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This document constitutes an admission document in accordance with the AIM Rules for Companies published by London Stock Exchange plc. This document does not constitute a prospectus for the purposes of the Prospectus Rules and has not been approved by or filed with the Financial Services Authority. Any offer of Ordinary Shares is being made only to qualified investors for the purposes of and as defined in section 86(7) of FSMA and accordingly this document does not constitute, and the Company is not making an offer to the public within the meaning of sections 85(1) and 102B of FSMA.

The Board, whose names appear on page 4 of this document, and the Company accept responsibility, both individually and collectively, for the information contained in this document. To the best of the knowledge and belief of the Board and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. To the extent information has been sourced from a third party, this information has been accurately reproduced and, as far as the Board and the Company are aware, no facts have been omitted which may render the reproduced information inaccurate or misleading. In connection with this document, no person is authorised to give any information or make any representation other than as contained in this document.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UKLA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent professional financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The rules of AIM are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the New Ordinary Shares to the Official List. Neither the Existing Ordinary Shares nor the New Ordinary Shares will be dealt on any other recognised investment exchange and no other such application will be made. Furthermore neither the London Stock Exchange nor the UKLA has itself examined or approved the contents of this document.

Application will be made for the Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and dealings for normal settlement in the Enlarged Share Capital will commence on 16 July 2012.



Wishbone Gold Plc

(Incorporated in Gibraltar under the Gibraltar Act with registered number 103190)

**Placing of 25,750,000 new Ordinary Shares
at 2 pence per new Ordinary Share**

Admission of the Enlarged Share Capital to trading on AIM

**Nominated Adviser
Shore Capital and Corporate Limited**

**Broker
Shore Capital Stockbrokers Limited**



SHORE CAPITAL

Share capital immediately following completion of the Placing and Admission

<i>Authorised number</i>	<i>Issued and fully paid</i>
1,000,000,000 Ordinary Shares of par value £0.001	170,987,327 Ordinary Shares of par value £0.001

YOUR ATTENTION IS DRAWN TO THE RISK FACTORS SET OUT IN PART II OF THIS DOCUMENT.

Shore Capital and Corporate Limited ("SCC"), which is authorised and regulated by the Financial Services Authority, has agreed to act as nominated adviser to the Company (for the purposes of the AIM Rules for Companies) in connection with the Placing and Admission. Shore Capital Stockbrokers Limited ("SCS"), which is a member of the London Stock Exchange and is authorised and regulated by the Financial Services Authority, has agreed to act as broker (for the purposes of the AIM Rules for Companies) to the Company in connection with the Placing and Admission. Persons receiving this document should note that, in connection with the Placing and Admission, SCC and SCS are acting exclusively for the Company and no one else and will not be responsible to anyone, other than the Company, for providing the protections afforded to customers of SCC and SCS or for advising any other person on the transactions and arrangements described in this document. No representation or warranty, express or implied, is made by SCC or SCS as to any of the contents of this document in connection with the proposed Placing and Admission, or otherwise. No legal, business, tax or other advice is provided in this document. Prospective investors should consult their professional advisers as needed on the potential consequences of subscribing for, purchasing, holding or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence.

The whole text of this document should be read. Investment in the Company is speculative and involves a high degree of risk. Your attention is also drawn to the section headed “Risk Factors” in Part II of this document which sets out certain risk factors relating to an investment in the Ordinary Shares. All statements regarding the Group’s business, financial position and prospects should be viewed in light of the risk factors set out in Part II of this document. The Company is incorporated in Gibraltar and is managed and controlled outside the UK. Accordingly, the provisions of the City Code and the protections which it might otherwise afford to investors and any ability to discuss matters relating to the Company with the Panel are not available to the Company.

The new Ordinary Shares being issued pursuant to the Placing and the CLN Conversion Shares and the 2010 CLN Shares will, on Admission, rank *pari passu* in all respects with each other and with the Existing Ordinary Shares and will rank in full for all dividends or other distributions declared, made or paid on the ordinary share capital of the Company after Admission.

For the purpose of Section 21 of FSMA, this document constitutes a financial promotion which has been issued by the Company, but whose content has not been approved by any person authorised by the FSA. Accordingly, it may only be used as a communication made to (i) persons authorised under FSMA and other categories of “investment professional” defined in accordance with article 19 of FSMA (Financial Promotion) Order 2005 (the “Order”); and (ii) high value entities as referred to in article 49(2) (a), (b) and/or (c) of the Order (or individuals in their capacities as directors, officers or employees of such entities). The Company has not sanctioned the use of this document for a financial promotion to any person not falling under articles 19 or 49 of the Order and no such person should place reliance upon this document for any purpose. Use of this document other than in accordance with this restriction is not permitted and may contravene FSMA. No representation or warranty, express or implied, is made by the Company, SCC or SCS to prospective purchasers of Ordinary Shares as to the contents of this document (without limiting the statutory rights of any person to whom this document is issued). The information contained in this document is not intended to inform or be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly to the extent permitted by law no duty of care is accepted by the Company, SCC or SCS in relation to them.

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This document does not constitute a public offer of securities in any part of the United Arab Emirates (“UAE”). The person or entity to whom this document has been issued understands, acknowledges and agrees that the document is not approved by the UAE Central Bank, the Emirates Securities & Commodities Authority, the Dubai Financial Services Authority or any other relevant regulatory authority in the UAE. The document is strictly private and confidential and is being distributed to a limited number of sophisticated and/or professional investors upon their request. The document and any other offering material do not constitute a public offer of securities in the UAE in accordance with Commercial Companies Law, Federal Law No. 8 of 1994 (as amended) or otherwise or an advertisement or solicitation to the public, and is intended only for the individual recipients to whom this document is personally provided and may not be reproduced or used for any other purpose. Nothing in this document is intended to constitute investment, legal, tax, accounting or other professional advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice rendered on the basis of your situation. At the present date, there is no taxation regime applying to private individuals in the UAE. Potential investors who are concerned about possible tax implications of purchasing foreign securities, for their taxable status under their ‘home country’ (or other) tax regimes applicable to them, should consult their personal tax advisors.

No securities in the Company are being offered for sale in Hong Kong, by means of any document, other than: (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. The Company has not issued or had in their possession for the purposes of issuing, and will not issue or have in their possession for the purposes of issuing, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to securities in the Company, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to securities of the Company which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance. The contents of this document have not been reviewed by, or registered with, any regulatory or governmental authority in Hong Kong. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

The Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan, the Republic of China pursuant to relevant securities laws and regulations and may not be offered or sold in Taiwan, the Republic of China through a public offering or in circumstance which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan, the Republic of China that requires a registration or approval of the Financial Supervisory Commission of Taiwan, the Republic of China. No person or entity in Taiwan, the Republic of China has been authorized to offer or sell the Shares in Taiwan, the Republic of China.

In making any investment decision in respect of the Placing, no information or representation should be relied upon in relation to the Placing or in relation to the Ordinary Shares other than as contained in this document. No person has been authorised to give any information or make any representation other than that contained in this document and, if given or made, such information or representation must not be relied upon as having been authorised.

Prospective investors are advised to read, in particular, Part I “Information on the Group” and Part II “Risk Factors” for a more complete discussion of the factors that could affect the Group’s future performance and the industry in which it will operate.

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DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors

Richard Poulden	<i>Executive Chairman</i>
Jonathan Harrison	<i>Finance Director</i>
George Cardona	<i>Non-executive Director</i>
Michael Mainelli	<i>Non-executive Director</i>
Alan Gravett	<i>Non-executive Director</i>

Company Secretary

Ms Nadine Collado
Line Management Services
57/63 Line Wall Road
P.O. Box 199
Gibraltar

Registered and Head Office

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Legal advisers to the Company as to Gibraltar Law

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Legal advisers to the Company as to Australian Law

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Australia

Legal advisers to Shore Capital

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EC4A 3BF

Reporting Accountants	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD
Auditors to Wishbone Gold Pty Limited	PKF (Gold Coast) Pty Ltd Level 5, RSL Centre 9 Beach Road Queensland 4217 Australia
Competent Person	I2M Associates LLC 1810 Elmen Street Houston, TX 77019 United States of America
Depository	Capita IRG Trustees Limited The Registry 34 Beckenham Road Kent BR3 4TU
Registrars	Capita Registrars (Guernsey) Limited Longue Hougue House Longue Hougue Lane St Sampsons Guernsey GY2 4JN

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	10 July 2012
Admission and commencement of dealings in the Existing Ordinary Shares and the New Ordinary Shares on AIM	16 July 2012
Expected date for CREST accounts to be credited with Depository Interests (where applicable)	16 July 2012
Despatch of definitive share certificates in respect of New Ordinary Shares to be held in certificated form	30 July 2012

ADMISSION STATISTICS

Number of Existing Ordinary Shares	111,000,000
Number of 2010 CLN Shares being issued	4,219,355
Number of CLN Conversion Shares being issued	30,017,972
Number of Placing Shares being issued	25,750,000
Placing Price	2p
Gross proceeds of the Placing	£515,000
Enlarged Share Capital	170,987,327
Market capitalisation of the Company at the Placing Price following Admission	£3.4 million
New Ordinary Shares expressed as a percentage of the Enlarged Share Capital	35.1%
ISIN (of the Ordinary Shares and the Depository Interests)	GI000A1JU9R7
Ticker	WSBN

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this document, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations or statements relating to expectations in relation to dividends or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates", "would", "could" or similar expressions or the negative thereof, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group's control that could cause the actual results, performance, achievements of or dividends paid by, the Group to be materially different from future results, performance or achievements, or dividend payments expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Among the important factors that could cause the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements include factors in the section entitled "Risk Factors" in Part II and elsewhere in this document. These forward-looking statements speak only as of the date of this document.

