

Creat Resources Holdings Ltd

Annual Report
on
Retention Licence 4/2009

For the period
January 2012 – January 2013

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For

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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 work undertaken by Creat Resources Holdings Limited) within the tenement licence area during the period January 2012 - January 2013.

Role in the Regulation Process

This document fulfils the role of an Annual Report for the period January 2012 - January 2013, 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
- 1 x Creat Resources Holdings Ltd – Zeehan Field Office

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1 INTRODUCTION

1.1 Purpose of This Document

This document fulfils the role of an Annual Report for RL 4/2009 during January 2012 - January 2013 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 4/2009, the former mining lease, 5M/2007 (Comstock mine). 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 4/2009 covers an area of 247 hectares and is located due west of Zeehan, western Tasmania (Figure 1). Access is gained via the Trial Harbor Road and thence the road network established during mining operations.

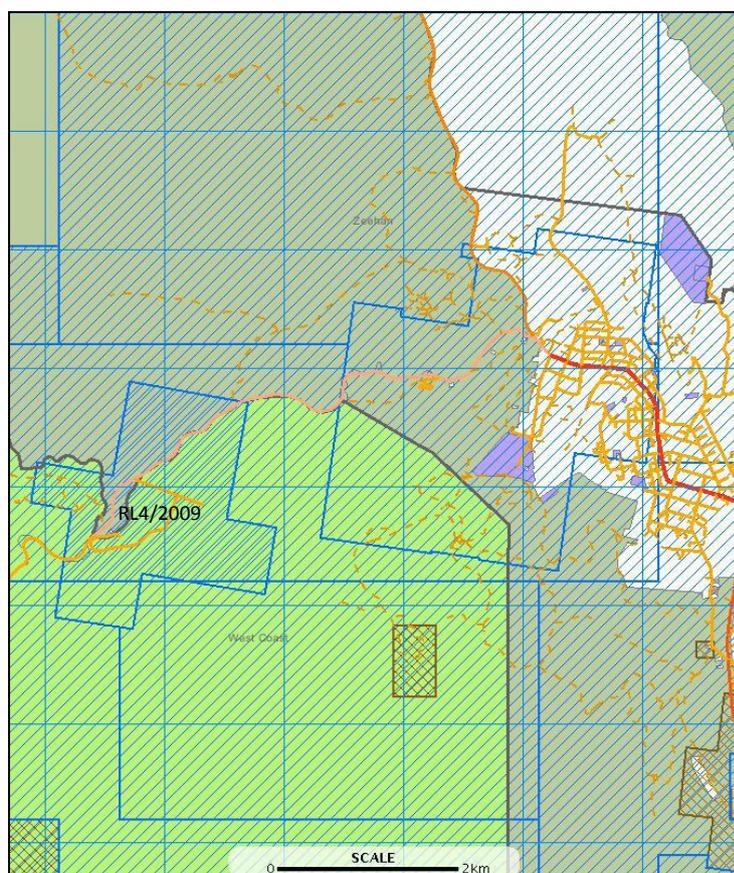


Figure 1: Location Plan

1.3.2 Licence Tenure

The tenement, RL 4/2009, was granted to Creat Resources Holdings Ltd on the 1 February 2009 for a period of two years and applies to all Category 1 minerals. The licence area covers surrendered ML 5M/2007, originally constituting the Comstock Mine Lease (Figure 2). The licence was renewed in 2012 for a further 2 years with an expiry date of 1st February 2014.

