



RETENTION LICENCE 3/2009

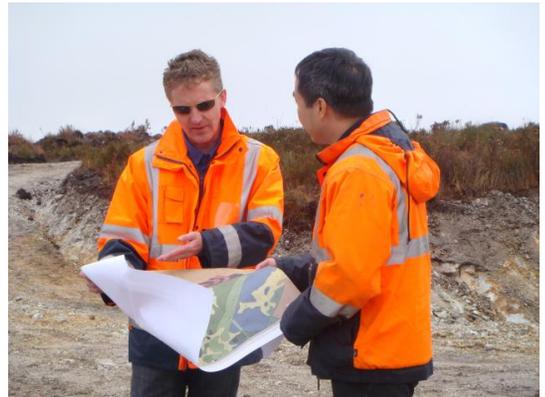
OCEANA

ANNUAL REPORT

February 2010 – February 2011

Prepared by

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FOREWORD

Function of the Annual Report

This Annual Report has been prepared as a public document for submission to Mineral Resources Tasmania (MRT). The report provides a summary of the exploration activities undertaken by Creat Resources Holdings Limited within Retention Licence 3/2009 (RL3/2009) during February 2010 - February 2011.

Role in the Regulation Process

This document fulfils the role of an Annual Report for RL3/2009 during February 2010 - February 2011, as required under Section 28 of the *Mineral Resources Development Act 1995*.

Datum

Geodetic Datum AGD66 has been used throughout for this report.

ABSTRACT

Creat Resources currently holds Retention Licence 3/2009 (RL3/2009), which contains the Oceana lead zinc deposit.

The primary activity at Oceana during 2010 has involved sampling and assaying of reverse circulation and diamond drill core which was drilled in 2007 and 2008 and unfortunately not assayed at the time of drilling due to financial constraints. It was recognised that the Oceana drill holes in question, originally conceived as metallurgical holes, would provide valuable data to be collated and used to recalculate and/or confirm the Oceana resource.

In addition, the Company is actively seeking JV partners at Oceana. China Non-Ferrous (CNF) and more recently Xinjiang Non-Ferrous (XNF) have visited the Oceana site. XNF are returning after the Chinese New Year in 2011 to perform due-diligence on the Oceana and other CRHL project areas at Zeehan.

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1 INTRODUCTION

1.1 Purpose of This Document

This document fulfils the role of an Annual Report for RL3/2009 during February 2010 - February 2011 as required under Section 28 of the Mineral Resources Development Act 1995.

1.2 The Proponent

Creat Resources Holdings Ltd currently holds Retention Licence 3/2009, which includes the Oceana deposit. Creat Resources Holdings Ltd's long term objective is to grow through success in exploration within the Zeehan area, and through mineral acquisition opportunities both in Australia and overseas.

1.3 Retention licence Location and Operations

1.3.1 Site Location

RL3/2009 covers approximately 1 km², and is located 3.5 km south from Zeehan, Western Tasmania (Figure 1). The Henty Road provides road access to RL3/2009. The Emu Bay Railway and the Murchison Highway connect the township of Zeehan with the Port of Burnie, located approximately 140km to the north.