The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions in relation to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. As a result of these factors, the events described in the forward-looking statements in this document may not occur. Prospective investors should be aware that these statements are estimates, reflecting only the judgement of the Company's management and prospective investors should not rely on any forward-looking statements.

KEY INFORMATION

THE FOLLOWING IS A SUMMARY OF THE PRINCIPAL FEATURES OF THE COMPANY AND ITS BUSINESS AND SHOULD BE READ AS AN INTRODUCTION ONLY TO THE FULL TEXT OF THIS DOCUMENT.

Introduction

Wishbone Gold Plc is an exploration and acquisition vehicle founded by Richard Poulton and certain former colleagues from other ventures. The Company's strategy is to acquire, explore and develop precious metal assets, primarily gold, with an initial focus on its assets in Queensland, Australia.

Wishbone Gold Plc was incorporated in Gibraltar on 28 October 2009. On 6 December 2010, the Company acquired the entire issued share capital of Wishbone Gold Pty Ltd, a company incorporated and registered in Queensland, Australia, and which is currently the holder of two concessions, Wishbone II and White Mountain, covering a total area of 11,100 hectares (about 42.5 square miles) in Queensland, Australia.

Strategy

The Board believes there may be opportunities for the Group to expand and become a consolidator of viable gold prospects and has already reviewed a number of potential acquisition and exploration opportunities. The Board will consider the most appropriate financing structure at the time of any acquisition. There is no guarantee that any such acquisitions may be concluded.

In addition, the Company will explore its current concessions Wishbone II and White Mountain and has submitted an application for a third tenement in Australia. The Board's exploration strategy is firstly to apply modern exploration evaluation techniques to existing information; and secondly to enhance existing information with primary research in order to establish more accurate valuations and a viable exploitation strategy.

Reasons for Admission

The Directors believe that the Admission will assist the Group in its development by:

- enabling the Group to potentially raise finance through ongoing access to capital markets;
- raising its profile and status; and
- promoting the expansion of the Group's business, facilitated by capital raisings.

Details of the Placing and use of proceeds

Conditional on Admission, the Company is proposing to raise approximately £0.5 million (before expenses) by the issue of 25,750,000 new Ordinary Shares at the Placing Price through the Placing. In addition, the Company raised approximately £0.4 million by way of the issue of the CLNs. The net proceeds of the Placing and CLNs are expected to be approximately £0.45 million. The Placing Shares will represent approximately 15.1 per cent. of the Enlarged Share Capital.

The Directors intend that the net funds raised through the Placing will be used to assist in funding initial exploration costs (including mapping, stream sampling, soil sampling, logistical support and license fees) on Wishbone II and White Mountain and otherwise for working capital purposes.

Lock-ins and transfer restrictions

In accordance with the AIM Rules, the Directors, Barry Everingham (a director of Wishbone Gold Pty Ltd) and Carousel Holdings International Limited (a substantial shareholder and related party under the AIM Rules on Admission) have entered into lock-in agreements and orderly market arrangements. In addition, under the terms of the CLN Subscription Letters, the investors in the CLNs have also entered into lock-in agreements. Further details of the lock-in and orderly market arrangements are set out in paragraph 11 of Part VI of this document.

Working capital

The Directors, having made due and careful enquiry, are of the opinion that the working capital available to the Company and to the Group will be sufficient for its present requirements, that is for at least twelve months from the date of Admission.

Dividend policy

The Directors recognise the importance of dividends to investors and, as the Group's business matures, will keep under review the desirability of paying dividends. Future income generated by the Group is likely to be re-invested to implement its growth strategy. In view of this, it is unlikely that the Board will recommend a dividend in the early years following Admission.

Further information

Prior to investing in the Company, prospective investors should consider the risk factors attaching to an investment in the Company, in particular the risk factors set out in Part II of this document, together with the rest of the information contained in this document.

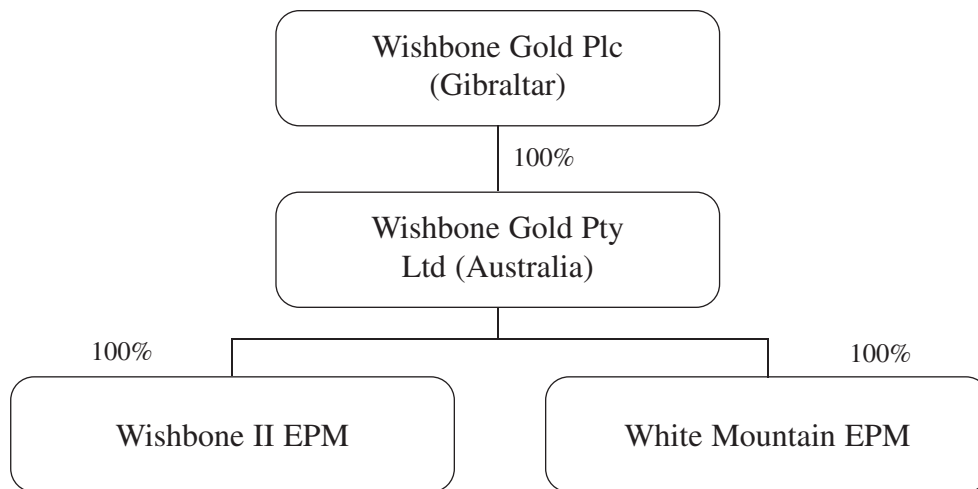
PART I

INFORMATION ON THE GROUP

1. Introduction

Wishbone Gold Plc is an exploration and acquisition vehicle founded by Richard Poulden and certain former colleagues from other ventures. The Company's strategy is to acquire, explore and develop precious metal assets, primarily gold, with an initial focus on its assets in Queensland, Australia.

Wishbone Gold Plc was incorporated in Gibraltar on 28 October 2009. On 6 December 2010, the Company acquired the entire issued share capital of Wishbone Gold Pty Ltd, a company incorporated and registered in Queensland, Australia, and which is currently the holder of two concessions, Wishbone II and White Mountain, covering a total area of 11,100 hectares (about 42.5 square miles) in Queensland, Australia. On Admission, the structure of the Group will be as follows:



2. The Tenements

Name of Permit Area	Permit No.	Holder	Interest (%)	Status	Permit Expiry Date	Permit Area (Ha ²)	Comments
Wishbone II	EPM #18396	Wishbone Gold Pty Ltd	100%	Granted	18 April 2016	6,300	50 per cent. relinquishment may be required annually from 4 April 2013
White Mountain	EPM #18393	Wishbone Gold Pty Ltd	100%	Granted	4 May 2016	4,800	50 per cent. relinquishment may be required annually from 18 March 2013