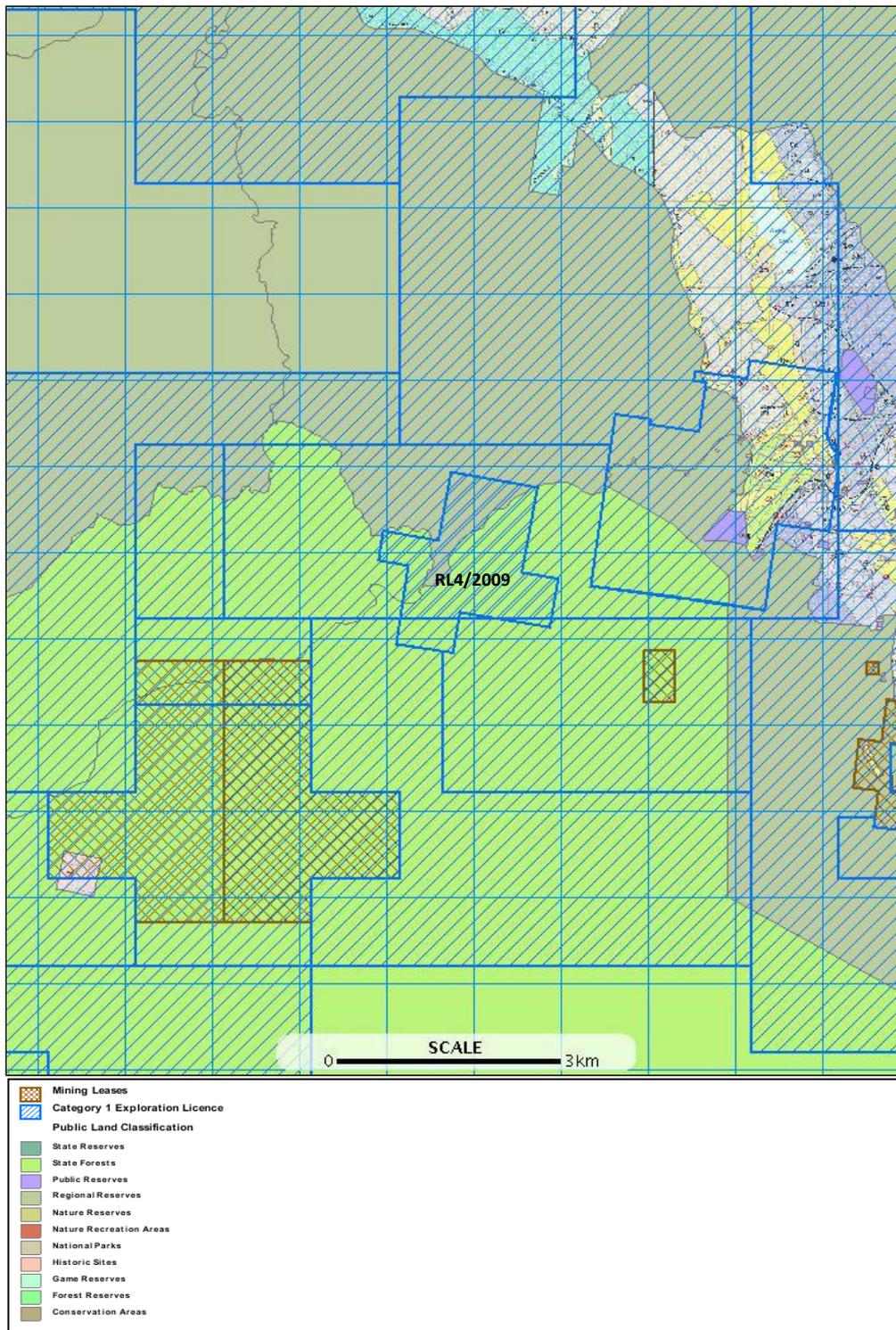


Figure 2: Land Tenure

2 SUMMARY OF PREVIOUS WORK

2.1 Previous Mining and Exploration within RL 4/2009

Historically, the Comstock mine and numerous smaller mines within the licence area have been mined sporadically since the late 1800's up to 2008 by various individuals and companies. In earlier efforts, mining was concentrated on the lead and silver content of the mineralised lodes. More recently this has included zinc as the major mineral extracted.

The most recent mining activity, carried out by Zeehan Zinc ceased in 2008. Upon cessation of mining, Creat Resources Holdings Ltd, the new owners of the Zeehan Zinc assets applied for and were granted the current Retention Licence. Since that time the company's efforts have focused on work to upgrade and extend the existing resource.

3 CURRENT ACTIVITIES, 2012 - 2013

3.1 Exploration Activities

During the period, no exploration was conducted within the boundaries of the licence. Site visits were conducted with interested parties discussing participation in development of the tenement. Discussions were undertaken with numerous parties and an agreement to purchase the tenement was finalised on 21st December 2012, subject to Ministerial approval of the transfer.

3.2 Mining Activities

No mining activities were carried out during the period. A review of the existing ore reserve calculations is being reviewed to aid in further exploration to extend existing resources.

3.3 Environmental Activities

During the period work was continued with respect to the company's environmental responsibilities relating to the historical exploration and mining rehabilitation program.

Work completed during the period can be summarised as follows:

- Continued dosing of the tailings dam to keep ph levels up enabling settling out of heavy metals prior to site water being released back into the natural environment.
- Continued quarterly monitoring of site water quality.
- Re-direction of water flow between tailings dam and polishing pond to allow for longer duration and more efficient flow through between the two.
- Modification and cleaning of pipework feeding the tailings dam for more efficient flow.
- Contracting of GHD Consultants to assess the nature and acceptability of the clay samples taken in relation to the clay deposit proposed to cap the various deposits on site.

4 EXPENDITURE

RL4 Expenditure for the year ended 31st January, 2013.

Activity	Expenditure
Exploration	\$ 11,950.00
Mining	\$ Nil
Environmental	\$374,000.00
Total Expenditure	\$385,950.00

5 REFERENCES

Blisset, A.H. (1962). Geology of the Zeehan Sheet.

Tear, S. (2005). Geological Update on the Comstock Prospect, Zeehan, West Tasmania. Benmore Exploration Pty Ltd, 2005.