MINEMAKERS
LIMITED
ABN 48 116 296 541

EXPLORATION LICENCE EL27/2004

ROSSARDEN-ROYAL GEORGE

ANNUAL REPORT TO 26 OCTOBER 2010

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FIGURES

1. INTRODUCTION

EL27/2004 was acquired by Minemakers Limited as part of a program to acquire all the significant hard-rock tin and tungsten assets in northeast Tasmania which are suitable for open pit development. EL27/2004 also contains the only significant uranium prospects in Tasmania.

Hard rock tin and tungsten in north-east Tasmania is associated with the presence of altered alkali-feldspar granites and aplites, and deposits occur both within the granites (endogranitic types) and within the Mathinna Group sediments lying above or adjacent to the intrusive granites (exogranitic types).

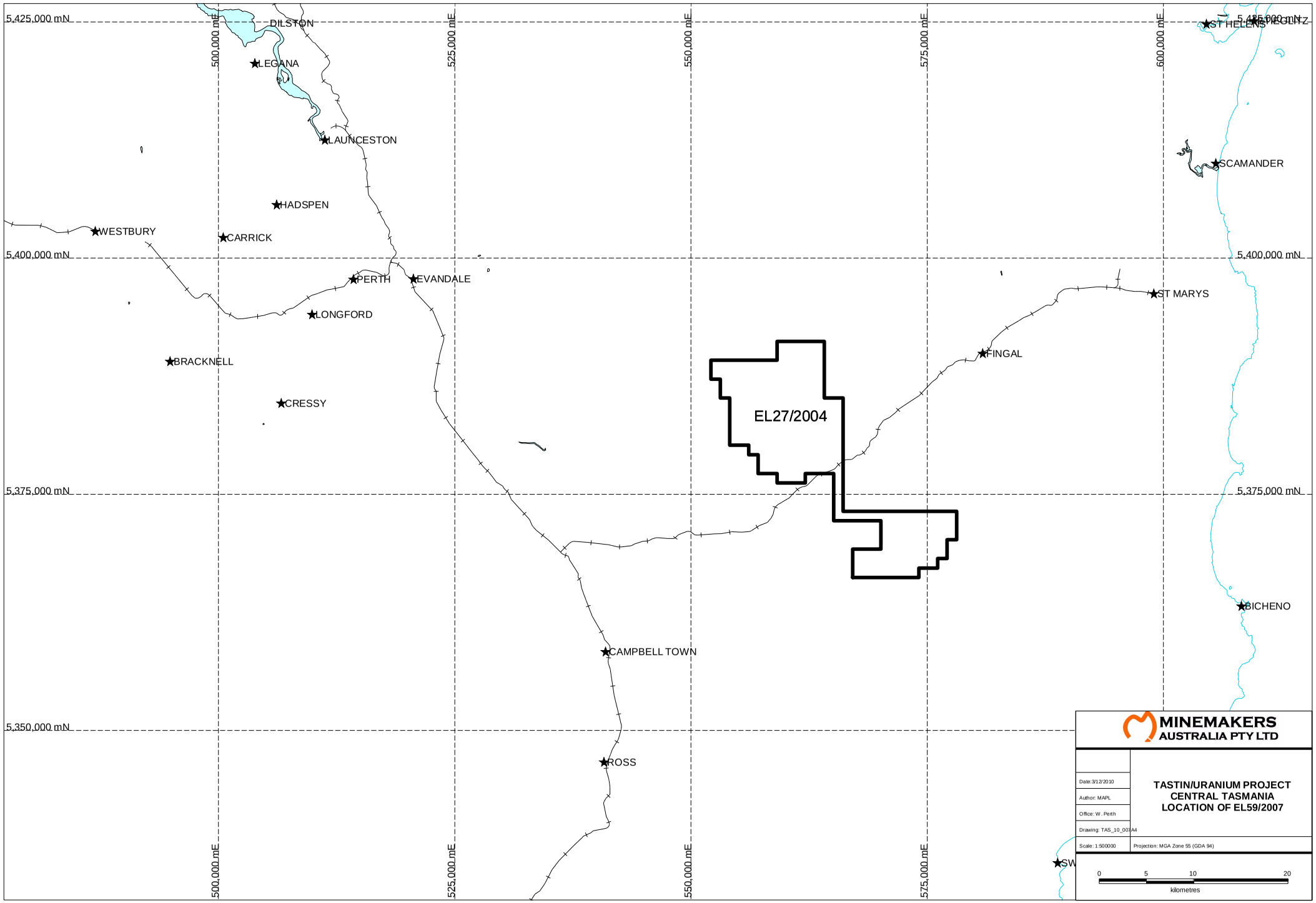
Endogranitic types can be broadly put into two categories: flat or relatively flat-lying greisens of relatively low grade e.g. the Anchor deposit (0.2% Sn) which are amenable to open pitting; and steeply dipping greisen/quartz greisen lodes with higher grades e.g. Royal George (0.65% Sn) and Rex Hill (grade up to 1.4%).

The exogranitic types occur as sheeted veins or fracture stockworks with the Mathinna Group slates and quartzites. The ideal situation for development of this style of mineralisation is above a cupola of altered aplite, where mineralising fluids are focussed into fault fissures formed during forcible doming caused by the intrusion of the aplite. They have potential for high tonnages at moderate to good grades, e.g. Aberfoyle and Storeys Creek.

The Aberfoyle mine operated between 1916 and 1982 and produced 2.1 million tonnes of ore at 0.91% Sn and 0.28% WO_3. The Storeys Creek mine operated between 1892 and 1982 during which time it produced 1.1 million tonnes of ore at 1.09% WO_3 and 0.20% Sn

EL27/2004 is located in the Fingal valley, NE Tasmania, approximately 60 kilometres southeast of Launceston (Figure 1).

E27/2004 was granted to Allstrong Investments Pty Ltd on 27 November 2004. Minemakers Limited ("Minemakers"), via its wholly owned subsidiary, Minemakers Australia NL, purchased Allstrong outright on 23 November 2006. Allstrong subsequently underwent a change of name to Minemakers TTT Pty Ltd.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575,000 mE
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DILSTON
LEGANA
LAUNCESTON
HADSPEN
WESTBURY
CARRICK
PERTH
EVANDALE
LONGFORD
BRACKNELL
CRESSY
EL27/2004
FINGAL
ST MARYS
ST HELENS
SCAMANDER
BICHENO
CAMPBELL TOWN
ROSS
MINEMAKERS
AUSTRALIA PTY LTD
TASTIN/URANIUM PROJECT
CENTRAL TASMANIA
LOCATION OF EL59/2007
Date: 3/12/2010
Author: MAPL
Office: W. Perth
Drawing: TAS_10_001A4
Scale: 1:500000
Projection: MGA Zone 55 (GDA 94)
0
5
10
20
kilometres

2. REVIEW OF PREVIOUS WORK

PRIOR TO CURRENT TENEMENT

Mining activity dates back to around 1872 and was continuous through to the 1980s. Cassiterite, wolframite and argentiferous galena were the important minerals exploited.

Within the northern half of EL 27/2004, almost all production came from two mines, the Aberfoyle and Storeys Creek mines. The Aberfoyle mine operated between 1916 and 1982 and produced 2.1 million tonnes of ore at 0.91% Sn and 0.28% WO_3. The mine was developed on eight major quartz-cassiterite-wolframite veins, individually up to 1.5 metres thick and forming a 70 metre thick and 500 metre long, sheeted zone which dips west and trends north-north-east. Mineralisation extends some 400 metres down dip from the surface, with dips of 60-65ºW near the surface shallowing to 45-50ºW at lower levels. The mineralisation is developed above a steep-sided greisenised aplite cupola.

The vein system is considered to have been formed from the precipitation of minerals within tensile fractures. Cassiterite and wolframite tend to occur adjacent to the vein walls, with muscovite, and the centre of the veins tend to be comprised of quartz with cassiterite and wolframite and a suite of accessory minerals which includes fluorite, pinite, siderite, triplite, sphalerite, chalcopyrite, pyrite, stannite and scheelite.

The Storeys Creek mine is approximately three kilometres north-west of the Aberfoyle mine and it operated between 1892 and 1982 during which time it produced 1.1 million tonnes of ore at 1.09% WO_3 and 0.20% Sn. The deposit comprised of a 30-50 metre thick, 300 metre long NNW-trending sheeted vein system which dips south-west at 25-30º. The mineralisation extends 400-450 metres down dip and passes over a greisenised aplite cupola about 180 metres below the surface. The mineralogy is similar to that at the Aberfoyle deposit, however wolframite is more abundant than cassiterite.