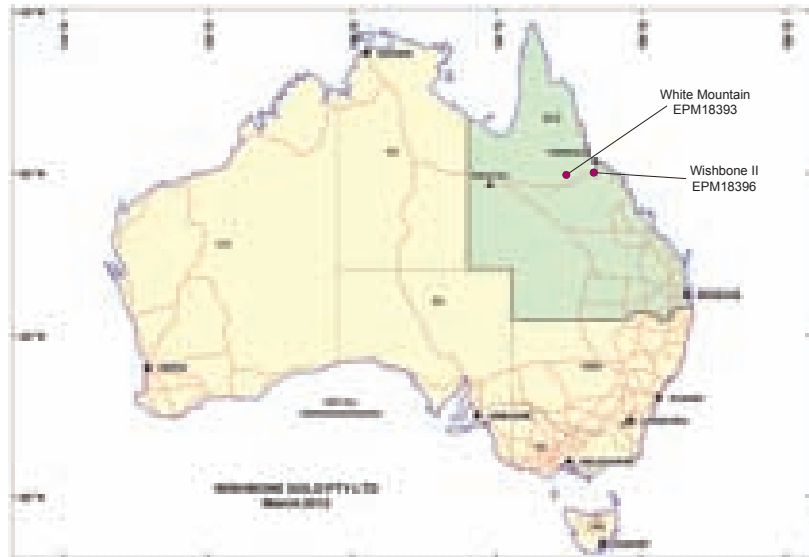


Figure 1 – tenement locations

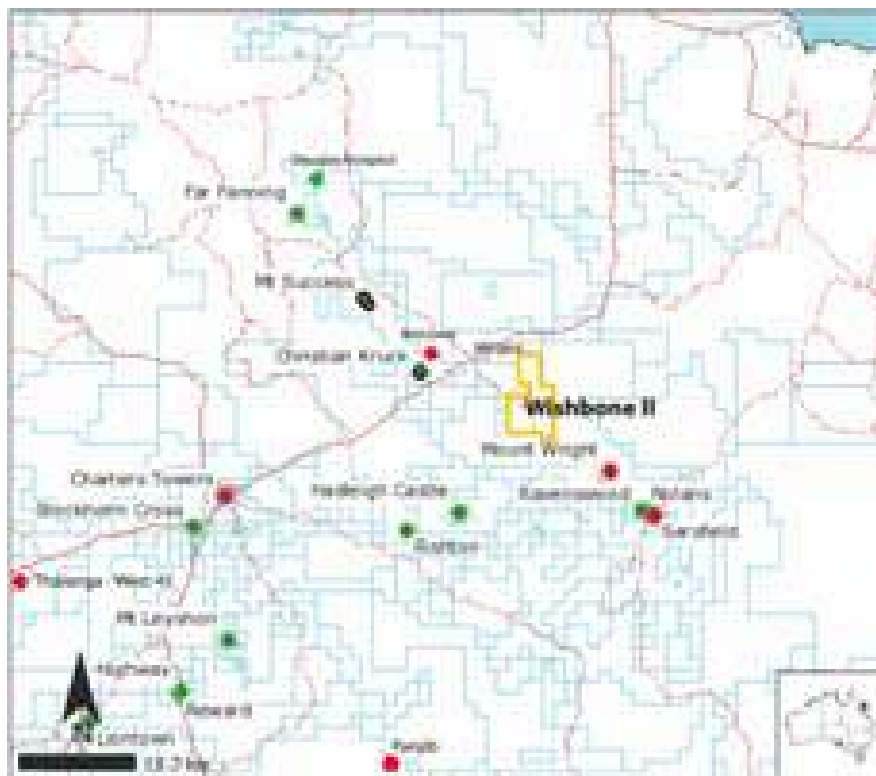
2.1. Wishbone II

Location

(The information below has been extracted from Section 2 of the CPR which forms Part IV of this document)

The northern boundary of Wishbone II is located approximately eight kilometers by road to the southeast of Mingela, and is located some 80 kilometers, via the Flinders Highway, south of Townsville, Queensland. It is a further 24 kilometers to the southern boundary where the boundary crosses the road. Wishbone II is accessed via the settlement of Mingela and the Burdekin Falls Dam Road and covers an area of 6,300 hectares (about 24 square miles); a map of the location is set out in figure 2 below.

Figure 2 – Distribution of the Major Deposits in the Mingela and Charters Towers Districts



Source: Figure 24, page 53 of the CPR

Note: the red dots refer to the mining areas which are further discussed in the text of the CPR and the green dots refer to sites of aerial photos of historical gold and silver mines which are presented in the CPR in Part IV of this document.

Figure 3 – Wishbone II and infrastructure



Source: Figure 8, page 10 of the CPR

Available infrastructure

(The information below has been extracted from Section 6 of the CPR which forms Part IV of this document)

Wishbone II is located in an area which experiences a monsoonal climate with heavy rainfall during the wet season, which runs from November to April, when the conditions can block tracks and often require repairs to permit field traffic.

The Mt. Isa-to-Townsville railway is approximately eight kilometres north of Wishbone II and runs parallel to the Flinders Highway heading east to Townsville and west to Charters Towers, Cloncury and Mt. Isa (see figure 3 above). This railroad carries mined ore and concentrates from the Mt. Isa Mines, and more recently from mines in the Cloncury area to Townsville.

Should the Company require access to a ground-water supply in execution of its exploration strategy, the Company will be required to liaise with the Queensland Department of Environment and Resource Management (“DERM”) and the Department of State Development, Infrastructure and Planning (“DIP”) offices in Brisbane and Townsville to evaluate the current conditions and availability of ground-water resources for use in any operations. Additionally, a bore census and a title search of the nearby bores may be required to identify the nearby bores in the area so that selected landowners could be contacted, if need be, and negotiations initiated concerning the possible transfer of the ground-water license for use in any operations.

A major power transmission line right-of-way passes to the north of Wishbone II heading toward Townsville to the north and to Charters Towers to the southwest.

Regional geology

(The information below has been extracted from Section 8 of the CPR which forms Part IV of this document)

The regional geology is dominated by the Ravenswood Batholith, which is predominately comprised of early-mid Ordovician (490-463 Ma) hornblende- and/or biotite-bearing I-type granitoids of the Macrossan Igneous Province (Hutton, *et al.*, 1997) and I-type and lesser S-type granitoids of the late Silurian to early Devonian (418-382 Ma) Pama Igneous Province (Lisowiec, 2010), see figure 4 below for regional geology.

Local Geology

Wishbone II is located in the Mingela area which lies within the eastern outcrops of igneous and metamorphic rocks of the Ravenswood-Lolworth Province. The Ravenswood Granodiorite Complex outcrops throughout the area and is bounded by a large shear zone structure along which much of the regional gold mineralisation is located.

Figure 4 – Geological Mapping of the 1990s



Source: Figure 19, page 40 of the CPR

Property ownership and financial obligations

(The information below has been extracted from Section 5 of the CPR which forms Part IV of this document)

The financial obligations of holding Wishbone II include yearly rentals and a commitment to a minimum yearly expenditure for exploration in the area held. Wishbone II currently holds 21 sub-blocks, rentals for Wishbone II sub-blocks held are as follows:

<i>Year of project</i>	<i>Cost per sub-block^{2,3}</i>	<i>Number of sub-blocks</i>	<i>Total cost (A\$)</i>
Year 2012	127.05 ¹	21 (6,300 ha)	2,668.05
Year 2013	133.35	11 (3,300 ha)	1,466.85
Year 2014	139.65	6 (1,800 ha)	837.90
Year 2015	145.95	3 (900 ha)	437.85
Year 2016	152.25	1 (300 ha)	152.25

Source: CPR

Note:

1. Based on tenure rental current yearly rates – 2012 for EPMs at A\$127.05 per sub-block (~300 ha).
2. Based on 2012 rate sheet.
3. Anticipated increase of A\$6.30 per year through 2016.

As indicated in the table above, the EPM must be reduced in size by sub block periodically, as required by the Queensland Department of Employment, Economic Development and Innovation (“DEEDI”) according to Section 139 of the Queensland Mining Resources Act of 1989 (“MRA”). However, the Company intends to seek to retain sub blocks and not relinquish blocks at the scheduled time through an application to the Minister. Further details of the relinquishment requirement and the process for applying for a relinquishment variation is set out in Part II of this document. For Wishbone II, no such relinquishment is required until 2013.

In addition to the rental payments, there is a minimum annual expenditure (“MAE”). An estimated MAE is required by the DEEDI in the EPM application by the Company based on the anticipated scope of work (and cost estimate), the latter becoming the MAE if approved by the Queensland Government. Wishbone II was granted in 2011 with a MAE of \$172,000 over a five-year program.

Total minimum holding cost for the Wishbone II for four years is:

<i>Cost</i>	<i>A\$</i>	
Rentals:	5,562.90	(actual rentals would depend on relinquishment schedule and property held and would likely be higher)
MAE:	172,000.00	(based on extended tenement schedule for 5-year exploration program)
Security Bond:	Nil	(to be determined by the Minister)
Minimum:	<u>177,562.90*</u>	

* This does not include costs related to homestead access, road repairs, or costs involved in land usage.

Currently the amount of security bond required by the Minister for Wishbone II is nil. However in the future, security may be required by the Minister. Further information on the requirement for security is set out in Part II of this document.

Historical deposits

(The information below has been extracted from Section 7 of the CPR which forms Part IV of this document)

The Mingela region is characterised by widespread shows of mineralisation; a situation shared with many mining districts that host major ore bodies. This suggests that the geological setting is conducive for a major ore body to be present in the general area beyond those already discovered (i.e. re-discovered) such as at Mount Wright and the Welcome Discovery areas (see Figure 4 above). The larger historical deposits found at or near the surface include:

- Welcome Mine: produced 91,000 g (or 6,737 oz) of gold in 3,658 tonnes of ore @ 25 g/t, now with a current shallow pit resource of 250,000 tonnes @ 3.0 g/t gold, estimated by North Queensland Resources;
- Grass Hut Mine: produced from 1887-1910, produced 68,000 g (or 2,397 oz) of gold in 2,014 tonnes of ore @ 33.76 g/t;
- New Caledonian Mine: produced 467,500 g (or 16,500 oz) of gold at a grade of 30 g/t;
- Mount Sulphide Mine (from 1934-1940): produced 1,860 g (or 66 oz) of gold with grades up to 29.06 g/t and 21,210 g (or 748 oz) of silver with grades up to 331.4 g/t;
- Althea/Christian Kruck Mine: contains an indicated open-pit resource of 0.63 million tonnes @ 3.1 g/t gold totalling about two million grams (or 70,548 oz) of gold. Calculated by Gold Mines of Kalgoorlie Ltd (G.M.K);
- The City of Melbourne Mine: workings returned 56,700 g (or 2,000 oz) of gold, in 1,983 tonnes of ore @ 28.6 g/t;

- Kitty Cummings Mine: workings returned 4,650 g (or 164 oz) of gold, in 340 tonnes of ore @ 13.68 g/t;
- King Solomon Mine: workings returned 2,737 g (or 97 oz) of gold, in 45.7 tonnes of ore @ 59.9 g/t; and
- Rose of Allandale No. 1 SW Mine: workings returned 2,644 g (or 93 oz) of gold, in 73.12 tonnes of ore @ 36.16 g/t.