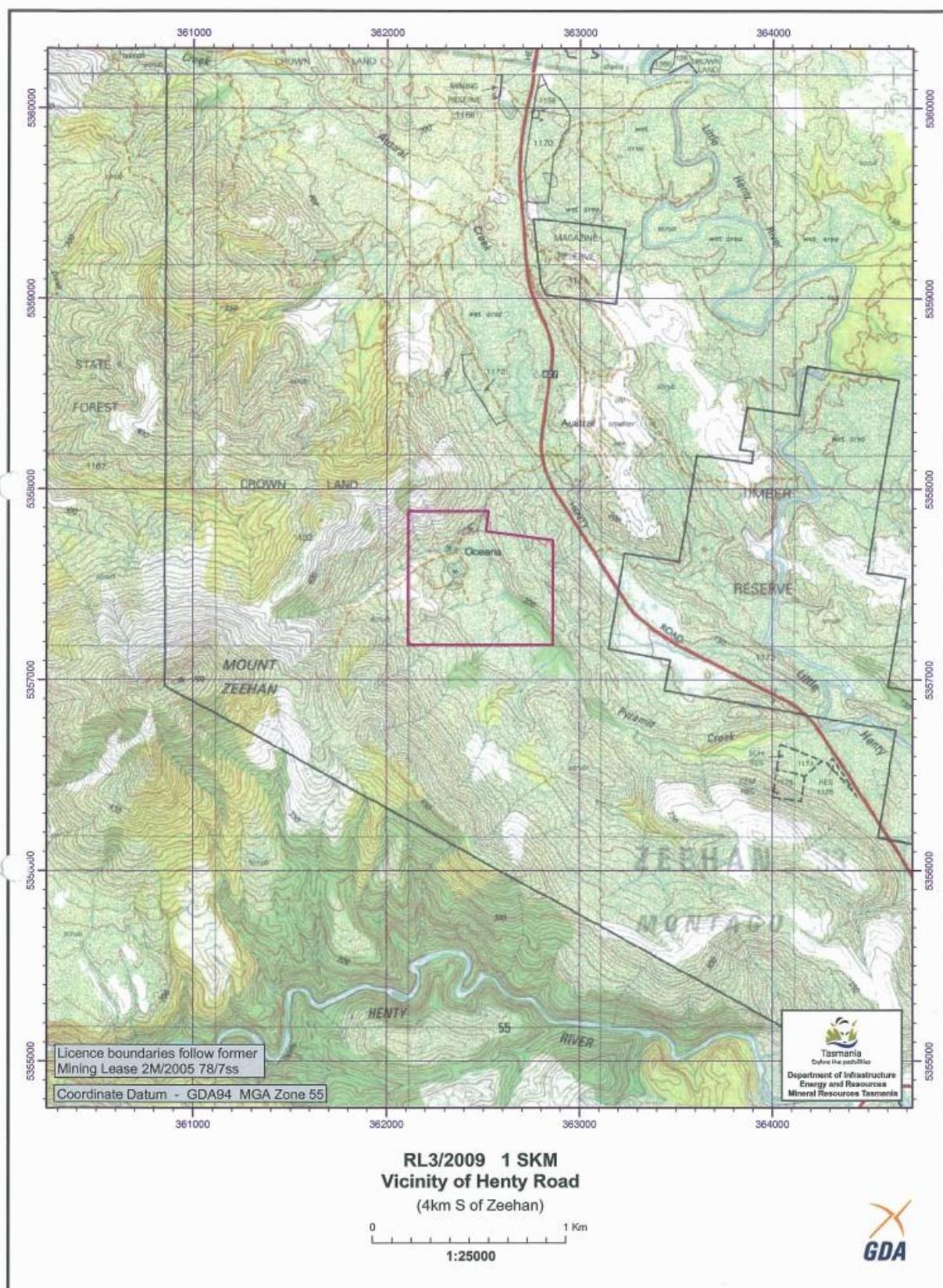


Figure 1: Location of RL3/2009

1.3.2 Retention Licence Tenure

RL3/2009 was granted to Creat Resources Holdings Limited on February 1, 2010 for a period of 2 years.

2 Geological Interpretation

2.1 Previous Mining and Exploration within RL3/2009

The Oceana Lead/Zinc project is hosted by Ordovician-aged carbonates of the Gordon Limestone (Figure 2). The deposit type is similar to the Irish-type of carbonate hosted lead/zinc deposit, particular with the Silvermines and Tynagh deposits (Taylor & Mathison, 1990).

