3.371	6,867	2.24	2.824	564030	564050	210	200	20	10	1	DHB	0.64	0.1	M	4,834	2.04	9,844	
W0521U	UC	1292	3.392	4,382	1.855	2.952	564050	564070	210	200	20	10	1	DHB	0.64	0.1	M	3,085	1.69	5,203	
W0721U	UC	1809	3.394	6,140	1.367	2.965	564070	564090	210	200	20	10	1	DHB	0.64	0.1	M	4,322	1.24	5,372	
W0921U	UC	2435	3.38	8,230	1.018	2.877	564090	564110	210	200	20	10	1	DHB	0.64	0.1	M	5,794	0.93	5,362	
W1121U	UC	598	3.347	2,002	1.272	2.68	564110	564120	210	200	10	10	1	DHB	0.64	0.1	M	1,409	1.16	1,629	
W9720U	UC	3598	3.39	12,197	1.879	2.938	563975	563990	200	180	15	20	1	UHB	0.51	0.1	M	6,843	1.71	11,688	CLOSE TO W62
W9920U	UC	5588	3.396	18,977	1.632	2.979	563990	564010	200	180	20	20	1	UHB	0.51	0.1	M	10,646	1.48	15,795	CLOSE TO W62
W0120U	UC	5056	3.398	17,180	1.904	2.987	564010	564030	200	180	20	20	1	UHB	0.51	0.1	M	9,638	1.73	16,683	CLOSE TO W62
W0320U	UC	4144	3.393	14,061	2.269	2.958	564030	564050	200	180	20	20	1	UHB	0.51	0.1	M	7,888	2.06	16,271	
W0520U	UC	5912	3.387	20,024	2.02	2.92	564050	564070	200	180	20	20	0.5	UHB	0.51	0.1	M	5,617	1.84	10,314	50/50 UHB TO F/B
W0520U	UC												0.5	PP	0.825	0.1	M	9,086	1.84	16,685	
W0720U	UC	3842	3.364	12,924	1.698	2.785	564070	564090	200	180	20	20	0.5	UHB	0.51	0.1	H	3,625	1.54	5,596	50/50 UHB TO F/B
W0720U	UC												0.5	PP	0.825	0.1	M	5,864	1.54	9,053	
W0920U	UC	2996	3.376	10,114	1.435	2.859	564090	564110	200	180	20	20	0.5	UHB	0.51	0.1	H	2,837	1.30	3,701	50/50 UHB TO F/B
W0920U	UC												0.5	PP	0.825	0.1	M	4,589	1.30	5,987	
W1120U	UC	2212	3.356	7,423	1.211	2.737	564110	564135	200	175	25	25	0.5	UHB	0.51	0.1	H	2,082	1.10	2,292	50/50 UHB TO F/B
W1120U	UC												0.5	PP	0.825	0.1	M	3,368	1.10	3,708	
W0216U	UC	2533	3.391	8,589	1.309	2.948	564020	564050	165	160	30	5	1	REM	0.5	0.1	M	4,724	1.19	5,622	
W0516U	UC	2166	3.394	7,351	1.931	2.962	564050	564070	165	160	20	5	1	REM	0.5	0.1	M	4,043	1.76	7,098	
W0716U	UC	2239	3.389	7,588	1.519	2.935	564070	564090	165	160	20	5	1	REM	0.5	0.1	M	4,173	1.38	5,763	
W0916U	UC	2834	3.389	9,604	1.964	2.936	564090	564110	165	160	20	5	1	REM	0.5	0.1	M	5,282	1.79	9,432	
W1116U	UC	1646	3.382	5,567	1.503	2.89	564110	564130	165	160	20	5	1	REM	0.5	0.1	M	3,062	1.37	4,183	
W1316U	UC	1912	3.355	6,415	1.449	2.73	564130	564165	165	155	35	10	1	REM	0.7	0.1	M	4,939	1.32	6,506	
W0215U	UC	8225	3.39	27,883	1.438	2.939	564025	564050	155	140	25	15	1	REM	0.5	0.1	M	15,336	1.31	20,048	
W0515U	UC	8451	3.39	28,649	1.54	2.942	564050	564070	155	140	20	15	1	REM	0.5	0.2	M	17,189	1.28	22,060	
W0715U	UC	3766	3.398	12,797	1.772	2.985	564070	564090	155	140	20	15	1	REM	0.5	0.1	M	7,038	1.61	11,338	
W0915U	UC	5617	3.388	19,030	2.062	2.928	564090	564110	155	140	20	15	1	REM	0.5	0.1	M	10,467	1.87	19,620	
W1115U	UC	7392	3.388	25,044	1.791	2.928	564110	564130	155	140	20	15	1	REM	0.5	0.1	M	13,774	1.63	22,427	
W1315U	UC	6291	3.392	21,339	1.407	2.955	564130	564150	155	140	20	15	1	REM	0.5	0.1	M	11,736	1.28	15,012	
W1515U	UC	6332	3.389	21,459	1.381	2.935	564150	564170	155	140	20	15	1	REM	0.5	0.1	M	11,803	1.26	14,818	
W1715U	UC	1940	3.359	6,516	1.635	2.755	564170	564185	155	140	15	15	1	REM	0.5	0.1	M	3,584	1.49	5,327	
W1211U	UC	6729	3.387	22,791	2.183	2.922	564125	564160	115	90	35	25	1	PILL	0.5	0.1	M	12,535	1.98	24,877	
W1709U	UC	7879	3.384	26,663	2.194	2.907	564175	564215	95	60	40	35	1	REM	0.5	0.1	M	14,664	1.99	29,249	
W2206U	UC	876	3.38	2,961	2.309	2.878	564225	564240	60	55	15	5	1	REM	0.5	0.1	M	1,628	2.10	3,418	
Total				**2,191,965**	**1.46**	**3,203,721**												**1,629,956**	**1.30**	**2,115,340**	