Previous exploration

Based on recent discoveries at the Welcome deposit (located about 10 kilometers west of Wishbone II) and others to the northwest, and on the new information made available regarding the Mount Wright Mine (located 20 kilometers south of Wishbone II) and the Mount Leyshon Mine (located some 60 kilometers southwest of Wishbone II), a renewed interest in this trend has recently developed. Wishbone II is located along this trend.

Strategy for Wishbone II

The area in and around Wishbone II has been explored for decades, but many sites within the tenement remain under-investigated and untested. In addition, exploration over the past 20 years was undertaken using standard exploration techniques, such as surface reconnaissance, geological mapping, rock and soil sampling, and various methods of aerial and ground geophysics, followed by bedrock drilling and coring. The Company plans to utilise the recent advances in geophysics, especially airborne and ground magnetics systems, complemented by new satellite imagery combined with new and revised models of mineralisation. The new information will allow the Company to conduct a more focused exploration program than previously possible by using the new methods and revised models of mineralisation now available.

2.2. White Mountain (EPM #18393)

Location

(The information below has been extracted from Section 2 of the CPR which forms Part IV of this document)

White Mountain is located west-southwest of Townsville, Queensland approximately 300 kilometers via the Flinders Highway, Homestead roads, and tracks. It is accessed at various locations from the northern side of the main highway and covers an area of about 4,800 hectares (about 18.5 square miles).

White Mountain is named after its general geographic location in the western slopes of the Great Dividing Range of the White Mountains. Its northern boundary is located approximately 10 kilometers southwest of the Reedy Springs Homestead and its eastern boundary is approximately 15 kilometers west of the Cargoos Homestead. Its western boundary is about 15 kilometers east of the Camden Park Homestead. A small settlement Pentland exists some 87 kilometers southeast of the subject tenement to the Flinders Highway. It spans some seven kilometers east-to-west, and almost nine kilometers north-to-south.

Figure 5 – White Mountain location



Source: Figure 6C, page 11 of the CPR

Available infrastructure

(The information below has been extracted from Section 6 of the CPR which forms Part IV of this document)

White Mountain is located in an area which experiences a monsoonal climate with heavy rainfall during the wet season, which runs from November to April, when the conditions can block tracks and often require repair to permit field traffic.

Supporting transport infrastructure is available in Charters Towers, which acts as the hub for exploration in the general area, about 180 kilometers to the east via the Flinders Highway. The Mt. Isa to Townsville Railway runs parallel to the Flinders Highway heading east to Charters Towers and Townsville and west to Cloncurry and Mt. Isa. This railroad carries mined ore and concentrates from the Mt. Isa Mines, and more recently from mines in the Cloncurry area to Townsville.

Should the Company require access to a ground-water supply in execution of its exploration strategy, as with Wishbone II, the Company will be required to liaise with the DNRW and the DIP offices in Brisbane and Townsville to evaluate the current conditions and availability of ground-water resources. There is however, one large constructed tank present along the eastern boundary of White Mountain. Ground-water resources are also available from water bores (windmills).

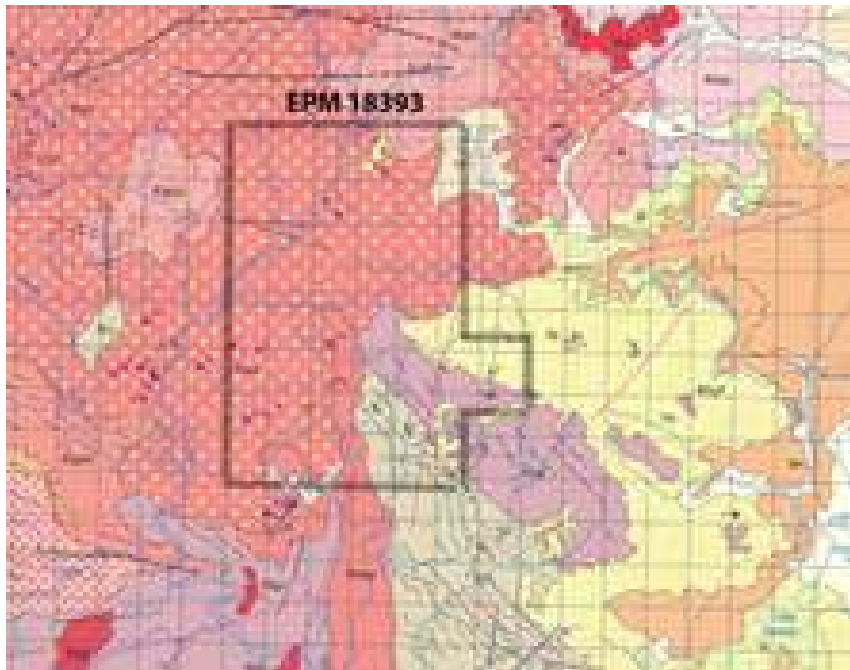
For field programs, electric power can be connected by a single line from either the Cargoon Homestead Station or the other homesteads. The nearest airstrip suitable for light aircraft is at Camden Park Homestead. There are no telephone lines in the area and all homesteads use satellite telephones.

Regional geology

(The information below has been extracted from Section 8 of the CPR which forms Part IV of this document)

The principal units of interest in the region that are involved in mineralisation of potentially economic significance are the Cape River Metamorphics (Pc), the Fat Hen Creek complex (COgf), the Big Bore Granodiorite (SDgbg), and the Upland Granodiorite (SDgul), see Figure 6. All these units are candidates for being hosts for mineralisation.

Figure 6 – Regional geology- White Mountain area

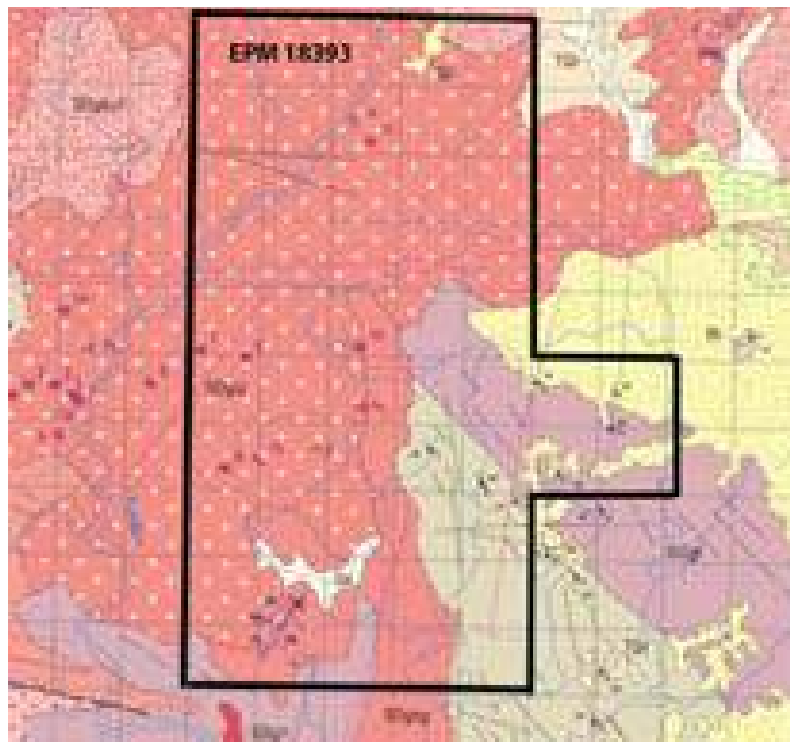


Source: Figure 14, page 41 of the CPR

Local geology

The Granite Castle deposit on the western boundary of White Mountain has recently been drilled by others to confirm significant gold and silver in grades and tonnage of potential economic significance. In addition, at the center of White Mountain is an intrusion of an Ordovician–Silurian granitoid which hosts a trend of deposits, namely The Diecon Mine (gold); Edwards prospect (antimony) and Northeast Workings (gold), see Figure 7 below, mines in red:

Figure 7 – Local geology – White Mountain and surrounding areas



Source: Figure 15, page 43 of the CPR

These deposits lie along strike in a general east-west direction. Also, a granite (SDgul) is in contact with another granite (SDgbg), along which mineralisation has been reported. These granites host numerous small gold deposits as well as small copper and antimony occurrences in the shallow subsurface.