The potential for an open cut operation was evaluated by Aberfoyle Ltd. in 1980 (Roberts and Teh, 1989). Nine percussion holes were drilled over the main zone of workings. Despite many holes encountering bad ground and stopes, and poor recoveries, significant mineralisation was encountered. Records of drill logs and collar locations have not been located.

Wheal Lutwyche drilled three cored holes at the southern end of the deposit in 1985 and intersected significant zones of quartz veining. They also conducted extensive underground mapping of the existing workings down to the 5 level.

Wheal Lutwyche engaged Juka Mine Management Pty. Ltd. to carry out an investigation of the open cut potential of the deposit in 1989, incorporating all data collected to that time. Three proposals were put forward for potential open pit developments to the No. 2 Level, the No. 4 Level and the No. 5 Level. The most likely option gave a resource of 5.5 Mt at 0.20% Sn and 0.02 % WO3. The total unmined resource at the Aberfoyle deposit was suggested to be about 14 Mt at about 0.20% Sn.

DURING CURRENT TENEMENT

TIN-TUNGSTEN

A Stage 1 reverse circulation programme at Aberfoyle consisting of 13 holes for a total of 1,243m was completed on 29 March 2007.

At Storeys Creek, a 17 hole, 2,027m programme was completed between 1 July and 21 August 2007.

Under an MOU, Minemakers joined Austria's Wolfram Bergbau in an appraisal of the tungsten potential of all of the Company's Tasmanian projects. Wolfram Bergbau carried out an initial metallurgical test-work programme on tailings at both Storey's Creek and Aberfoyle. Wolfram Bergbau pulled out of this program in early 2008.

At Royal George deposit, some re-logging of material held at MRT's core was carried out.

Two diamond holes were completed at Storeys Creek between 30/01/09 and 15/02/09. These holes were designed to twin two RC holes drilled in 2007. Analyses of W from the 2007 RC drilling were much lower than expected whereas Sn levels were close to the expected tenor. The diamond program was conducted to allow better visual inspection of mineralised intervals and to test whether drilling method has any discernable effect on W recovery. SCDD001 (twin of SCRC006) was terminated at 149.5m and SCDD002 (twin of SCRC019) was terminated at 100.7m. Holes were PQ3 size except for SCDD001 which was HQ3 from 58.4 to 149.5m.

Core recovery was excellent and both holes intercepted anticipated zones of W, Sn and Zn mineralisation.

Ten reverse circulation percussions holes for a total of 1223 metres were drilled at the old Aberfoyle mine near Rossarden. These holes were drilled along strike and from holes drilled in 2007 and were designed to test for extensions of the known vein system at Aberfoyle and to test for the presence of shallower mineralisation that might be amenable to open-pit mining.

The drilling program extended 300 metres northerly and 400 metres southerly from the old Aberfoyle workings (Figure 2). Cassiterite-bearing veins were observed in nine of the ten holes drilled. This drilling program extended the strike length of the veins associated with the Aberfoyle deposit by approximately 400 metres to the south and 200 metres to the north of known underground workings.

The new drilling results, the Lutwyche deposit, and another mineralized system known as Kookaburra, which occurs between Aberfoyle and Lutwyche all attest to the potential of the ground to the north and northeast of the old Aberfoyle workings.

Aberfoyle mineralisation is nuggety and historically has been difficult to assess quantitatively purely from drill holes. Significant quartz, the host of the main mineralisation in the Aberfoyle system, was intersected in three of the four RC holes drilled to the north of the old mine. ABRC 020 was the only hole without significant quartz or assayed tin and may represent the northern limit of the main trend of the Aberfoyle system. The drilling shows continuity of potential mineralized systems for at least 200 metres to the north. Many narrow, 2-5 cm tin-


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SCRC002
SCRC003
SCRC035
SCRC004
SCRC006
SCRC007
SCRC010
SCDD001
SCDD002
SCRC011
SCRC024
SCRC019
SCRC034
SCRC025
SCRC020
SCRC023
SCRC026
SCRC021
SCRC022
Glorys Creek
Nisbet
Eastern Hill
B42
Ben Lomond Golf Course
ROAD
Creek
Burns Marsh
ABRC019
ABRC020
ABRC018
ABRC017
ABRC016
ABRC007
ABRC005
ABRC006A
ABRC006
ABRC003
ABRC002
ABRC004
ABRC009
ABRC008
ABRC001
ABRC012
ABRC010
ABRC011
ABRC013
ABRC021
ABRC014
ABRC022
ABRC015
Tasmania
MINEMAKERS AUSTRALIA PTY LTD
EL27/2004
PREVIOUSLY DRILLED HOLES BY MINEMAKERS LTD & TOPOGRAPHY
Date: 5/12/2010
Author: MAPL
Office: Perth
Drawing: TAS_10_010A4
Scale: 1:20000
Projection: MGA Zone 55 (GDA 94)
0
200
400
800
metres

bearing veins were also intercepted and indicate the potential for stringer-style tin mineralisation in addition to the known major veins.

To the south, ABRC014 and ABRC022 had lower quartz and tin levels; however the southernmost hole, ABRC015 had improved quart and tin content and may represent a recurrence of or offset continuation of the Aberfoyle vein system.

Best intersections are:

ABRC 013	29-33m	4m @ 0.29% tin
ABRC 013	72-73m	1m @ 0.33% tin
ABRC 013	88-91m	3m @ 0.23% tin
ABRC 015	69-70m	1m @ 1.12% tin
ABRC 016	26-27m	1m @ 0.30% tin
ABRC 016	48-62m	14m @ 0.15% tin
ABRC 017	88-89m	1m @ 1.1% tin
ABRC 018	77-78m	1m @ 3.6% tin
ABRC 019	98-99m	1m @ 1.2% tin

URANIUM

Castle Carey prospect

A three hole RC program for a total of 232m was completed at the Castle Carey prospect between 12/09 and 18/09 by Tasmanian Drilling Enterprises. The program utilised a truck-mounted B40 rig with a compare compressor delivering 650CFM x 250psi. Heavy water inflow at about 30 metres depth resulted in slow drilling and wet samples. Each hole achieved the target stratigraphic horizon: carbonaceous Permian sediments directly above the unconformable contact with the underlying Devonian Ben Lomond Granite. The target horizon was radiometrically anomalous in each hole with up to six times background counts recorded using a scintillometer. Best results were 3m @ 92ppm U in CCRC001 and 1m @ 186ppm U in CCRC003.

Tasmanian United Uranium prospect

Stacpoole Enterprises Pty Ltd drilled three short NQ2 diamond drill holes at the Tasmanian United Uranium (TUU) prospect. The program took 11 working days. A small “Scout” rig mounted on a Bombardier (tracked vehicle) was employed.

The first vertical hole, TUDD1, was collared at the end of the recently cleared track and went through altered granite until it intersected an adit at 13.2 metres. The adit was 2 metres high and the hole was unable to be pushed past the base of the adit. TUDD2 was drilled from the same location towards the SW at ~-60º. The hole was drilled through similar altered granite except for the last metre which was much fresher granite. The penetration rate decreased severely in the fresher rock and the hole terminated at 38.8m. TUDD3 was drilled towards the north at ~-70º in an attempt to intersect the postulated flat-lying uranium mineralisation at about 12 metres down the hole. The hole went through the same altered granite and stopped at 20.3m due to very slow penetration rate. A few sections of core gave elevated scintillometer readings of 2-3 times background but nothing like the response of the material

currently exposed at surface. Best results obtained were 3m @ 381ppm U in TUDD002 including 1m @ 622 ppm U and 3m @ 240ppm U including 1m @ 558ppm U in TUDD003.

In 2009, foot-borne scintillometry was conducted over three prospects at Rossarden within EL27/2004. These prospects are called Dalrymple Hill (DH1), Ben Lomond Marshes (BE1-2) and Quarry Hill (BE7-8). 18 rock chip samples were collected and assayed for multiple elements by ALS in Brisbane.