McGilvray (2003) completed a geological and mineralisation study of the Oceana deposit for an Honours thesis based at CODES, the University of Tasmania. The historical notes detailed here are from that report. The initial discovery of lead (and silver) mineralisation at Oceana was in 1887 as part of the Zeehan Mineral Field boom of the late 1880's. From 1892 to 1899 a series of small shafts and drives were driven on the deposit and total of 1016t of ore was extracted at 39% Pb and 445g/t Ag (Blissett, 1962). Mining ceased when the shaft collapsed. Minor extraction went on from 1909 to 1925 and in the early 1950's a joint venture between BHP North and South was formed, Zeehan Mines Pty Ltd., in order to drill out and mine the resource. Drilling consisted of 39 surface diamond holes and 58 underground diamond holes. Mining began in 1954, ceasing in 1960 due to excessive water inflows, reported as 11.3 mega-litres per day (Jack 1961). A 200m shaft was sunk, with the first 30m in decomposed limestone clay, and the establishment of a further 5 levels was completed.

Production is reported in Blissett (1962), as comprising 131,821 tonnes of ore at 11.5% Pb and 132g/t Ag (no zinc reported). Mining was by flat back cut and fill stoping with fill comprising de-slimed mill tailings. Exploration was re-established in 1978 by AMOCO (Jones, 1981) and then an

AMOCO/EZ/Cyprus joint venture (Jones, 1983), followed ultimately by Pasminco in 1992-6 (Quayle, 1993). The exploration work by AMOCO included a study of the Zeehan Mines historical work (Curtis, 1981) with further diamond drilling and costeaning enabling resource estimations to be undertaken.

An AMOCO/Cyprus Gold Australia Corporation JV continued exploration in 1988 producing a geological study and a feasibility report respectively (Ingham, 1988), quoting 2.47Mt at 9.4%Pb, 4%Zn and 68ppm Ag to a depth of 350m (approximately 840mRL) with a 5%Pb+Zn cut off. These resource figures were reported to a JORC (1985) standard. Pasminco (Saxon 1994) re-estimated the resource based on previous explorers work, concluding with a figure of 2.49Mt at 7.5%Pb, 2.6% Zn and 45.4 ppm Ag. These resource figures were for internal use by Pasminco and were never reported publicly. In 1997 Mancala Pty Ltd completed a re-assessment of the data and concluded that potential for an open pit existed to the immediate north of the old mine, around Resource A (Ackerman, 1998). The estimated resource of 135,000 tonnes at 12% Pb, 2.8% Zn and 68g/t Ag, was based on an open pit operation to 50m (a shallower option was also investigated), with a 10% Pb+Zn cut off. These resource figures were never reported to JORC standards and are only included here for historical purposes.

None of the previous explorers have attempted to recreate the original Oceana mined resource. Since 2002, when Zeehan Zinc acquired the Oceana area under licence, work completed has included locating hardcopy versions and digitising the old Zeehan Mines drilling data, digitising of all other historically relevant drilling and trenching data. Fieldwork has consisted of re-establishing the

local grid, undertaking a detailed gravity survey, minor trenching and an initial aircore drilling programme of 3 holes for a total of 100m. ZZ also commissioned SMGC to do resource estimation on a potential open pit resource, this included ZZ completing bulk density measurements on nearly 200 samples of historical core. ZZ completed a further 18 aircore drill holes in April/May 2006.

2.2 Prospect Geology

The Oceana lead/zinc deposits occur as two parallel lodes in steeply east dipping calc-siltites, calcarenites and syn-sedimentary breccias of the Ordovician-aged Gordon Limestone (Figure 3). Mineralisation comprises stratabound, semi-massive galena and sphalerite, locally with semi-massive pyrite, associated with an intensely pervasive, hydrothermal-related, siderite alteration. There are also zones within the drill core and at surface of dark grey/black clays, which are likely to be residual weathering deposits of both the limestone and/or the sulphide bodies.



Figure 2: Schematic surface geology Oceana deposit looking grid northwest

The mineralised body is split into two sections by the obliquely cross cutting Oceana Mine Fault with the northern limit of mineralisation truncated by the cross cutting Oceana Fault (Figure 4). The southern end of the mineralisation is believed to taper out to the south whilst both sections are open at depth.