Property ownership and financial obligations

(The information below has been extracted from Section 5 of the CPR which forms Part IV of this document)

The financial obligations of holding White Mountain include yearly rentals and a commitment to a minimum yearly expenditure for exploration in the area held. White Mountain currently holds 16 sub-blocks, rentals for White Mountain sub-blocks held are as follows:

<i>Year of project</i>	<i>Cost per sub-block^{2,3}</i>	<i>Number of sub-blocks</i>	<i>Total cost (A\$)</i>
Year 2012	127.05 ¹	16 (4,800 ha)	2032.80
Year 2013	133.35	8 (2,400 ha)	1,066.80
Year 2014	139.65	4 (1,200 ha)	558.60
Year 2015	145.95	2 (600 ha)	291.90
Year 2016	152.25	1 (300 ha)	152.25

Source: CPR

Note:

1. Based on tenure rental current yearly rates – 2012 for EPMs at A\$127.05 per sub-block (~300 ha).
2. Based on 2012 rate sheet.
3. Anticipated increase of A\$6.30 per year through 2016.

As with Wishbone II, White Mountain must be reduced in size by sub block periodically unless the Company, as it intends to, applies to the Minister for a variation of relinquishment.

In addition to the rental payments, there is a minimum annual expenditure (“MAE”). An estimated MAE is required by DEEDI in the EPM application by the Company based on the anticipated scope of work (and cost estimate), the latter becoming the MAE if approved by the Queensland Government. White Mountain was granted in 2011 with a MAE of \$172,000 over a five-year program.

Total minimum holding cost for White Mountain for five years is:

<i>Cost</i>	<i>A\$</i>	
Rentals:	4,102.35	(actual rentals would depend on relinquishment schedule and property held would likely be higher)
MAE:	172,000.00	(based on extended tenement schedule for 5-year exploration program)
Security Bond	Nil	(to be determined by the Minister)
Minimum:	176,102.35*	

* This does not include costs related to homestead access, road repairs, or negotiated costs involved in land.

Should exploration results prove favourable a MDL will be required by the Company. The MDL is required to undertake a drilling programs, coring and logging and is designed to provide the Company with time to conduct various mine feasibility studies, and associated permitting requirements, one of which will be the confirmation of a Native Title Agreement. At this point the Company can proceed in further developing the tenement by establishing the mineral reserve base and followed by a favourable mine feasibility report, which would include a favourable marketing and economic analysis.

Historical deposits

(The information below has been extracted from Section 9 of the CPR which forms Part IV of this document)

White Mountain is centred over a highly favourable area of the Lolworth region and includes several polymetallic historic mines and advanced prospects for gold, silver, copper, lead, antimony, nickel, and molybdenum, which have received intermittent exploration over the past 40 years. Major historical production to date is as follows:

- 1) The Diecon Mine (from 1910 to 1916) which produced 68 tonnes of ore for 17,400 g (or 614 oz) gold ~ at 255.9 g/t;
- 2) Edwards Mine (1915) which produced 310 tonnes of antimony ore;
- 3) Little Wonder Mine was worked from 1913 to 1915 and produced 17 tonnes of ore for 669 g (or 24 oz) gold ~ at 29.4 g/t;
- 4) Sunday School Mine was worked in 1914 and produced 5 tonnes of ore for 268 g (or about 10 oz) gold ~ at 53.6 g/t; and
- 5) Bradley's Jubilation and Clements Copper were copper prospects, and the Northeast Workings was a gold prospect.

Previous exploration

A number of companies have been active in the general area. The first group consisted of the early miners of the 1800s and early to mid-1900's. The early explorers identified areas that remain areas of interest to present exploration companies. These efforts were based on surface sampling and drilling to limited depths. Given the recent revival of gold prices many prospects are now being re-visited.

The significance of the historical workings and recent exploration activities adjacent to White Mountain is that recognised shear zones in granite appear to be trending into the White Mountain EPM, especially in the southwest areas of White Mountain (see Figure 11A of the White Mountain CPR in Part IV of this document). This indicates the shear zones that occur in White Mountain are primary targets for follow-up exploration. The adjacent property reportedly hosts a JORC-compliant resource of 79,000 ozs of gold and 1.5 million ozs of silver located wholly within a 600 metre-portion of a single, mineralised shear zone. The suggested target below the resource identified to date is projected by others to be about 350,000 tonnes amounting to more than one million ozs gold and 21 million ozs silver or, assuming current precious metal prices, more than US\$2 billion in place should such mineralisation be confirmed during drilling. This suggests that the White Mountain EPM offers favorable conditions for significant mineralisation of not only gold and silver, but also for other metals as well. Although the adjacent property to west reported lead and zinc in addition to the gold and silver, White Mountain also appears to offer multi-metal targets involving sulfide mineralisation, including antimony, copper, nickel, molybdenum, lead, zinc, and other metals, in addition to quartz-zone mineralisation associated with shear zones trending into White Mountain tenement from the west. (For additional information, see the CPR in Part IV of this document).

Those sites already known (i.e., re-discovered), such as at Thalanga and West 45 Mines, about 60 kilometers southeast of White Mountain, and others cited in the CPR in Part IV of this document, have since been investigated in greater detail. Discoveries in the Thalanga area were made by the application of standard exploration techniques, such as surface reconnaissance, geological mapping, rock, and soil sampling, and various methods of aerial and ground geophysics, followed by deep bedrock drilling and coring. With the recent advances in geophysics, especially ground magnetics systems, complemented by new satellite imagery and combined with new and revised models of mineralisation, and based on nearby activities, the Board has elected to acquire and explore White Mountain.

2.3 Procedure for progressing Wishbone II and White Mountain to development and mining phase of operation

Interests in exploration and mining tenements in Australia are governed by state legislation and are evidenced by the granting of licences or leases. Wishbone Gold Pty Ltd is the registered holder of Wishbone II and White Mountain for the specified terms and these Tenements have been granted in respect of all minerals other than coal. To progress from the exploration phase to a development and mining phase of operation, Wishbone Gold Pty Ltd would have to secure tenure by applying for a mining development lease followed by a mining lease. As a holder of an EPM it may apply for a mining lease on land contiguous to its Tenements for the same minerals as the Tenements, if available. The approval of the application is in the discretion of the Minister and the Minister for Trade, having regard to various prescribed considerations set out in the MRA and FIRB pre-approval would be necessary

3. Strategy

Acquisition strategy

The Board believes there may be opportunities for the Group to expand and become a consolidator of viable gold prospects and has already reviewed a number of potential acquisition and exploration opportunities. Should any acquisitions be targeted and completed, the consideration payable under such acquisitions may be financed through a mixture of debt finance and/or a placing for cash or an issue of new Ordinary Shares as consideration to the sellers of such future targets. The Board will consider the most appropriate financing structure at the time of any acquisition. There is no guarantee that any such acquisitions may be concluded.

Exploration strategy

In addition, the Company will explore Wishbone II and White Mountain and has submitted an application for a third tenement in Australia. This third tenement is Wishbone III located just north and east of Wishbone II, and for which an application has been lodged but which may not be granted for a number of months or up to two years depending upon the activities of Queensland's new government.

The Board's exploration strategy is to firstly, apply modern exploration evaluation techniques to existing information and secondly, to enhance existing information with primary research in order to establish more accurate valuations and a viable exploration strategy. The Queensland government has released exploration information collected by both major and junior mining companies since the 1960's.

Previous discoveries in the Mingela-Ravenswood and Thangala areas have been made by applying standard exploration techniques, such as surface reconnaissance, geological mapping, rock, and soil sampling, and various methods of aerial and ground geophysics, followed by bedrock drilling and coring. With the recent advances in geophysics, especially ground magnetic systems, complemented by new satellite imagery combined with new and revised models of mineralisation, the new information will allow the Company's management to conduct a more focused exploration program than previous programs.

The Board intends to re-examine exploration data and information from the historical records utilising modern techniques and technologies. With better information provided by the recent technological advances described above, the Company will assign priorities to areas within Wishbone II and White Mountain and produce detailed exploration plans. The strategy includes documenting the resulting data and information for possible use in nearby areas prior to identifying legitimate deeper drilling targets for further exploration.

4. Outsourcing

The Company and some of its Shareholders have a long standing relationship with Terra Search Pty Ltd ("TerraSearch"), a firm of geologists in Australia. The Company has used Terrasearch to date to provide exploration and management services and expects to continue to do so in the future. The Company

believes that outsourcing in this way provides a high level of expertise and associated infrastructure to the Company at an economic cost.

5. Regional infrastructure

The support of the Queensland government for the development of Queensland-based precious metal, base metal and iron ore industries could result in a major improvement over the next few decades in the supporting infrastructure. Significant factors impacting the development of the industry will be road and rail transport and port infrastructure and capacity, and the availability of water for processing and associated mining needs. Reports suggest that the Mt. Isa-Townsville Railway System is approaching capacity and additional transport needs may need to be met by special agreements and co-operation with the Queensland Government and current transporters.