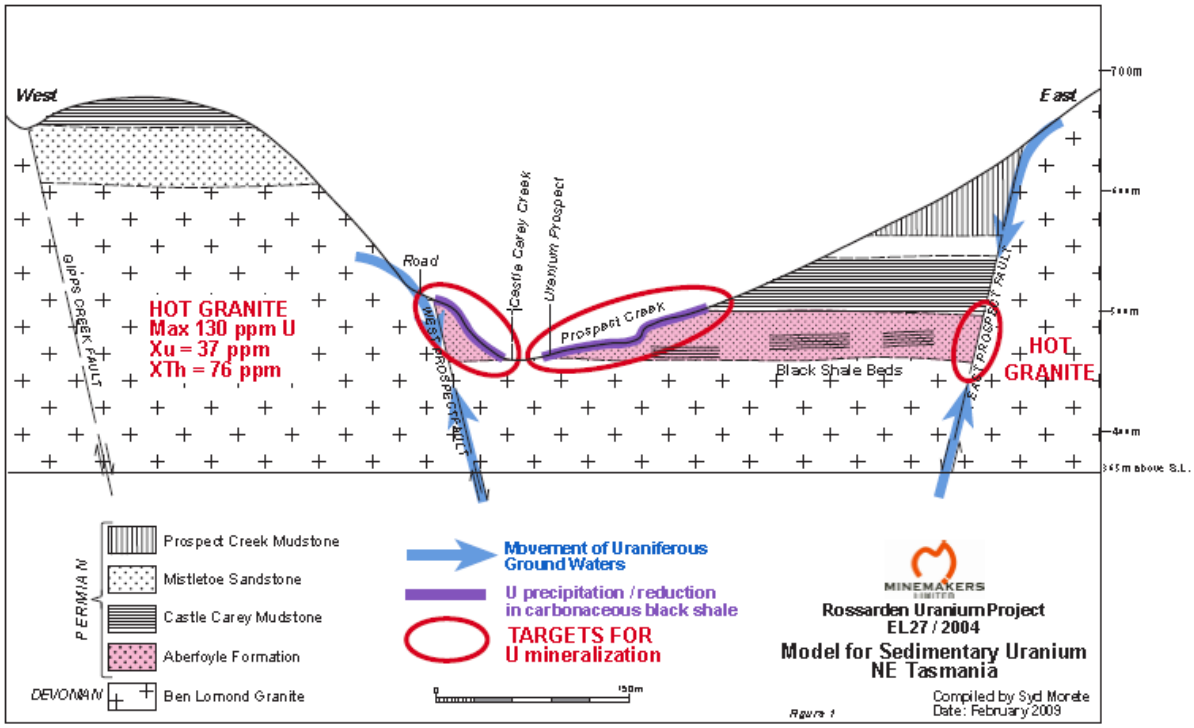
Summary of Uranium Exploration from Consultant Syd Morete's Notes.

Uranium Target Type

The target deposit type in the Rossarden area is tabular black shale sedimentary uranium deposits proximal to uraniferous Devonian granites. This style of deposit may be enhanced in grade by proximity to structures that facilitate groundwater movement and sumps in the palaeo-topography at the time of deposition.

Occurrences in the Castle Carey graben are limited by narrow boundary faults within a steep scarp environment with attached environmental problems whereas occurrences in uplifted blocks appear to be unaffected by tectonics and are more extensive.

A model for mineralisation is presented below in Figure UR1.



Assessment of Uranium Potential of Black Shales

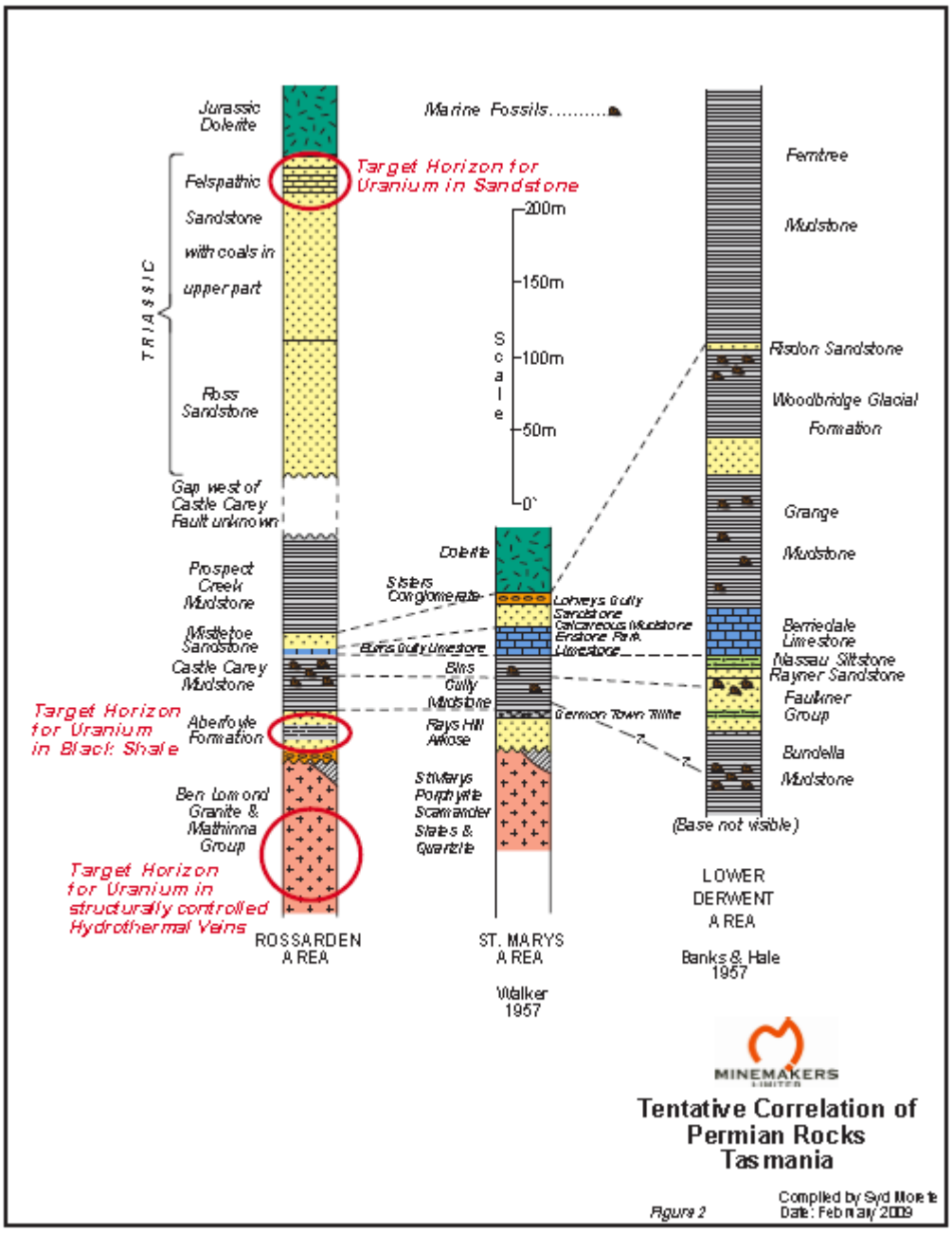
In the Rossarden area, geological mapping has demonstrated the presence of black shales and limited exploration has shown that some occurrences are uraniferous. Source rocks have been demonstrated by exploration since the mid-1950's. The

presence of both primary and secondary uranium minerals associated with a granite stock has been demonstrated.

Uranium exploration in the 1970's by Esso Exploration confirmed the Ben Lomond Granite was a "hot" granite with a maximum assay of 130ppm U in a porphyritic microgranite but often accompanied by higher thorium values (Pohl, 1978).

International Mining Corporation (1970) reported on eight percussion drill holes (PDH1-8) aimed at assessing the uranium potential of the basal sediments overlying the Devonian granites.

A tentative stratigraphic correlation is presented in Figure UR2 (below).



Prospect Size and Uranium Endowment

Various scenarios of in-ground prospect tonnage and grade have identified a target. A target potential of one square kilometre with a black shale thickness of 3m, density of 2 and grade of 300ppm (or 900ppm.metres) would total 6,000,000t and contain 1,800t U. These are not unreasonable figures for this style of deposit.

Desktop Data Processing

Raw radiometric data including total count, potassium, uranium and thorium were extracted from the government airborne geophysical survey of NE Tasmania to cover Minemakers tenements. This was added to the Minemakers infill airborne geophysical survey over the Castle Carey graben.

Ratios U:Th, K:Th and U/U+Th were calculated with the U:Th ratio being used to assess subtle uranium-biased anomalies. These calculated variables were processed in Data Desk using box plots and scatter plots to define potential values of interest and classified as:

- *Extreme Outliers*
- *Outliers*
- *Sub-Outliers.*

These three categories occupy the top 25% of the data profile. Colour circles with increasing diameter were assigned to each of the three categories and plotted at 1:25,000 over MRT coloured geology. Visual inspection of 1:25,000 plots then identified clusters of interest. These clusters were digitized and re-plotted at 1:10,000 for field use. This work resulted in the recognition of 31 clusters located in nine prospects listed below.

- *Ben Lomond Marshes (8 clusters: BE1-8),*
- *Bark Hut Flats (BH1-2),*
- *Castle Carey (CC1-6),*
- *Dalrymple Hill (DH1),*
- *Forbes Creek (FC1-7),*
- *Pole Creek (PC1-4),*
- *Rossarden Road (RR1),*
- *Rossarden East (RE1)*
- *Rossarden West (RW1).*

The highest U:Th ratio within a cluster is referred to by the cluster letters and a double digit number, e.g. CC41 with successive descending U:Th ratios taking ascending numbers.

