

Creat Resources Holdings Ltd

Annual Report
on
Retention Licence 1/2008

For the period

January 2011 – January 2012

Prepared by:
Jianping He
Chief Geologist - CRHL
Morris R. Hansen
Senior Geologist – CRHL

For

Creat Resources Holdings Ltd
262 Main St.
Zeehan, Tasmania 7469

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 work undertaken by Creat Resources Holdings Limited) within the tenement licence area during the period January 2011 - January 2012.

Role in the Regulation Process

This document fulfils the role of an Annual Report for the period January 2011 - January 2012, as required under Section 28 of the *Mineral Resources Development Act 1995*.

Datum

Geodetic Datum AGD66, zone 55 has been used for this report unless stated otherwise.

Distribution:

- 1 x Mineral Resources Tasmania
- 1 x Creat Resources Holdings Ltd – Beijing Office
- 2 x Creat Resources Holdings Ltd – Hobart Office
- 1 x Creat Resources Holdings Ltd – Zeehan Field Office

Table of Contents

Foreword	2
Function of the Annual Report.....	2
Role in the Regulation Process.....	2
Datum.....	2
Distribution	2
1 Introduction	4
1.1 Purpose of this Document	4
1.2 The Proponent	4
1.3 Tenement Location	4
1.3.1 Mineral Exploration Area.....	4
1.3.2 Site Location.....	4
1.3.3 Licence Tenure	4
2 Summary of Previous Work	5
2.1 Previous Mining and Exploration within RL 1/2008.....	5
3 Current Activities, 2011 - 2012	6
3.1 Exploration Activities	6
3.2 Mining Activities.....	6
3.3 Environmental Activities	6
4 Expenditure	7
5 References	7

FIGURES

Figure 1: RL 1/2008 location plan and surrounding land holdings.....	5
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1 INTRODUCTION

1.1 Purpose of This Document

This document fulfils the role of an Annual Report for RL 1/2008 during January 2011 - January 2012 as required under Section 28 of the Mineral Resources Development Act 1995.

1.2 The Proponent

Creat Resources Holdings Limited (CRHL) currently holds Retention Licence 1/2008, the Mariposa Project. CRHL's medium to long term objective is to confirm, extend and development the existing known resource and move from a base metals explorer to producer.

1.3 Tenement Location

1.3.1 Mineral Exploration Area

Retention Licence 1/2008 covers an area of 3 square kilometres and is located due south of Zeehan, western Tasmania.

1.3.2 Site Location

RL 1/2008 covers approximately 3 km², and is located 5km southeast from Zeehan, Western Tasmania. The Zeehan Highway follows the eastern boundary of the tenement for approximately 1.5km and provides road access to RL1/2008 via the Mariposa track. The tenement is located entirely within Exploration licence 20/2002 which is held by ZZ Exploration Pty Ltd, a 100% controlled entity of CRHL (Figure 1).

1.3.3 Licence Tenure

The tenement, RL 1/2008, was granted to Creat Resources Holdings Ltd on the 1 February 2008 for a period of two years and applies to all Category 1 minerals. The licence is due for renewal again on the 01/02/13.