6. Directors and senior management

Directors

Richard O'Dell Poulden (60), Executive Chairman

Richard is the Executive Chairman of the Company. Recently, as Chairman and CEO of AIM quoted Sirius Minerals Plc, he oversaw the transformation of the company to a substantial potash company. This was achieved through a series of acquisitions acquiring companies in Australia, the USA and the UK. He resigned from Sirius Minerals Plc in January 2012 having handed over to a new and expanded management team the previous year.

Richard qualified as a Barrister in 1976 after which he moved into merchant banking where he worked for Samuel Montagu & Co Limited. Following an MBA at the London Business School and an exchange program with Harvard, Richard joined the international management consultancy firm, Arthur D. Little, where he worked in their European strategy practice. Richard also worked in their Financial Industries Group, of which he was co-founder. Richard has been Executive Chairman of JMI Seed Capital and has served in the UK Leadership Team of Electronic Data Systems, where he worked on developing new financial structures for the sale of EDS' services. Richard has founded or co-founded companies in healthcare, retail, internet-based technology and natural resources and in all these sectors he has executed strategies for growth by acquisition. Richard has filed patent applications covering mobile telephone funds transfer and a rating system for carbon trading. Richard was previously Chairman of AIM quoted Sirius Minerals Plc and is currently CEO of PCG Entertainment Plc and a non-executive director of MoneySwap Plc, also quoted on AIM.

Jonathan Charles Harrison (65), Finance Director

Jonathan is a chartered accountant with experience in quoted and unquoted companies. Previously he spent 16 years at Intercontinental Hotels Corporation, where he held various positions as Vice President of Finance. In 1989 he joined Boddington Group plc, where he developed and became operations director of the Village Leisure Hotels division, responsible for the operation of six leisure hotels. Between February 1994 and September 1995, while still at the Boddington Group plc, he was finance director of the Country House Retirement Homes Limited business during which time the number of nursing homes nearly doubled to 31 nursing homes.

In March 1997 he led a management buy-in of 25 hotels from Queens Moat Houses plc with Duke Street Capital. Six months later he managed the refinancing of the new group, County Hotels Group plc, through a listed bond offering and, in January 1999, successfully sold the company to Regal Hotel Group plc. In September 1999 he joined Topnotch Health Clubs plc and in March 2000 oversaw the company's listing on AIM. From 2005 to 2011 he was Finance Director of Sirius Minerals Plc (formerly Sirius Exploration) working with Richard Poulden overseeing the financial aspects of the company through flotation and its series of acquisitions.

George Spyridon Cardona (60), Non-executive Director

George is a non-executive Director of the Company and a member of both the audit committee and the remuneration committee. George trained at Morgan Grenfell in London, UK. He worked as a Treasury desk officer for the Conservative Party from 1974 to 1979, before becoming a Special Advisor to HM Treasury. He subsequently became Head of Group Planning for HSBC Holdings in Hong Kong and London. George then founded and subsequently sold investment banking boutique Cardona Lloyd & Co and has held several non-executive positions on various boards including mining companies Strategic Minerals plc, Siberian Coal Energy Co., EuroChem Mineral and Chemical Co., and K+S AG.

George was a non-executive director of two investment trusts listed on the London Stock Exchange: Close Finsbury Eurotech and Martin Currie Pacific, and of Renewable Energy Generation, also listed in London. He was also a director of the Cardona Lloyd Hedge Portfolio, listed on the Irish Stock Exchange.

Michael Raymond Mainelli (53), Non-executive Director

Professor Michael Mainelli FCCA FCSI FBCS is a non-executive Director of the Company, chair of the audit committee and a member of the remuneration committee.

Michael is a qualified accountant, computer specialist and management consultant with a degree in Government from Harvard as well as mathematics and engineering at Trinity College Dublin and a PhD from the London School of Economics. Michael's previous roles include several years as a partner and board member of one of the leading accountancy firms directing global consulting work, and serving on the UK Ministry of Defence's Defence Evaluation & Research Agency board. In 1994, Michael co-founded Z/Yen, a commercial think-tank based in the City of London with numerous finance and technology clients where he is Executive Chairman. From 2005, Michael has been a non-executive director of AIM listed Sirius Minerals Plc, working with the team to transform the company to a substantial potash company. Michael is Emeritus Professor, Trustee and Fellow of Gresham College and a non-executive Director of the United Kingdom Accreditation Service – the UK's sole accreditation body for certification, testing, inspection and calibration services.

Michael's natural resources experience dates back to 1979 where earlier research work on mapping and satellite imagery led to him starting companies in seismology, cartography and oil & gas information for a Swiss firm. In the early 1980's Michael initiated and ran a multi-million dollar oil industry consortium (Shell, BP, Chevron and Elf Aquitaine were major partners plus ten minor partners) to digitise the world which culminated in the development of Geodat and MundoCart, an oil industry standard set of cartographic data at scales from 1:50,000 to 1:250,000 with over 60 million geographic features.

Alan David Gravett (64), Non-executive Director

Alan David Gravett worked at Barclaytrust Limited, (then Barclays Bank Executor and Trustee Department) from 1965 to 1988, reaching the highest level in Gibraltar administering offshore companies and trusts, leaving in 1988 to join a large local trust corporation.

He is now a freelance consultant based in Gibraltar but continues to be closely involved with company and trust structures for a range of international clients.

Senior management

Barry Everingham (80), Director of Wishbone Gold Pty Ltd

Barry Everingham is a Melbourne-based broadcaster, author and journalist who operates a niche public relations consultancy. Barry has worked for the Australian Broadcasting Corporation, Australian United Press, Rupert Murdoch's Australian papers and the News Limited Bureaux in Canberra and London.

He was a political commentator for Channel 10, Sydney's Radio 2UE, Melbourne's 3AW and 3UZ and was the Canberra "stringer" for UPI and the "Hindustan Times" of New Delhi. In 1985 he wrote, and Bantum published, the unofficial biography of Princess Michael of Kent – "MC, the Adventures of a Maverick Princess".

7. Details of the Placing and use of proceeds

Conditional on Admission, the Company is proposing to raise approximately £0.5 million (before expenses) by the issue of 25,750,000 new Ordinary Shares at the Placing Price through the Placing. In addition, the Company raised approximately £0.4 million by way of the issue of the CLNs. The net proceeds of the Placing and CLNs are expected to be approximately £0.45 million. The Placing Shares will represent approximately 15.1 per cent. of the Enlarged Share Capital.

The Placing Shares will rank *pari passu* in all respects with the Existing Ordinary Shares and the CLN Conversion Shares and the 2010 CLN Shares including the rights to all dividends and other distributions declared, made or paid and on Admission will be issued credited as fully paid. The Placing has not been underwritten.

The Directors intend that the net funds raised through the Placing will be used to assist in funding initial exploration costs (including mapping, stream sampling, soil sampling, logistical support and license fees) on the Tenements and otherwise for working capital purposes.

The Placing is conditional, *inter alia*, on:

- the Placing Agreement becoming unconditional and not having terminated in accordance with its terms prior to Admission; and
- Admission occurring by no later than 16 July 2012 (or such later date as Shore Capital and the Company may agree, being no later than 31 July 2012).

Further details of the Placing Agreement are set out in paragraph 10 of Part VI of this document.

8. 2010 CLN

Black Swan Plc, of which Richard Poulden is Chairman, is the registered holder of a convertible loan note issued by the Company on 1 December 2010 in the principal amount of £150,000. The terms of the 2010 CLN provide that it may be drawn by the Company in any whole amounts of either GBP or Australian Dollars at any time up to and including 1 December 2012 and that the loan note is convertible into Ordinary Shares in the Company at the option of Black Swan Plc by giving not less than 2 weeks' written notice to the Company (a "Notice of Conversion") at any time prior to the admission of the Company's shares for trading on a recognised stock exchange and that upon the issue of a Notice of Conversion, the Company shall allot fully paid Ordinary Shares to Black Swan Plc in exchange for and in satisfaction of the loan note at the price of 2.5 pence per share. The 2010 CLN also provides that if no Notice of Conversion has been issued by Black Swan Plc and the Company's shares are admitted to trading upon a recognised stock exchange, the Company may opt to repay the note or to require Black Swan Plc to issue a Notice of Conversion. Black Swan Plc and the Company have agreed that, conditional on Admission, the outstanding loan of £105,483.87 will be converted into 4,219,355 New Ordinary Shares and that the 2010 CLN will be terminated and no further amounts may be borrowed by the Company under the 2010 CLN. Pursuant to the terms of the Directors' lock-in arrangements referred to in paragraph 11 of Part VI of this document, Richard Poulden has agreed to procure that Black Swan Plc will comply with such arrangements.