FIELD INVESTIGATIONS

Instrumentation

A Scintrex GRS500 spectrometer was used to assess radioactivity. All readings are from the Total Count (TC1) channel which records total contributions from potassium, uranium and thorium in counts per second (cps).

A RadEye personal radiation detector was used to measure radioactivity emanating from the 17 rock samples collected for assaying. Readings are in counts per second. The RadEye reads lower than the GRS500 by about one order of magnitude.

A Garmin GPSmap 60CSx instrument was used for navigation. It has a high-sensitivity receiver with improved satellite reception for challenging topography. Once locked on satellites, the instrument never lost signal reception even in the steep-sided valleys at Prospect Creek and Castle Carey Riverlet. All GPSMap readings relate to Zone 55 G and were downloaded at the end of each day. Elevations readings are approximations.

Prospect Recognition

Field checking focused on the highest U:Th ratio for each cluster and/or the higher U:Th values associated with the basal sandstone±shale. Radiometric values from higher stratigraphic units tended to be much lower and many of these locations were dropped from later investigations.

The following descriptions cover prospects with some recognized black shale uranium potential.

Table 3: Details of Rock Samples, Rossarden area, EL27/2004 & EL59/2007.

SampNo	GDA94_E Zone 55 G	GDA94_N Zone 55 G	RadEye (cps)	MagSus1	MagSus2	Lithology
BE22-1	558500	5387559	18	0.828	0.016	sandstone grit
BE8-1	555710	5387483	16	0.11	0.009	pyritic black shale
BH22-1	564117	5384326	11	-0.001	-0.229	late stage quartz vein
CC34-1	557973	5383515	15	0.002	-0.15	gray-black shale
CC37-1	557903	5383947	15	0.142	0.114	Ferruginous silty shale
CC61-1	557022	5382749	18	0.218	0.430	carbonaceous sandy silt
CC61-2	557022	5382749	26	0.025	0.012	silty sandstone
CC61-3	557022	5382749	16	0.767	3.56	hematitic silty sandstone
CCP1	558549	5381478	41	0.032	0.042	black shale
CCP2	558549	5381478	70	-0.08	0.011	black shale
DH11-1	562276	5384617	51	0.016	0.019	pyritic black shale
DH11-2	562276	5384617	36	0.023	0.012	gray-black shale
DH11-3	562276	5384617	36	-0.063	-0.127	sandy silty shale
DHz-1	561617	5385481	23	-0.166	-0.161	silty sandy grit
PC4-1	567342	5365901	16	1.76	0.11	sericite-altered granite
RG03-1	568728	5367139	92	0.010	0.010	oxidised porphyritic granite
RW11-1	561336	5386604	16	0.001	-0.059	ferruginous quartz grit
FC2-1	568002	5372481	15	0.044	0.019	gray-black shale

Quarry Hill

Quarry Hill (555713E 5387380N 769m) is the name given to a small road metal quarry in a black shale occurrence in cluster B8. This was a fortuitous discovery as boulders were noted on the side of the road at WP111 that contained carbonaceous material and fine-grained euhedral pyrite. Pyrite oxidation has produced pale yellow jarosite coating the bedding and shale partings (Sample BE8-1) The boulders also contained coarser grits and pebbles (dropstones) which might form the base of the black shale' Radiometric readings were all <400cps. An airborne radiometric anomaly classified as an outlier was recorded by the MRT survey. Mudstones cap the upper part of Quarry Hill.

Dalrymple Hill

Ground checking of U:Th anomaly DH11 in Cluster DH1 located a pyritic black shale at WP158 (562276E 5384617N 804m) at the base of an 8m-high flat-lying sandstone bluff. Radiometric readings up to 3400cps were recorded on the black shale. Efflorescent jarosite coats parts of the black shale and a seeping brown coloration was apparent in another part of the shale. Three channel samples (DH11-1 to 3) were collected. Readings in the overlying sandstone varied between 300-500cps. The base of the shale was not apparent but sediments are thought to overlie a porphyritic "hot" granite with readings up to 870cps. The presence of an old pipe and minor diggings testifies to previous interests.

At WP160 (562205E 5384573N 796m), 85m along strike from WP158, a similar sandstone bluff occurs with only the top of the shale exposed. This site returned readings up to 1800cps.

This is a significant black shale uranium discovery. Dalrymple Hill is a flat-topped plateau with flat-lying stratigraphy that covers approximately 800m by 400m. Given a one square kilometre panel of thickness 3m, density 2 and grading 300ppm, then such a target would contain 6Mt and 1800t U. Using the same parameters, the Dalrymple Hill prospect would contain 1.92Mt and 576t U.

Ben Lomond Marshes

The Ben Lomond Marshes prospect encompasses an area of 1600x1200m that includes Clusters BE1 and BE2. In addition, there are an extraordinary number (50) of U:Th extreme outliers that demarcate a 1500m zone trending NE-SW that occupy five flight lines spaced at 200m intervals. The majority of these extreme outliers occur in Quaternary units and are considered to be caused by uranium daughter products, radium and radon.

In the vicinity of both BE11 and BE21, oxidized black shale float is evident and well-rounded pebbles and cobbles interpreted to be dropstones within the shale and overlying units. Radiometric readings are low, 30-60cps. A hand auger hole was drilled at WP097 (558652E 5387628N 770m) and intersected weathered granite (280-310cps). At BE22, located over flat ground, a sandstone grit was sampled (BE22-1) with a radiometric reading of 440cps. Nearby black shales give 374cps.

The above combined field observations and radiometry form the basis of recognizing the Ben Lomond Marshes prospect. The target shale horizon may underlie the surface soils which contain shale float.

Footborne Scintillometry

Footborne scintillometry surveys were carried out over the three recommended areas. Sections are presented in Figures UR3a-c.

Footborne scintillometer surveys used the Scintrex GRS500 on TC1. Line spacings of 200m and station spacings of 20m were used.

CONCLUSIONS

- *Ground checking of U:Th anomalies has led to the discovery of two black shale prospects outside of the Careys Castle faulted-graben. These prospects are proximal to labile uraniferous granites. A third prospect, contains black shale float and an abundance of extreme outliers of U:Th ratios but mostly hosted in Quaternary deposits. These findings demonstrate that black shale occurrences are more widespread than initially thought.*

- *The thickness of the black shale at Prospect Creek is of the order of 3-5m as demonstrated by geological mapping and Minemakers RC drilling. The average grade of two intersections is almost 100ppm U. At Quarry Hill, there is at least 5m of flat-lying black shale. The base of the shale has not been determined.*

- *The presence of black shale in the Ben Lomond Marshes is inferred from float in the basal sequence. This prospect encompasses an area of 1600x1200m that includes clusters BE1 and BE2. In addition, there are an extraordinary number (50) of U:Th extreme outliers that demarcate a 1500m zone trending NE-SW and occupy five flight lines spaced at 200m intervals. The majority of these extreme outliers occur in Quaternary units.*

- *Black shales are not always present in the stratigraphy and they are not necessarily mineralized in uranium. This might be explained by facies variations in the depositional environment, the concentration of carbon and formation of pyrite.*

- *To establish a tool for prospectivity and evaluation, a minimum-mining thickness of 3m averaging 300ppm U is stipulated. A one square kilometre panel with these parameters would weigh about six million tonnes. At an average grade of 300ppm U, about 1800t U is indicated.*

RECOMMENDATIONS

- *A small, 200m, RC drilling program is recommended to test the prospects.*

3. EXPLORATION COMPLETED DURING THE REPORT PERIOD

Work completed during the reporting period is shown in an Exploration Index Map (Figure 3).

Geochemical

Diamond core from SCDD002, drilled in 2009, was halved and sent to ALS Chemex in Adelaide for analysis of Sn, W, Cu, Pb and Zn.

The analytical schemes used were:

- Crush to 70% <6mm then pulverise
- Pressed powder pill analysis by XRF - *Sn, W*
- Lithium metaborate fusion and analysis of glass by XRF – *Sn, W >1000ppm*
- Aqua regia digest and analysis by ICP-AES - *Cu, Pb, Zn*

Five certified reference standards were included in the submitted samples to aid quality control of assaying.