Minable Resource **Mining Reserve**

UC - Upper C lens
LC - Lower C Lens
PGH - Pyroxene Garnet Hornfels
B - B Lens
M - Mixed Lens

DILUTION IS 10% AT ZERO GRADE - ASSUMED SANDFILL/ROCKFILL AND EXTERNAL WASTE
NOTE: MOST DILUTION WILL BE ORE

RISK IS TO RESOURCES DUE TO POTENTIAL FOR GROUND FAILURE
RISK IS MITIGATED BY RECOVERIES USED

Risk Factors
L LOW
M MEDIUM
H HIGH
E EXTREME

Type
PP Post Pillar
UHB Uphole Bench
DHB Downhole bench
REM Remnant Stoping
PILL Pillar Ore

Appendix Two

Competent Person Statement

Competent Person's Consent Statement
Pursuant to the requirements of ASX listing rule 5.6 and clause 8 of 2004 JORC code
("Consent statement")

Report name: **Ore Reserve Statement for Dolphin Orebody - April 2010**

Dated: **26th April 2010**

I, **Alan Douglas Fudge** confirm that:

I have read and understood the requirements of the 2004 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves ("2004 JORC Code").

I am a competent person as defined by the 2004 JORC Code, having five years experience which is relevant to the style of mineralization and type of deposit described in the report, and to the activity for which I am accepting responsibility.

I am a member or fellow of the *Australasian Institute of Mining and Metallurgy* or the *Australian Institute of Geoscientists* or a *'Recognised Overseas Professional Organisation'* ('ROPO') included in a list promulgated by the ASX from time to time.

I have reviewed the report to which this consent statement applies.

I am a full time employee of ………………………………………………………
OR I am a consultant working for ……………………………**Polberro Consulting**
and have been engaged by …………………………………. **King Island Scheelite JVP**
to prepare the report for………………………………………**King Island, Dolphin Orebody**
for the period ended……………………………………………**30th April 2010**

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears the information in my supporting documentation relating to Ore Resources and Ore Reserves.

I consent to the release of the report and this consent statement by the directors of: King Island Scheelite Joint Venture Partners.

Signature of Competent Person

Date: **26th April 2010**

Professional Membership: **Australian Institute of Mining and Metallurgy**

Membership Number: **209297**

…………………………………...
Signature of Witness:

……………………………………….
Print witness name and residence (Town/Suburb)

C.S Fudge, Table Cape, 7325, TAS

…………………………………………………… ………………………………………………