9. CLNs

By the CLN Deed Poll the Company constituted up to US\$4 million in nominal amount of interest-free, unsecured convertible loan notes of US\$1 each in the capital of the Company. Under the CLN Subscription Letters between (1) the Company and (2) certain investors (together the "Investors"), the

Investors have agreed to subscribe for £420,251.61 in nominal amount of interest free, unsecured convertible loan notes constituted under the deed poll, which, conditional on Admission, will automatically convert into 30,017,972 New Ordinary Shares at a discount of 30 per cent. to the Placing Price. Each Investor makes certain warranties and undertakings to the Company, including an agreement not to dispose of any Ordinary Shares issued on Admission for a period of 12 months.

Further details of the CLNs are set out at paragraph 9 of Part VI of this document.

10. Reasons for Admission

The Directors believe that the Admission will assist the Group in its development by:

- enabling the Group to potentially raise finance through ongoing access to capital markets;
- raising its profile and status; and
- promoting the expansion of the Group's business, facilitated by capital raising.

11. Working Capital

Conditional on Admission, the Company is raising approximately £0.5 million through the Placing.

The Directors, having made due and careful enquiry, are of the opinion that the working capital available to the Company and to the Group will be sufficient for its present requirements, that is for at least twelve months from the date of Admission.

12. Dividend policy

The Directors recognise the importance of dividends to investors and, as the Group's business matures, will keep under review the desirability of paying dividends. Future income generated by the Group is likely to be re-invested to implement its growth strategy. In view of this, it is unlikely that the Board will recommend a dividend in the early years following Admission. However, the Board intends that the Company will recommend or declare dividends at some future date once they consider it commercially prudent for the Company to do so, bearing in mind the financial position and resources required for the Group's development.

13. Lock in arrangements

In accordance with the AIM Rules, the Directors, Barry Everingham (a director of Wishbone Gold Pty Ltd) and Carousel Holdings International Limited (a substantial shareholder and related party under the AIM Rules on Admission), have undertaken to Shore Capital and the Company:

- that they will not (and they will use their reasonable endeavours to procure that their connected persons will not) dispose of any interest in their Ordinary Shares (including any Ordinary Shares which they may subsequently acquire within one year of Admission) or any options to subscribe for Ordinary Shares for a minimum period of twelve months following Admission except in certain limited circumstances; and
- that except in certain limited circumstances they will not (and they will use their reasonable endeavours to procure that their connected persons will not) dispose of any interest in Ordinary Shares other than through Shore Capital and in accordance with the reasonable requirements of Shore Capital so as to ensure an orderly market for the issued share capital of the Company for a period of twelve months following the first anniversary of Admission except through Shore Capital, provided that Shore Capital offer competitive terms in the event of any disposal.

In addition, under the terms of the CLN Subscription Letters, the investors in the CLNs undertake to the Company and to the Company's nominated adviser and/or broker from time to time that it will not dispose of the legal, beneficial or any other interest whatsoever in the CLNs (including shares to be

allotted on conversion of the CLNs), save with the prior written consent of the Company, and then only through the broker of the Company as appointed from time to time, until the later date of either:

- 12 months from the date of the Company's countersignature of the CLN Subscription Letters; or
- 12 months from the date of Admission provided Admission shall have occurred no later than 6 months after the date of the CLN Subscription Letters, and if Admission shall not have occurred within such 6 month period then the lock-in provisions contained in the CLN Subscription Letters will only apply until the first anniversary of the date of the Company's countersignature of the CLN Subscription Letter.

In addition, these lock-in provisions will not apply in the event of:

- an intervening court order;
- the death of the Investor; or
- in respect of an acceptance of a takeover offer for the Company which is open to all shareholders of the Company.

Further details of the lock-in and orderly market arrangements are set out in paragraph 11 of Part VI.

14. Related Parties

Black Swan FZE, Black Swan Plc, the Formidable Trust, Easy Business Consulting Limited and Z/Yen Group Limited are classified as related parties under the AIM Rules for Companies by virtue of, *inter alia*, common directors between the companies and the Group. Carousel Holdings International Limited is a related party under the AIM Rules by virtue of being a substantial shareholder under the AIM Rules. Details of related party transactions of the Group are described in paragraph 13 of Part VI.

15. Share options

The Directors believe that the recruitment, motivation and retention of key employees is vital for the successful growth of the Company. The Directors consider that an important element in achieving these objectives is the ability to incentivise and reward staff (including executive directors) through the grant of options. As a result, the Company has established the Share Option Scheme, further details of which are set out at paragraph 18 of Part VI of this document. Options may also be granted under the scheme to consultants and professional advisers to the Group.

The total number of Ordinary Shares that may be committed under the Scheme will represent a maximum of 15 per cent. of the Company's issued ordinary share capital from time to time. On Admission, no options will be in issue under the Share Option Scheme.

16. Corporate governance and compliance

The Board recognises the importance of sound corporate governance and, save as discussed below, from Admission the Company will comply with the main provisions of the Corporate Governance Code insofar as the Directors consider appropriate given the Company's size and stage of development.

The Company has adopted terms of reference for an audit committee and a remuneration committee. The Board has established an audit committee which will initially comprise George Cardona, and Michael Mainelli, with Michael Mainelli as chairman. The audit committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported on. It will receive and review reports from the Company's management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Company. The audit committee will meet not less than once in each financial year and at such other times as circumstances require. In addition, the Board has established a remuneration committee which will initially comprise George Cardona and Michael

Mainelli, with George Cardona as chairman. The remuneration committee will review the performance of the executive directors and make recommendations to the Board on matters relating to their remuneration and terms of employment.

The Company does not have a nomination committee, and will not have one on Admission, as the Board does not consider it appropriate to establish such a committee at this stage of the Company's development.

The Company is compliant with the corporate governance regime of Gibraltar.

17. Share Dealing Code

The Company has adopted a code of dealings in Ordinary Shares by Directors and applicable employees which conforms to the requirement of the AIM Rules ("Share Dealing Code"). The Company will be responsible for taking all proper and reasonable steps to ensure compliance by the Directors and applicable employees with the Share Dealing Code and the AIM Rules.

18. Bribery Act 2010

The government of the United Kingdom has issued guidelines setting out appropriate procedures for all companies to follow to ensure that they are compliant with the new Bribery Act which is in force with effect from 1 July 2011. The Company has reviewed its operational procedures to consider the impact of the Bribery Act and implemented appropriate procedures.

19. Admission, settlement, dealings and CREST

Application has been made to the London Stock Exchange for the Existing Ordinary Shares and New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and dealings will commence in the Existing Ordinary Shares and New Ordinary Shares at 8.00 a.m. on 16 July 2012. No application has or will be made for the Existing Ordinary Shares or the New Ordinary Shares to be admitted to trading or to be listed on any other stock exchange.

The Company has established a depository arrangement in relation to which depository interests ("DIs") established pursuant to a deed of trust (the "DI Deed Poll") executed by the Depository and representing Ordinary Shares, will be issued to investors who wish to hold their Ordinary Shares in electronic form within the CREST system. The Company has applied for the DIs representing New Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the New Ordinary Shares, represented by DIs, following Admission may take place within the CREST system if the relevant investors so wish. CREST is a UK electronic paperless share transfer and settlement system, which allows shares and other securities (including DIs) to be held in electronic rather than paper form. DIs have been constituted because the Company is registered in Gibraltar and electronic settlement of securities in CREST is only permitted in respect of securities issued by companies incorporated in the UK.

The New Ordinary Shares may be traded using this system. Please note that CREST is a voluntary system and holders of shares who wish to receive and retain share certificates will also be able to do so.

The DIs will have the same ISIN number as the underlying Ordinary Shares. For more information regarding CREST, shareholders should contact their broker or Euroclear at 33 Cannon Street, London EC4M 5SB. Trading in DIs requires shareholders to deal through a stockbroker or other intermediary who is a member of CREST. Shareholders should ensure that their stockbroker is a member of the London Stock Exchange.

Further details of the depository arrangements are set out in paragraphs 9.8 and 21 of Part VI. Further information regarding the depository arrangements and the holding of Ordinary Shares in the form of DIs is available from the Depository Interest Registrars. The Depository Interest Registrars may be contacted at Capita Registrars Limited, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

20. Taxation

Your attention is drawn to the information regarding taxation which is set out in paragraph 19 of Part VI of this document. That information is intended only as a general guide to the current tax position under UK and Gibraltar taxation law. If you are in any doubt as to your tax position, you should contact your independent professional adviser.

21. City Code

The Company is incorporated in Gibraltar and is managed and controlled outside the UK and outside Gibraltar. Accordingly, the provisions of the City Code will not apply to the Company. It is emphasised that, although the Ordinary Shares will trade on AIM, the Company will not be subject to takeover regulation in the UK.

Shareholders may not therefore be afforded the protections of the City Code as they might have if they were shareholders in a company where a takeover is regulated by the Panel. Further information on the rules surrounding takeovers of public Gibraltar companies is set out in Part VI of this document.