These were:

Standard	Sn (%)	W (%)	Cu (%)	Pb (%)	Zn (%)
CT-1		1.04			
BH-1		0.422			
OREAS140	0.1755		0.1529	0.00267	0.1706
OREAS141	0.6061		0.2453	0.0059	0.3637
OREAS142	1.04		0.1466	0.00543	0.2436

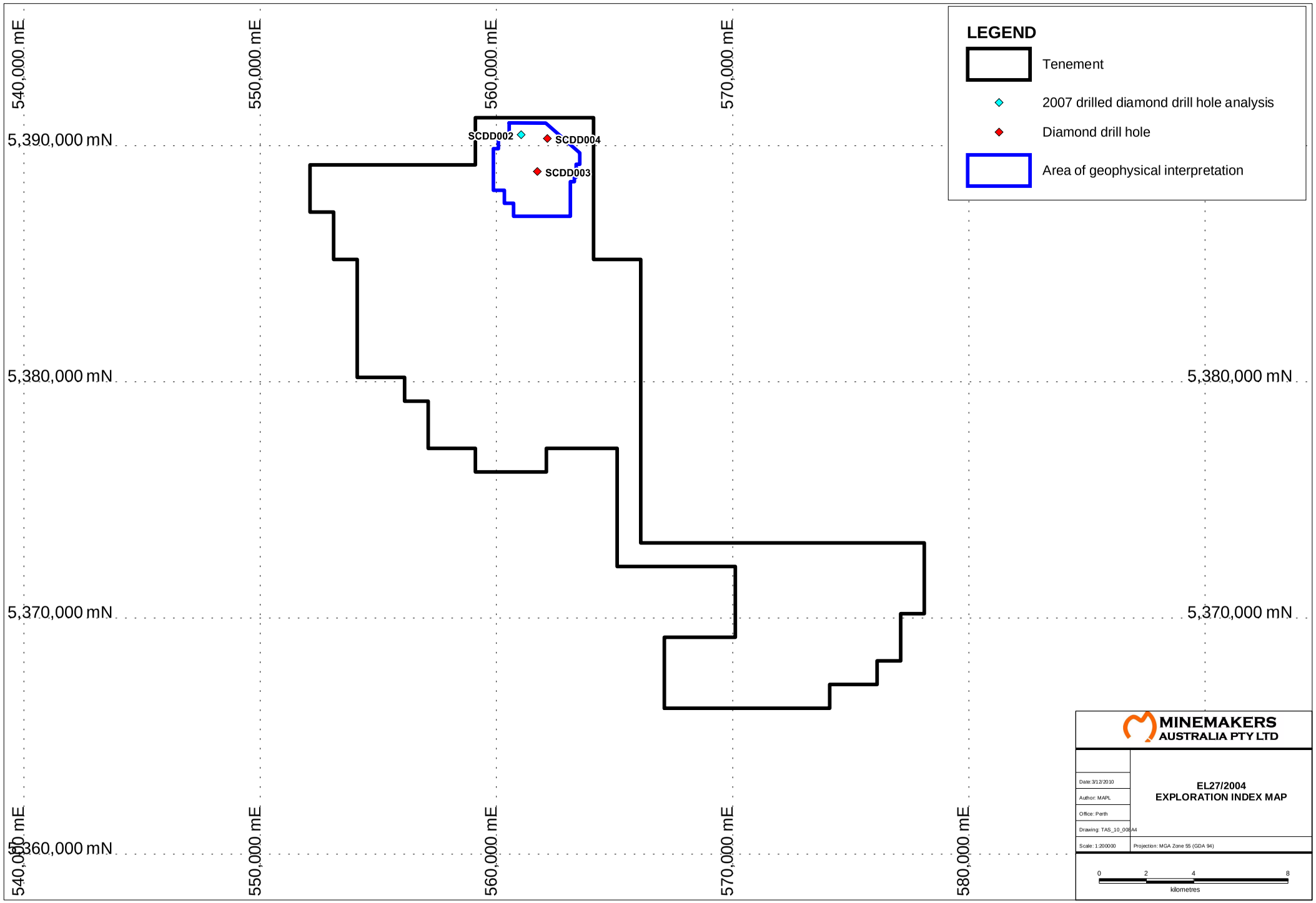
SCDD002 was drilled as a twin of RC hole SCRC019, drilled in 2007, to test whether lower than expected W assays obtained in the RC drilling program at Storeys Creek was a function of drilling method or reflected the real distribution of W. Minemakers had originally postulated that there would be sufficient W within veinlets and fractures, as well as within remnant major veins, within the overall mineralised envelope at Storeys Creek to support an open cut mine.

Geophysical

Minemakers engaged the services of GroundProbe Geophysics, Perth to review the close-spaced gravity data acquired by Dave Leaman in the early 1970's and to validate and expand on the results using up-to-date techniques and vastly superior computer-based modelling programs. The report is attached. Kate Godber from GroundProbe constructed 14 sections and produced a 3-D model which identified several potential cupolas that may host mineralisation similar in nature to that which occurs at the Storeys Creek and Aberfoyle mines.

Drilling

Minemakers began testing the potential cupola gravity anomalies with an RC/diamond drill program commencing in October and drilled by G Spaulding Drillers. Two RC pre-collared


LEGEND
Tenement
2007 drilled diamond drill hole analysis
Diamond drill hole
Area of geophysical interpretation
SCDD002
SCDD004
SCDD003
540,000 mE
550,000 mE
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5,380,000 mN
5,370,000 mN
5,360,000 mN
MINEMAKERS
AUSTRALIA PTY LTD
Date: 3/12/2010
Author: MAPL
Office: Perth
Drawing: TAS_10_008A4
EL27/2004
EXPLORATION INDEX MAP
Scale: 1:200000
Projection: MGA Zone 55 (GDA 94)
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kilometres

diamond holes were completed, SCDD003 targeting “Anomaly 9” (561736mE, 5388896mN MGA94) and SCDD004 (562153mE, 5390320mN MGA94) targeting the “Golf Course West” anomaly.

SCDD003 had an 88m RC pre-collar and then drilled using NQ/NQ2 to a depth of 309.6 metres. SCDD004 also had an 88m RC pre-collar and the drilled using HQ to a depth of 315.0 metres. Both holes were surveyed and core orientation data was obtained.

Neither of these holes intercepted the underlying granite and no obvious coarse mineralisation has been observed although it should be noted that neither hole has been properly logged at this stage.

4. DISCUSSION OF RESULTS

Storeys Creek twin holes SCDD002 and SCRC019

The analytical work carried out on SCDD002 indicates that the distribution of W is strongly confined to the major veins that were exploited during mining. However the distribution of Sn and Zn appears to be more widespread around the major veins as well as within them. This is consistent with the results from RC drilling in 2007. Results are displayed graphically in Figures 4a-e.

The analytical results also confirm an examination of the core made with the assistance of a portable XRF device (Niton) which indicated that sphalerite and tin were widely distributed through the mineralised zone whereas visible wolframite was restricted to a few veins.

Geophysical modelling

The re-processing of gravity data indicated several potential apophyses as shown below in Figure 5. The modelling of potential cupolas (labelled in red) is given some confidence by the modelling being able to reproduce the know cupolas at Storeys Creek and Aberfoyle (labelled in black), notwithstanding the contribution of voids associated with underground mining whose dimensions are not fully known.

Drilling

The two diamond holes drilled to test potential mineralisation associated with Anomaly 9 and the Golf Course West Anomaly failed to intersect the underlying. SCDD004 finished in thermally metamorphosed sediments that exhibited strong spotting, characteristic of the thermal aureole seen in Mathinna Group sediments adjacent to granitic intrusive in north-east Tasmania. A strongly greisenised aplite dyke was observed in SCDD004.

Although no obvious coarse wolframite or cassiterite was seen in core from either hole, neither has been properly logged yet.