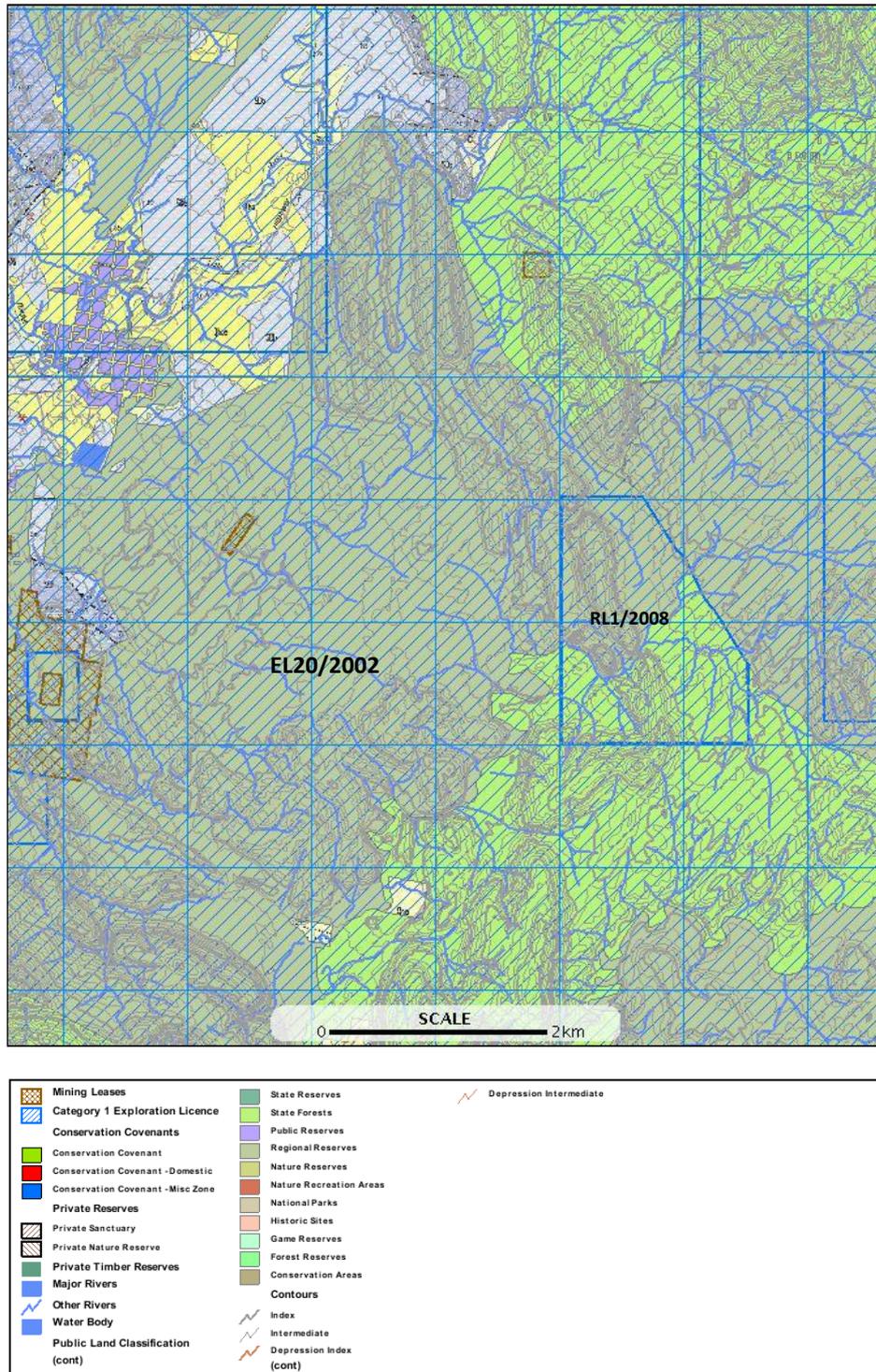


Figure 1: RL 1/2008 location plan and surrounding land holdings

2 SUMMARY OF PREVIOUS WORK

2.1 Previous Mining and Exploration within RL 1/2008

The Mariposa Project is part of a series of limestone-hosted base metal prospects located around Zeehan which have been subjected to substantial previous mineral exploration. The Oceana

lead/zinc deposit/mine provided much of the impetus for such exploration to be undertaken over all the outcropping areas of the Gordon Limestone in the general Zeehan area (Tear 2005a).

The original Mariposa deposit began its mine life in the 1890's as a small trial mining exercise with a shaft and underground drives developed with production amounting to "1000 tons of milling ore" at 33% Pb and 17ozs Ag (Cadwallader, 1951). Various attempts at re-opening the mine ensued until North Broken Hill undertook a diamond drilling campaign in the early 1950's. This work identified a resource and included a scoping study with some estimation of mining costs, but the reports contain no maps and hence four of the twelve drill holes have not been re-located since. Macintyre Mines completed some exploration in the 1970's, drilling one diamond hole just south of the main Mariposa Lode (Bates 1972). This intersected weak lead/zinc mineralisation in the expected position.

In the 1980's the area was held as an exploration licence by AMOCO/CYPRUS who subjected the ground to a systematic search looking to find an Irish-type carbonate hosted lead/zinc deposit. This included drilling of the main Mariposa Lode and substantial trenching over the whole carbonate outcrop at Mariposa. Significant mineralisation and geochemical anomalism was encountered but follow up work was limited (Ellis 2002, Jones & Kary 1983 and Kary 1985). CRAE P/L were the subsequent explorers in the mid 1990's and completed an extensive aircore drilling programme coupled with some diamond drilling and other geological studies including mineralogy (Parkinson 1994, Parkinson, 1995, Tear, 1996 and Tear & Russell, 1997). Again significant mineralisation and geochemical anomalism was discovered but follow up work was not completed.

3 CURRENT ACTIVITIES, 2011 - 2012

3.1.1 Exploration Activities

During the period, minimal exploration was conducted within the boundaries of the licence. Several visits to site were carried out to confirm on ground data in the existing database. Re-assessment of some of the early data was undertaken in an effort to determine the best method to increase both grade and tonnage of the existing mineralisation. Consideration is being given to the possible value of a ground based geophysical survey to aid in targeting of future drill holes.

3.1.2 Mining Activities

No mining activities were carried out during the period. A review of the existing ore reserve calculations is being undertaken to determine how best to improve the existing mineral deposit. Preliminary discussions have been had with relation to on sale of ore stock if mining were to commence.

3.1.3 Environmental Activities

During the period no environmental works were required to be carried out by the company. Visual inspection of the site is made on a quarterly basis to monitor any potential impact by activities, past and present.

4 EXPENDITURE

RL1 Expenditure for the year ended 31st January, 2012.

Total: \$13,878.00

5 REFERENCES

Bates, T.E., 1972; TCR72_0861 – Final report on Special Prospecting Licence no. 46, Zeehan, West Tasmania (for McIntyre Mines)

Cadwallader, W.J., Garretty, M.D., Loh, R.P., 1951; TCR50_0106 - Mariposa Mine (for North Broken Hill)

Ellis, P.D., 2002; TCR02_4820 - Past Exploration within the area of EL 15/1976 – Dundas (for AMOCO)

Jones, P.A., Kary, G.L. 1983; TCR83_1998 - Progress Report, January to June 1983, Amoco/CSR Joint Venture, Part Exploration Licence 15/76, Dundas, Tasmania

Tear, S.J. Geological Interpretation and Block Model Report for the Mariposa Prospect, Zeehan, West Tasmania, February 2006, SMG Consultants.

Kary, G.L., 1985; TCR85_2457 - Progress Report July 1984 to June 1985 Part EL 15/76 Dundas, Tasmania (for AMOCO)

Parkinson, R.G., 1994; TCR94_3551 - Mount Dundas EL 45/92, Tasmania, Report on Exploration for the First Year of Tenure, 16/4/93 to 15/3/94 (for CRAE)

Parkinson, R.G., 1995; TCR95_3722 - Mt Dundas EL 45/92 Tasmania Report on Exploration for Year 2 16.4.94 to 15.3.95 (for CRAE)

Russell, S.A.J., Tear, S.J., 1997; TCR97_4009 - Annual Report - EL 45/92 - Mt Dundas (for CRAE)