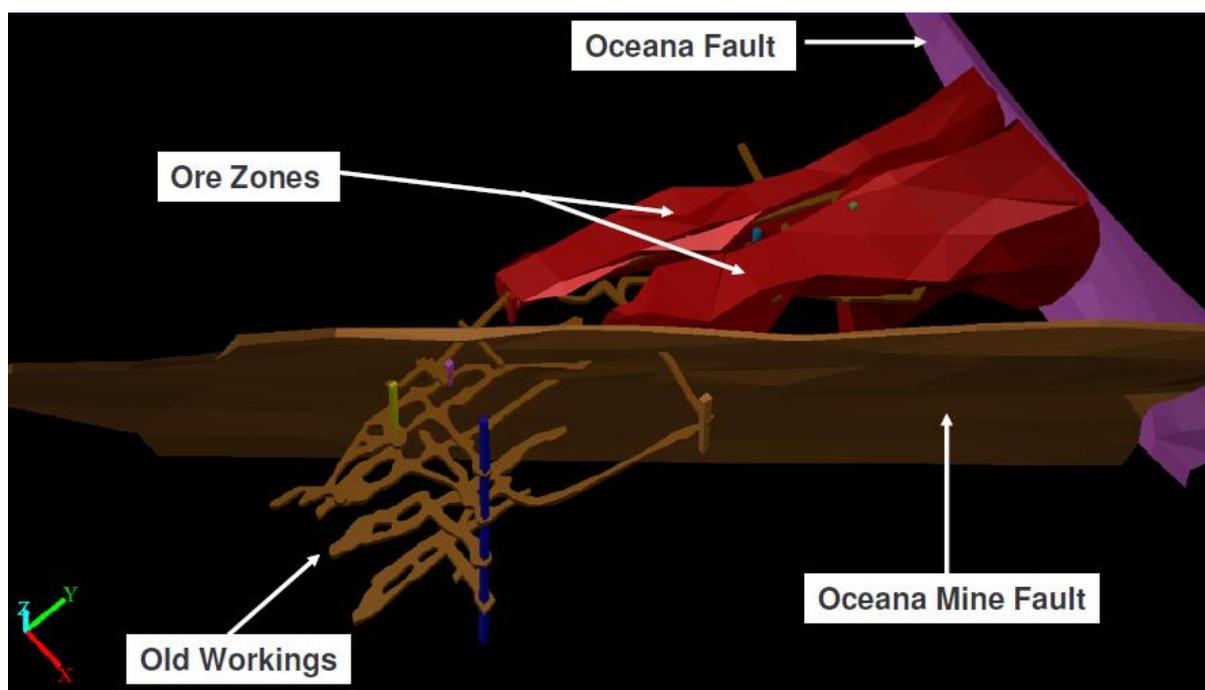


Figure 3: Oceana Resource A mineral zones

The mineralisation north of the Oceana Mine Fault was identified by ZZ as Resource A and consists of a variety of competent, sideritic limestones with galena and sphalerite adjacent to clay-rich oxidised lead- and zinc-rich material. The historical logging records oxidised products of the sulphide mineralisation as being cerussite and hemimorphite/smithsonite. Sections of the old workings by Jack (1961) allude to the possibility of small scale flat lying dextral thrust faults. A low grade envelope exists to the main high grade mineralisation, being more prominent with Resource A.