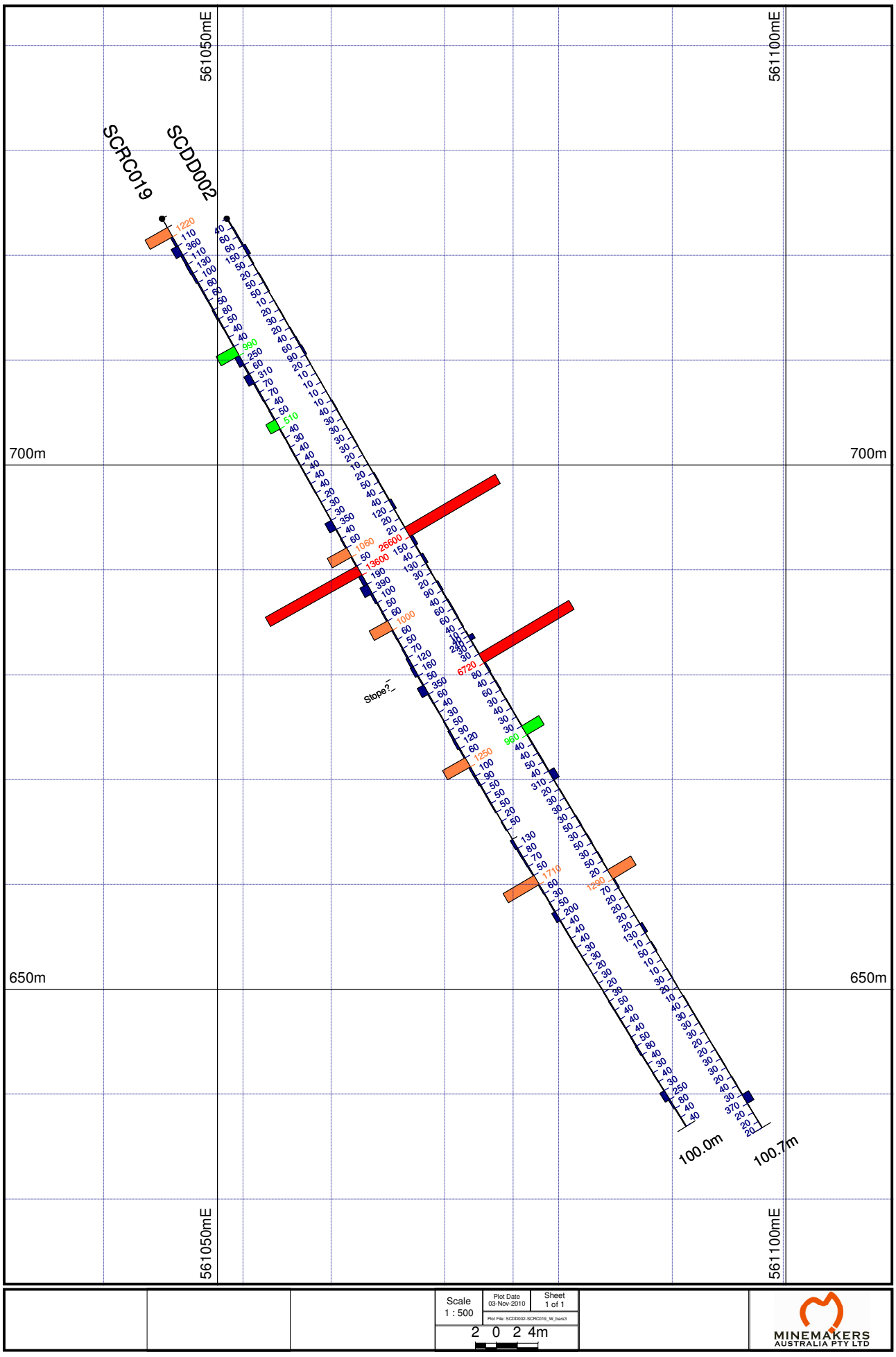


Figure 4a. Comparison of W values

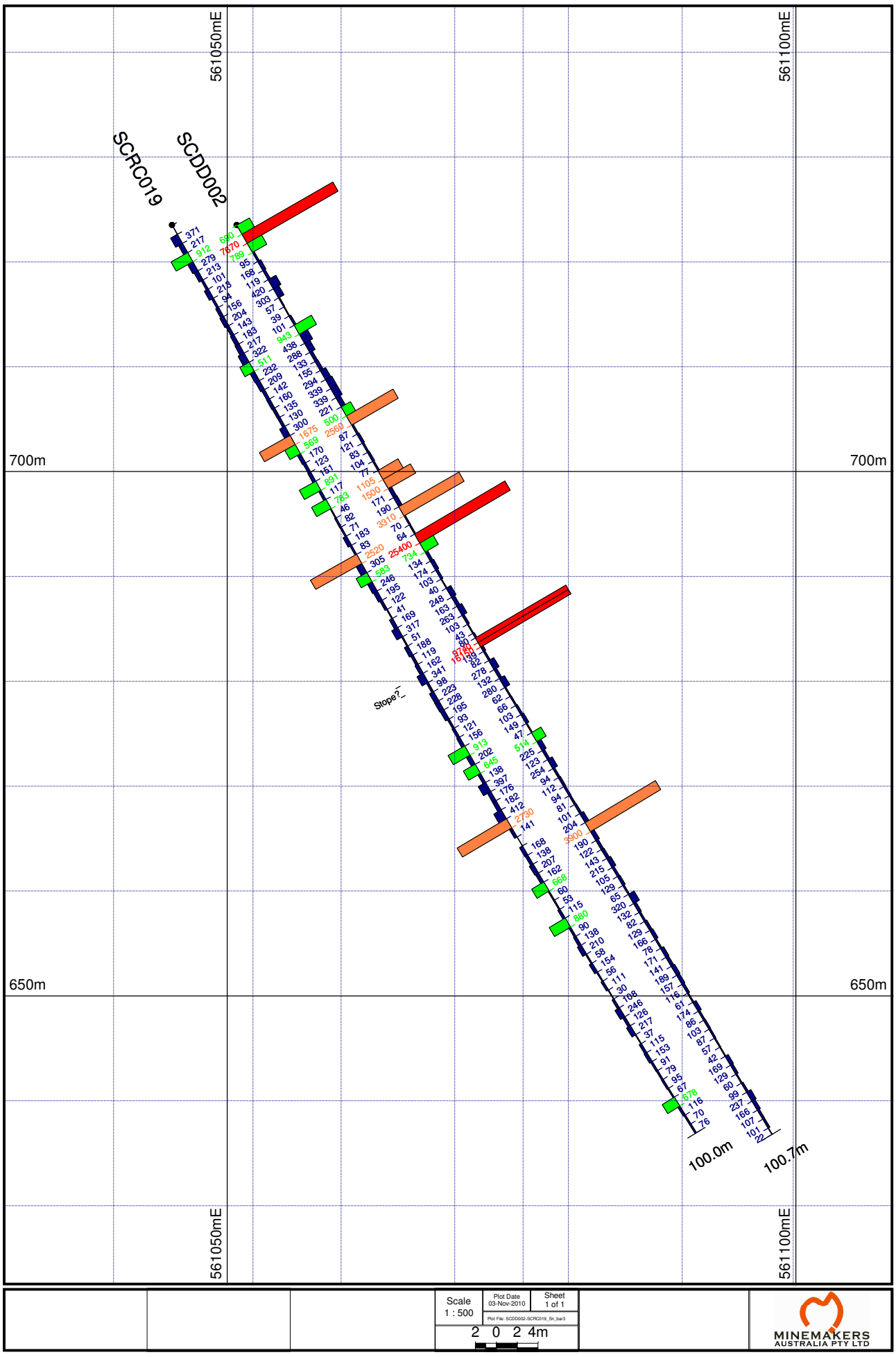


Figure 4b. Comparison of Sn values

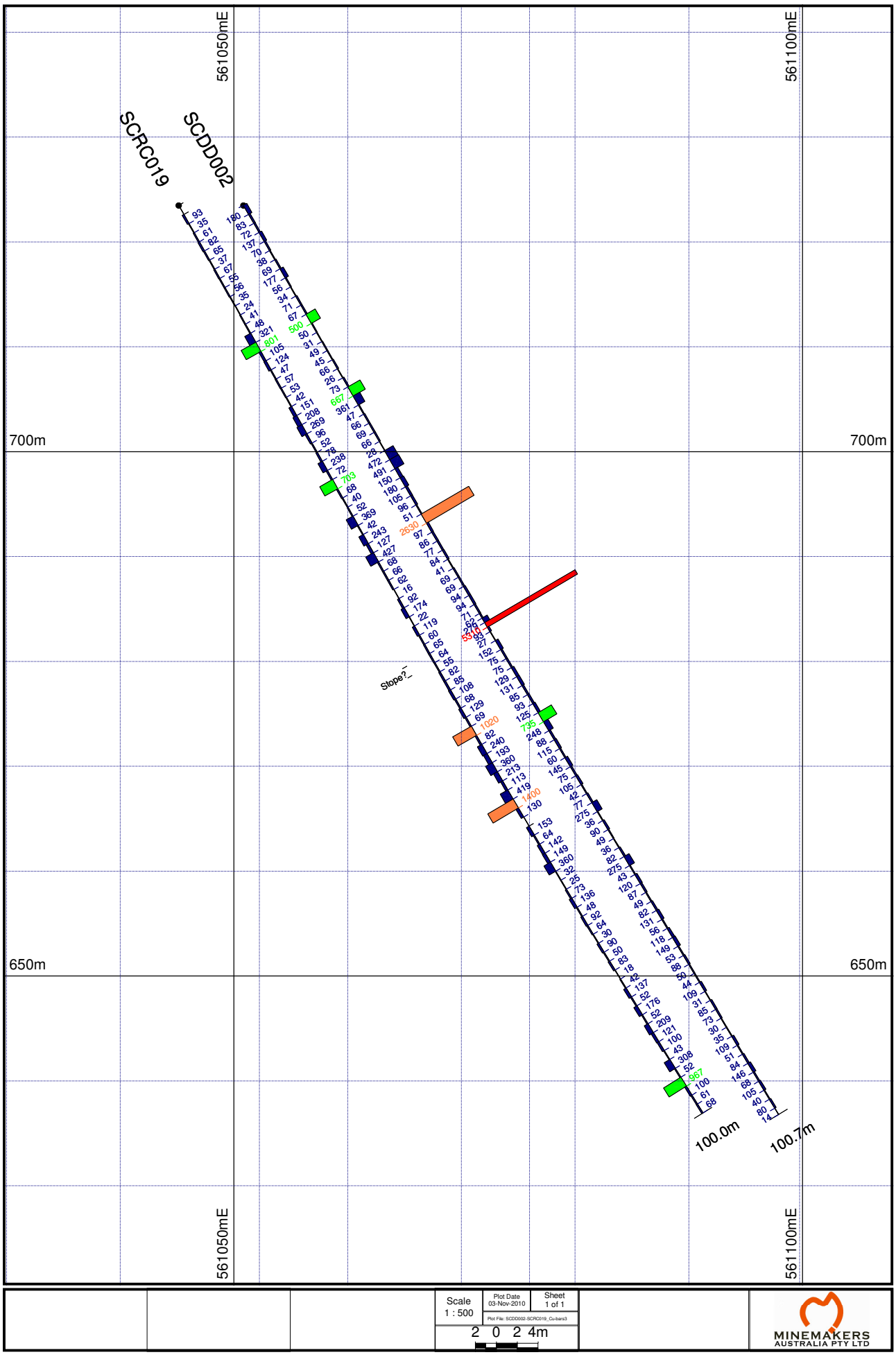


Figure 4c. Comparison of Cu values

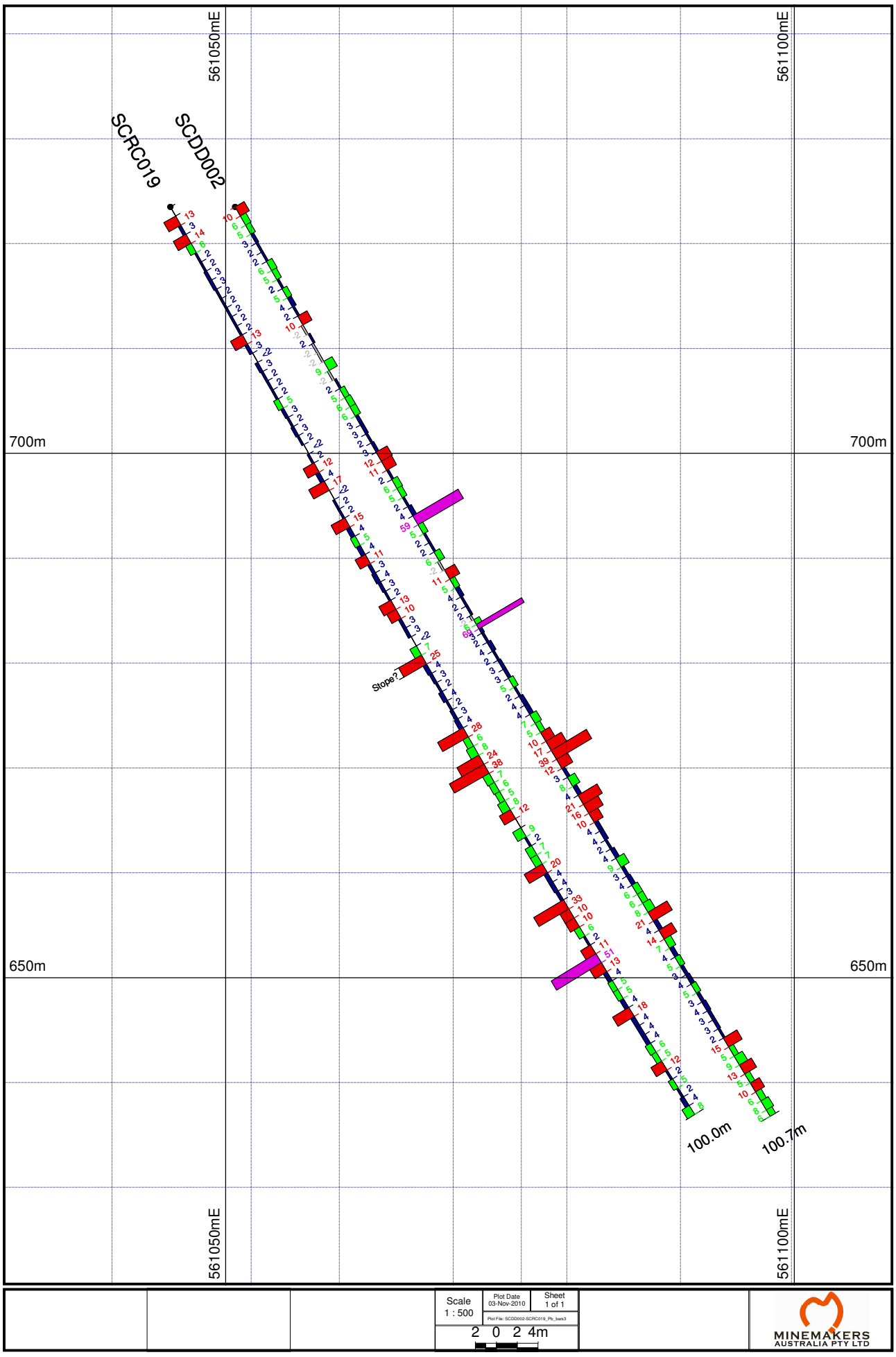


Figure 4d. Comparison of Pb values

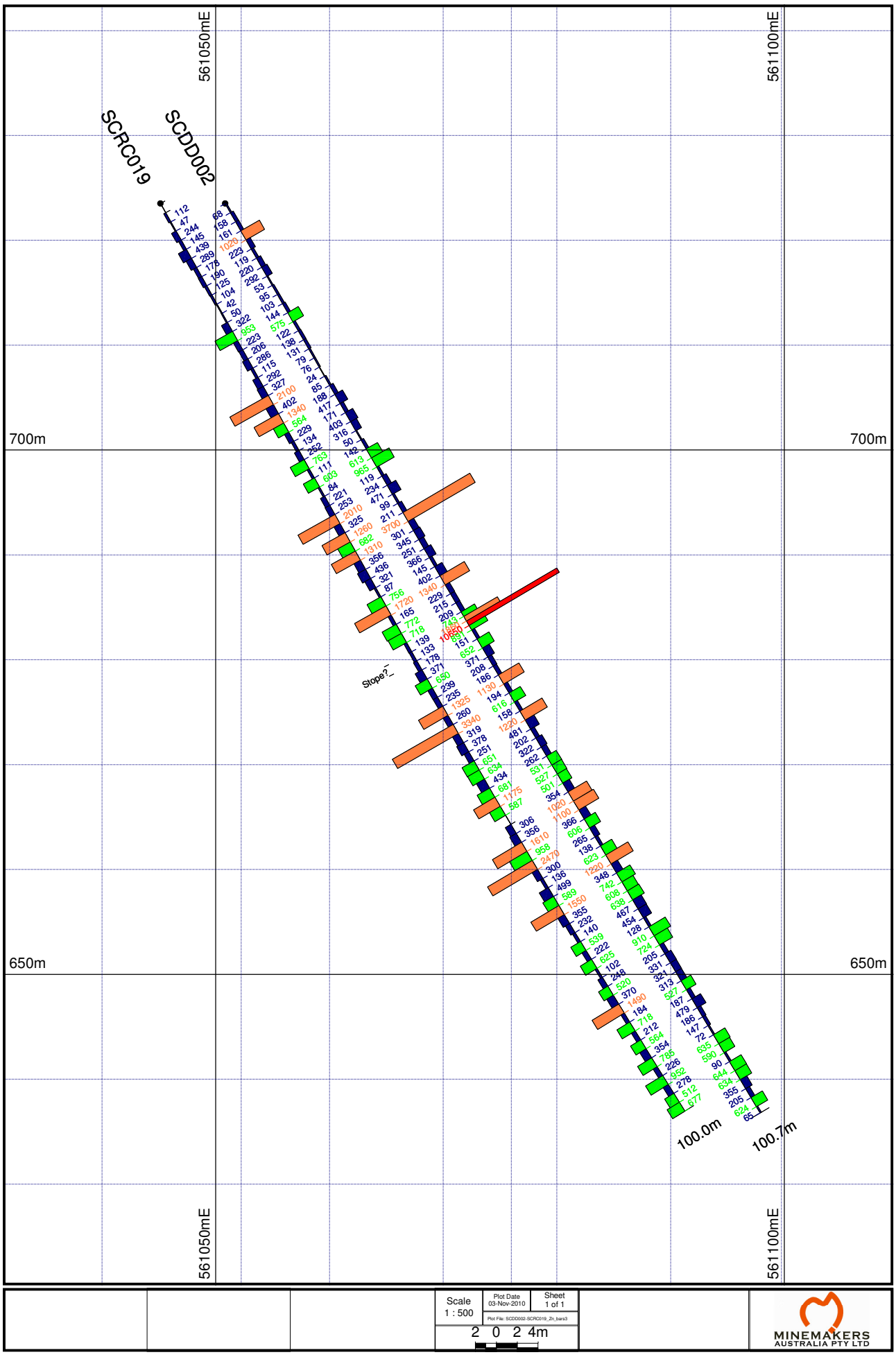
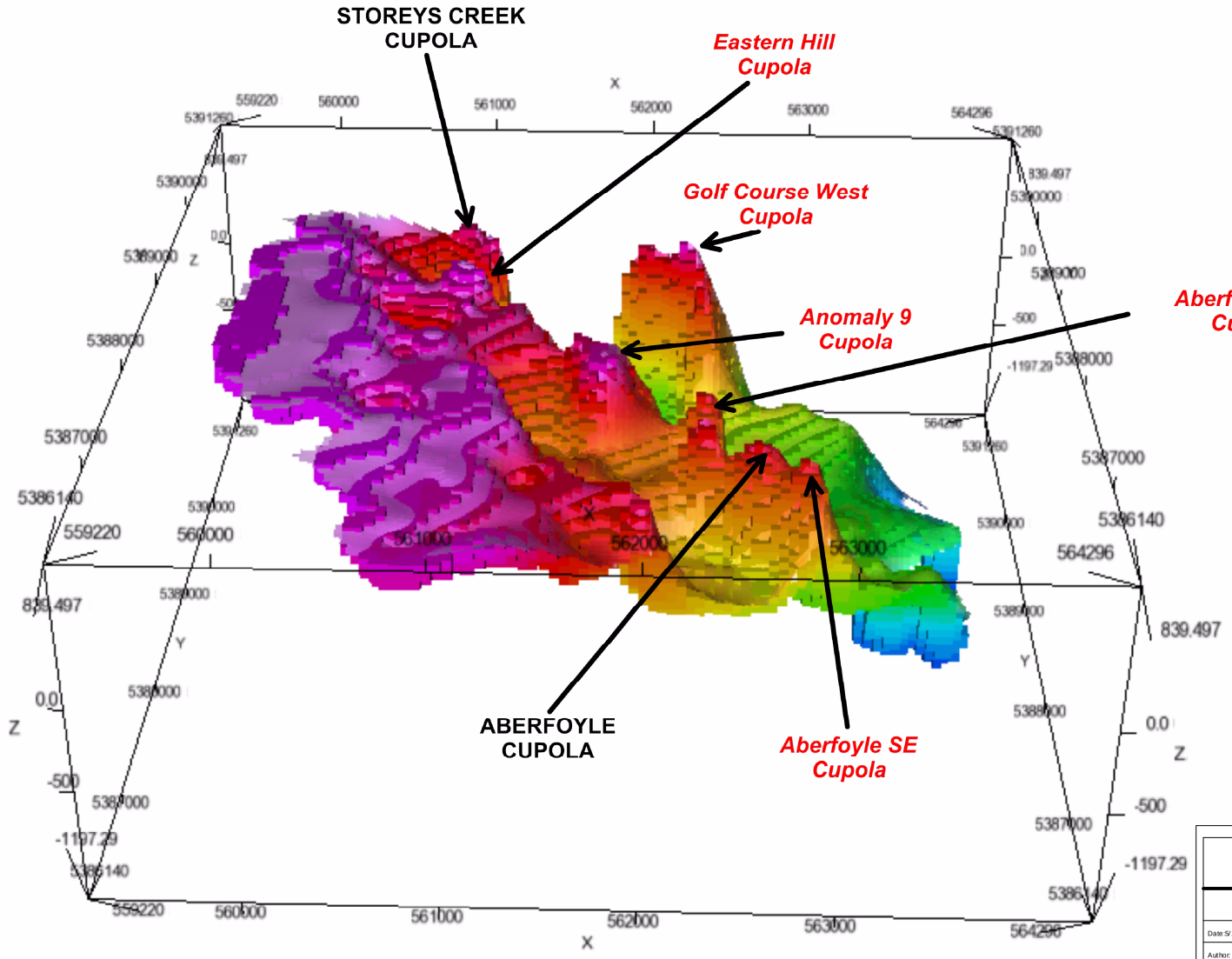


Figure 4e. Comparison of Zn values



MINEMAKERS AUSTRALIA PTY LTD

Date: 5/12/2010	EL27/2004 3D GRAVITY MODEL SHOWING CUPOLA ANOMALIES
Author: MAPL	
Office: Perth	
Drawing: TAS_10_009A4	
Scale: 1:200000	Projection: Non-Earth (feet)

Figure 5

5. CONCLUSIONS AND PROPOSED WORK

The analytical work and visual inspection carried out on the twin holes SDDD002 and SCRD019 has essentially provided the extra information required to answer the question of why there appeared to be a lack of wolframite in the first round of RC drilling at Storeys Creek. In summary, the following factors are relevant:

- Veins mineralised with wolframite are less numerous than those that contain tin and sphalerite
- Very coarse size of wolframite and erratic distribution within vein, especially compared to tin
- Veins mineralised with wolframite are biased towards removal (stoping) compared to tin veins
- Insufficient number of RC holes (17) drilled to give statistically relevant sample in respect of wolframite

