

QUARTERLY REPORT for MARCH QUARTER, 2008

Exploration – Wollogorang NT

Field work ceased just prior to Christmas, and the field camp was packed up and returned to Cairns for the “wet” season. No field work was completed during the quarter. It is anticipated that field work will recommence in early May, 2008.

Two diamond drill holes were completed at the end of the field season into the Double J prospect. The holes intersected mineralisation in the Wollogorang Formation and the underlying Settlement Creek Volcanics. This intersection in the Settlement Creek Volcanics identifies for the first time additional prospective targets for copper – zinc in the project area. It also allows for more accurate interpretation of the Induced Polarisation (IP) geophysics completed earlier in the year. The mineralisation showed elevated assays for copper, and are summarized in the Table below.

Hole No.	From (m)	To (m)	Interval (m)	Cu%	Zn %
WGD07001	23.0	24.0	1.0	0.11	-
	49.0	50.0	1.0	-	0.22
	73.0	74.0	1.0	-	0.31
	88.0	89.0	1.0	-	0.32
WGD07002	143.5	144.0	0.5	-	0.20

Results of the geophysical surveys over Masterton Ridge prospect are very encouraging. The prospect is identified by a circular magnetic low about 2.0 km in diameter. The pipe structures at Redbank have a similar magnetic signature, but are 100 to 200 m in diameter. Redbank Mines recently announced high grade copper intersections in some near surface drilling at one of their pipes. (see GLM Announcement 9 April 2008). The TEM results were finally interpreted satisfactorily, and enhance the conclusion that there is likely sulphide mineralisation under the Masterton Ridge sandstone, at the prospect. It is however, noted that access to this prospect is extremely difficult.

Drafting and compiling of the field results for the copper project was completed.

Compilation of the results of the ground follow-up on the uranium targets in the Gold Creek Volcanics was completed. Drilling results advised by the Company’s Joint Venture partner for drilling completed at the El Hussen prospect in the southern part of the NT tenements. Please refer to the ASX Announcement of 15 February 2008 for more detail. The encouraging results are tabulated below.

Hole No.	From (m)	To (m)	Interval (m)	U ₃ O ₈ %
EH 1	2.25	4.25	2.0	0.02
EH 2	17.25	18.75	1.5	0.03
EH 8	38.75	42.75	4.0	0.02

The JV partners Lagoon Creek Resources Pty Ltd (LCR) consider these results encouraging given the extensive regional uranium mineralised system and the tenor of mineralisation at Redtree in the Queensland portion of the system only a few km over the border from this prospect.

Exploration – Ebagoola Qld

Field work ceased just prior to Christmas, and the field camp was packed up and returned to Cairns for the “wet” season. No field work was completed during the quarter. Field work will recommenced in late April, 2008.

Seven diamond drill holes were successfully completed into five prospects during November – December 2007 on EPM 12119. The significant assay results are tabulated below. For further details, see the ASX Announcement made on 21 February 2008.

Hole No	From (m)	To (m)	Width (m)	Grade (g/t)
EBD07001	41	68.1	27.1	1.08
incl.	46.1	47.6	1.5	4.54
incl.	52.9	57.0	4.1	3.0
EBD07002	54.0	74.1	20.1	0.55
incl.	54.0	60.0	6.0	0.78
incl.	67.2	71.0	3.8	0.69
EBD07003	Abandoned			
EBD07004	27	35.6	8.6	0.65
incl.	30.0	33.8	3.8	1.09
EBD07005	40.0	44.0	4.0	1.16
	63.0	66.7	3.7	0.89
EBD07006	45.0	48.4	3.4	5.64
incl.	47.0	48.4	1.4	11.5
EBD07007	40.0	45.2	5.2	0.82
	63.0	67.7	4.7	0.29
EBD07008	No Significant Assays			

These results have been assessed in conjunction with the IP geophysical surveys conducted last year. The result has been a resiting of a number of the drill holes to be completed early this field season.

The IP has recorded some very high chargeability anomalies which almost certainly result from disseminated sulphides. The large hydrothermal system responsible for the mineralisation will be auriferous, and further IP surveys are planned for this field season.

The Queensland Government has granted EPMs 15369, 15420, 15421, and 15652 in respect of the Applications lodged by the Company over a year ago (see ASX Announcement 24 January 2008). Field reconnaissance is planned for April and May 2008. EPM 12119 continues in force awaiting the outcome of our application for renewal.

Exploration – Nowa Nowa Vic

In February 2008, the Company entered into an Option Agreement with Waygara Mines Pty Ltd, to evaluate the Nowa Nowa Iron Ore project, situated 25 km north of Lakes Entrance in Victoria. The project is characterised by several very large amplitude magnetic anomalies, which were discovered in the early 1950s. Massive magnetite and quartz magnetite outcrops have been recorded, and drilling (on the peaks of the magnetic anomalies only) has been conducted by the Geological Survey of Victoria. Massive magnetite is reported from the drilling.

A field programme was undertaken in March 2008, which consisted of a ground magnetometer survey, and basic mapping and rock sample collection. Assay of the rock samples using the Company’s recently acquired Niton field XRF unit showed the 17 of the

rock samples collected assayed in the range 50 – 63% iron. These measurements must be checked by standard laboratory techniques. Some samples contained hematite rather than magnetite.

Field geological mapping and geophysical mapping based on the ground magnetics have indicated that there is potential for iron deposits with a total tonnage of iron mineralisation ranging from 50 million to 100 million tonnes.

Interpretation of the magnetics is continuing.

“The information in this Announcement that relates to Exploration Results is based on information compiled by Graham Reveleigh, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Reveleigh is the Managing Director of Gulf Mines Limited, and has sufficient experience which is relevant to the style of Mineralization 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. Reveleigh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears”.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Graham Reveleigh', written in a cursive style.

Graham Reveleigh
Managing Director