

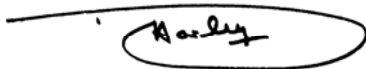
**DRILLING REPORT –
TENNANT CREEK GOLD – COPPER PROJECT**

Since the Company's announcement on 10th May 2010, hole TCD 1, the first hole designed to test the 2km long Gosse 5 gravity anomaly some 70 km east of Tennant Creek, advanced to 330m before being stopped at this depth on 18th May.

There was no obvious source of the gravity anomaly in the drill core, the main rock types being felsic to more mafic volcanic rocks of the Warramunga Formation, the host rock unit of the gold-copper ironstone deposits in the Tennant Creek district. Localised breccia zones with hematite infill are present below 170m and a narrow zone of minor copper sulphide (chalcopyrite) mineralisation associated with thin quartz veins was noted at 243m.

Overall, alteration of the Warramunga Formation host rocks appears to increase downwards, supporting the possibility that the source of the gravity anomaly is below 330m depth. The core from TCD 1 is currently being sampled for gold-copper-silver assay and density measurements will also be made. Once the results from this sampling have been received, deepening of hole TCD 1 will be considered. A high grade gold-copper deposit at depths below TCD 1 is still a financially attractive exploration target.

The drill rig was released from the contract yesterday.



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ATTRIBUTION

The information in this report that relates to exploration results, mineral resources and ore reserves is based on information compiled by Mr D N Harley, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Harley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.