The work has demonstrated however that further investigation of the potential for a more Sn-rich combined Sn-W resource at Storeys Creek that initially thought to exist, amenable to open pit mining, still remains. Further drilling is required to assess this potential which will largely be a function of what percentage of the major veins remained unstoped within the upper levels of the mine.

The first two holes drilled into cupola targets have not intersected granite or significant mineralisation. The gravity data modelling will be reworked with the inclusion of information garnered from these two holes. Based on the outcome of the remodelling, another two cupola targets will be drilled next year.

Work proposed for next year is as follows:

- Engage GroundProbe Geophysics to remodel the gravity data incorporating the results from this year's drilling. Acquire more gravity data if necessary.

- At Aberfoyle, Minemakers RC drilling programs combined with historical data confirm the potential for bulk mineralisation suitable for open pit mining. The mineralisation is contained within unmined production veins near surface and from smaller veins and vein swarms proximal to the major veins. Some of the best tin assay results from Minemakers 2009 RC program came for metre intervals logged as having only 2-5% quartz vein material present.

  The 2009 drilling has also shown that the system extends further north that the current underground development and that to the south there is potential a recurrence of the Aberfoyle system.

  Minemakers proposes to either extend the RC drilling to the south of the 2009 program limit with a 250m RC program or drill test the shallow Lutwyche/Kookaburra system with a 400m RC program.