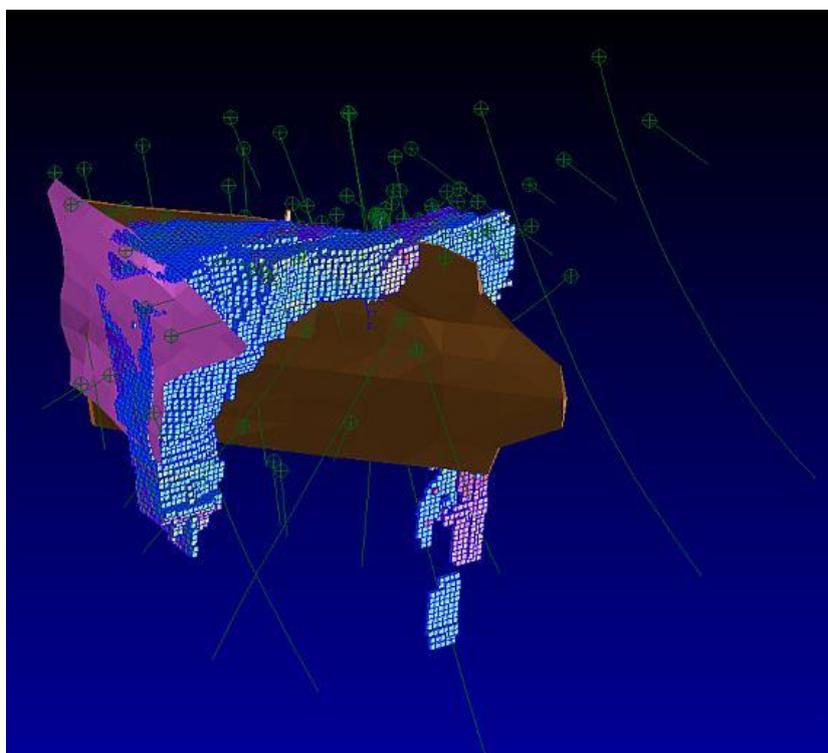


Figure 4: Oceana Block Model with drill holes in Surpac 3

3 WORK UNDERTAKEN DURING 2010

A summary of activities undertaken is presented below.

3.1 Assay Program

The following diamond holes were drilled at Oceana mine lease during July 2008. These holes are currently being submitted for analysis, and to date partial results for hole ZZED-8B have been received back from Burnie Assay Laboratories. The samples were jaw-crushed, then LM5 pulverised so that 90% of the sample passed 75 micron. A triple acid digest was followed by AAS finish for lead, zinc and silver.

Drill Name	X	Y	RL	Datum	Drill Length (m)	Azimuth	Dip	Drill Date	X Local	Y Local
ZZED4	362275	5357379	1193	AGD66	45	220	-60	26-Jun-08	1390	3550
ZZED4B	362289	5357390	1193	AGD66	99	216	-60	4-Jul-08	1410	3550
ZZED5	362197	5357476	1199	AGD66	129	37	-60	24-Jul-08	1385.58	3690.3
ZZED6	362354	5357314	1188	AGD66	99.5	215	-60	1-Jul-08	1406	3450
ZZED7	362267	5357485	1211	AGD66	63	319	-60	1-Jul-08		
ZZED8	362241	5357521	1193	AGD66	40	228	-60	14-Jul-08	1464	3673
ZZED8B	362245	5357524	1193	AGD66	111.4	226	-60	16-Jul-08	1469	3673

Sampling and assaying of diamond drill core did not occur at the time of drilling due to financial constraints. It was recently recognised that the Oceana drill holes in question, originally conceived as metallurgical holes, would provide valuable data to be collated and used to recalculate and/or confirm the Oceana resource.

Drillholes at Oceana



Aerial Photo from September 2007



Zeehan, Tasmania, Australia

4 CONCLUSIONS AND PROPOSED WORK PROGRAM

Exploration works at Oceana during 2011 will focus on analysing and interpreting the results from the assaying program and using the additional drill hole information to recalculate the existing resource figure. In the light of a successful JV partnership with XNF at Oceana, it is anticipated that an expanded exploration and resource drilling work program will be formulated for the RL during 2011.

5 ENVIRONMENT

No environmental disturbance occurred within the licence during the reporting period.

6 EXPENDITURE

Expenditure for the four quarters for 2009 is presented below.

2010	Q1	\$ -
	Q2	\$ -
	Q3	\$ 4830
	Q4	\$ *
Total:		\$ 4830

Expenditure directly attributable to exploration has involved the assay of drill core from the 2008 drilling program. More expenditure in Q4 2010 and Q1 2011 is expected for this work.

7 REFERENCES

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8 APPENDICES

Appendix A (digital): This report in pdf format

ACKNOWLEDGEMENT TO MY THIRD FAMILY-CRH

Hello, Everyone:

I have my story to share with all of you as my acknowledgement for the CRH.

I come to Australia for opening my eyes as skill migrant. I wanted to see what the Australia geoscientists are doing as I am the top qualification geoscientist in China. Australia is a sad country except the number one of the sport on the world because we are very alone through the Australia history. Specifically the new migrants are very hard in the continental for everything and this situation is never changed yet. During the firstly arrived year 2004 and 2005, my wife Daisy was always crying: "Come back China, why we stay here?" She was a principal of the high school and teaching Chinese in QingZhen, Guizhou Province. We continued studying English although I had passed the International English Language Test System before I came Australia. The first Job was found after four month as the labor in the construction industry for fixing timber on floors, cleaning the waste matters, concrete, cement mixing, painting, furniture deliver as part time (two days per week) for livings. We continued studying English four days per week.

At the end of 2005, it is about one year and four months passed since I arrived at Adelaide; I had a chance for a month work experience in PIRSA (the Department of Primary Industry and Resource South Australia) for MapInfo. After this I had the PhD scholarship from the University of Adelaide. Thus, the PIRSA is my first Australia Family and the University is my second Australia family.

I came to Tasmania on 26 May 2008 for Job until the 7 Aug 2009. I just lost job from the company at that time due to decrease operation. Actually, I had twice interviews on Aug 2008 and Oct 2008. The very good company wanted me work in the heavy minerals in Paleochannal in Southeast part of South Australia. After one more month, one Iron company wanted me as a geological manager. At that time, I had a ticket flying to Beijing for writing exploration report. I believe that I lost two good jobs for keeping working in my Third Family –CRH (ZeehanZinc).

From the 7th Aug 2009 to the date I came back to CRH, It was really hard time. Firstly I wanted to build a company. After three months I gave up due to lack of enough finance support. I have also applied 400 more Jobs. It is really very difficult to get job due to my high achievements with wide experience. The CRH save me again form the dark time. Really deep thanks from my heart!

At the same time, I found a new job opportunity in South Australia. It is what I really wanted for long time. I have to tell the CRH, these are very difficult and sad for me. I have no face or feeling shy to face to the staff of the CRH-my third family.

1. Thanks Rex and Yasmine made me back with friendly supporting;
2. Thanks Laurie teaching my Surpac and Database of MRT with greatly patient at any time;
3. Thanks Karen organized airplane tickets for one more year and accommodation, looked after me;

4. Thanks Stephen organized everything, picked me up from Hobart to Zeehan for long time and looked after me;
5. Thanks Shane is my major work partner with geological support, going every way in field;
6. Thanks for everyone giving me support that I have not mentioned;
7. Thanks Shu Zhan and Peter Yue gave me extremely understanding with friendly heart; I really missed them so much.

Cheng Lin Yang is always your friend; this situation can never be changed.

This is what I really care of friends.

Best Regards and Best Wishes for all I met in the company.

Yours

Cheng Lin Yang

Cheng Lin Yang: Bac (1985); Masc. (2008); MAusIMM;

I was the principal Chief Geologist of GZYSKD (5000 employees), China. Six chief geologists reported to me for monthly reports at 2002. I supervised eighteen exploration projects of GZYSKD for geological quality and technique at 2003 and 2004. I was in charge of four labs of GZYSKD for the assay achieved the international standard for more than 80 elements with more than 150 methods at 2003.

I am the exploration geologist of ZZL and CRH, Tasmania for costeans, hole log on, mapping, soil samples, writing Chinese resource report and supporting the proposal of lead-zinc-silver.