- .At Storeys Creek a 400m RC program to build on the 17 holes already drilled testing for shallow tin and tungsten mineralisation

- Additionally, Minemakers would like to commence work at the Royal George deposit. There is potential for extending the resource along strike to the NW and SE and Minemakers would like to undertake a program of RC drilling to test the potential. The original resource drilling was small diameter diamond, apart from four HQ3 holes drilled by Spectrum in 1989 and so in addition to the aforementioned drilling it would be useful to twin some resource holes with large diameter RC to compare the tenor of mineralisation between the methods

Budget for 2011 is shown below..

1.	Remodel gravity data		$10,000
2.	2 x 250m RC/Diamond holes on gravity anomalies		$120,000
3.	400 metre RC program at Storeys Creek		$50,000
4.	Either:		
	a. 250 metre RC program south of Aberfoyle system		$31,500
	b. 400 metre RC program near surface Lutwyche		$50,000
5.	800 metre RC program at Royal George		$100,000
	TOTAL BUDGET	(option 4a)	$311,500
		(option 4b)	$330,000

6. ENVIRONMENT

Shallow trenches excavated to accommodate drill cuttings at sites SCDD003 and SCDD004 require backfilling. A small amount of work is required to rehabilitate wheel ruts created by the water truck at site SCDD004 over a distance of about 20 metres.

RC bags have been removed from both sites.

The approximate cost of rehabilitation is estimated at <$2,000.

7. REFERENCES

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