22. Disclosure Rules and Transparency Rules

As the Company is incorporated in Gibraltar, Shareholders are not obliged to disclose their interests in the Company in the same way as shareholders of certain companies incorporated under English law and regulation, specifically the Disclosure Rules and Transparency Rules. In particular, the relevant provisions of chapter 5 of the Disclosure Rules and Transparency Rules do not apply. However, the Articles contain provisions requiring the disclosure of voting rights in Ordinary Shares which are similar to the provisions of the Disclosure Rules and Transparency Rules, but this may not always ensure compliance with the requirements of Rule 17 of the AIM Rules for Companies. Furthermore, the Articles may be amended by a resolution of the Shareholders.

23. Pre-emption rights

There are no pre-emption rights under the Gibraltar Act or incorporated into the Articles, as further described in paragraph 8 of Part VI.

24. Further information

Your attention is drawn to Part II of this document which contains certain risk factors relating to any investment in the Company and to Parts III to VI (inclusive) of this document which contain further additional information on the Group.

PART II

RISK FACTORS

Potential investors should be aware of and carefully consider the factors and risks associated with any investment in the Company, the Group's business and the industry in which it operates (as described below), together with all other information contained in this document before making a decision to invest in the Company. Accordingly, you are strongly recommended to consult an investment adviser authorised under the FSMA, who specialises in the acquisition of shares and other securities, before making a decision to invest.

If any of the following risks actually occur, the Group's business, financial condition, results or future operations could be materially affected. In such circumstances, the price of the Company's shares could decline and investors could lose all or part of their investment. The information set out below does not constitute an exhaustive summary of the risks affecting the Group and is not set out in any order of priority.

In addition to the other information in this document, the Board considers the following risk factors are of particular relevance to the Group's activities and to any investment in the Company. It should be noted that this list is not exhaustive and that additional risks and uncertainties not presently known to the Board or which its members currently believe to be immaterial may also have an adverse effect on the Company. Any one or more of these risk factors could have a materially adverse impact on the value of the Company and should be taken into consideration when assessing the Company. The Ordinary Shares should be regarded as a highly speculative investment and an investment in Ordinary Shares should only be made by those with the necessary expertise to fully evaluate the investment. In addition to the usual risks associated with an investment in a business which is a start-up or at an early stage of development, the Directors believe that the risks should be considered carefully by investors before acquiring Ordinary Shares. There can be no certainty that the Company will be able to implement successfully the strategy set out in this document. No representation is or can be made as to the future performance of the Group and there can be no assurance that the Company will achieve its objectives. No inference ought to be drawn as to the order in which the following risk factors are presented as to their relative importance or potential effect.

RISKS RELATING TO THE GROUP AND ITS BUSINESS

The investment described in this document is speculative and may not be suitable for all recipients of this document. Potential investors are accordingly advised to consult a person authorised under the FSMA who specialises in advising in investments of this kind before making any investment decisions. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his personal circumstances and the financial resources available to him.

The Group's operations are subject to the normal risks of mining projects, and its profits are subject to numerous factors beyond the Group's control. Certain of these risk factors are discussed below.

Future funding requirements

In the opinion of the Directors, having made due and careful enquiry, taking into account the net proceeds of the Placing, the working capital available to the Group will be sufficient for its present requirements, that is for at least the next 12 months from the date of Admission. In the longer term, the Group will need to raise additional funding to undertake work beyond that being funded by the Placing and the Group will need to raise additional funds to complete an exploration programme and feasibility studies. Further, the Group will require additional funds to commence any mining operations or otherwise develop its properties. The ability to complete this next round of financing is, amongst other factors, dependent on the work programmes

evidencing that the licensed areas warrant further investment. There is no certainty that this will be possible at all or on acceptable terms. In addition, the terms of any such financing may be dilutive to, or otherwise adversely affect, Shareholders.

Reliance on key personnel and management

The success of the Company will be dependent on the services of key management and operating personnel. Some of these individuals have not yet been identified and the Company currently has no employees. The Directors believe that the Company's future success will depend largely on its ability to attract and retain highly skilled and qualified personnel, and to expand, train and manage its employee base. There can be no guarantee that suitably skilled and qualified individuals will be identified and employed or contracted on satisfactory terms or at all. If the Company fails to recruit or retain the necessary personnel, or if the Company loses the services of any of its key executives, its business could be materially and adversely affected.

Actions of third parties, including contractors and partners

The Group will be reliant to a significant extent on third parties to provide contracting services. There can be no assurance that these business relationships will continue to be maintained or that new ones will be successfully formed. A breach or disruption in these relationships could be detrimental to the future business, operating results and/or profitability of the Group. To the extent that the Group cannot engage contractors according to its plans and budgets, its profit may be adversely impaired.

In certain circumstances, the Group may be liable for the acts or omissions of its partners. If a third party pursues claims against the Group or against a joint venture vehicle as a result of the acts or omissions of the Group's partners, the Group's ability to recover from such partners may be limited. Recovery under such arrangements may involve delay, management time, costs and expenses or may not be possible at all which, in each case, could adversely affect the Group's financial performance and condition.

Limited operating history

The Company does not have an established trading record and it is therefore difficult for prospective investors to evaluate the Group's business and future prospects. There can be no assurance that losses will not occur in the near future or that the Company will be profitable in the future; success will depend on the Board's ability to manage the Company and to take advantage of further opportunities which may arise.

The Company's objectives may not be fulfilled

The value of an investment in the Company is dependent upon the Company achieving the aims set out in this document. There can be no guarantee that the Company will achieve the level of success that the Board expects.

Internal Systems and controls

The Company does not currently have all the internal systems and controls which investors would expect from a larger, more established business. The Board intends to take steps to ensure that systems and controls (appropriate for a group of the size and of the nature of the Company) are adopted and reviewed regularly.

Competition

A number of other mineral exploration companies may seek to establish themselves in areas in which the Group operates and may be allowed to bid for exploration and mining licences and other services, thereby providing competition to the Group. Larger companies in particular may have access to greater resources than the Group, which may give them a competitive advantage. In addition, actual or potential competitors may be strengthened through the acquisition of additional assets and interests.

Richard Poulden will continue to exercise significant influence over the Group

Richard Poulden and his related parties (as defined in the AIM Rules) will be deemed to be interested in 48,790,784 Ordinary Shares representing approximately 28.5 per cent. of the Enlarged Share Capital on Admission. The provisions of the Articles allow a Director to vote and count in the quorum at a meeting in respect of any matter in which he is interested (provided he has declared such interest to the meeting). Although the Relationship Agreement, details of which are set out in paragraph 9.3 of Part VI, provides that the Company's independence will be maintained, nonetheless Richard Poulden will be in a position to have significant influence over the Company's operations and business strategy. The trading price of the Company's Ordinary Shares could be materially adversely affected if potential new investors are disinclined to invest in the Company because they perceive disadvantages to Richard Poulden's shareholding.

Acquisitions and investments

The Company may seek to acquire (or acquire stakes in) complementary businesses and assets. Factors that will affect the success of any acquisitions or investments will include the Group's ability to integrate or manage such acquisitions or investments or to fund their exploitation. The Group may not be able to identify suitable opportunities for acquisitions or investments, obtain necessary funding on acceptable terms to finance such acquisitions or investments, or successfully integrate or exploit them. In addition, costs will be incurred in considering and pursuing acquisition and investment opportunities. These matters could disrupt the Group's ongoing business, distract management and employees, increase expenses and materially and adversely affect the Group's business. Any future acquisitions and/or investments could involve certain other risks, including the assumption of additional liabilities. If the Company issues equity securities in connection with any acquisitions or investments, the existing Shareholders' percentage holding of shares in the Company would be reduced.

Long term financing requirements

The Group's longer-term capital requirements will depend on many factors, including, but not limited to, working capital requirements and capital expenditure. To the extent that the existing resources are insufficient to fund its activities in the longer-term, the Company may need to raise additional funds through public or private financing. No assurance can be given that additional financing will be available or that, if available, the terms of such financing will be favourable to the Company or its Shareholders. If, in the longer-term, the Company raises additional funds by issuing more Ordinary Shares, the ownership interest of Shareholders could be significantly diluted and any additional issues may have rights, preferences or privileges senior to the rights currently assigned to the Ordinary Shares.

Litigation and claims

Legal proceedings, with or without merit, may arise from time to time in the course of the Group's business. The Directors cannot preclude litigation being brought against the Group and any litigation brought against the Group could have a material adverse effect on the financial condition, results or operations of the Group. The Group's business may be materially adversely affected if the Group and/or its employees, consultants, contractors or agents are found not to have met the appropriate standard of care or exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards. The Group only maintains a directors' and officers' insurance policy and without further appropriate insurance, the Group is not covered for its financial obligations in the event that legal proceedings or claims are brought against the Group, potentially exposing the Group to significant costs. It is the Group's intention to take out appropriate insurance policies for the Group depending on the activities of the Group from time to time. Even if the Group maintains insurance in respect of such risks, there is no guarantee that any insurance in place will cover all, or any part, of any liability incurred by the Group in any such circumstances.

Risk of damage to reputation and negative publicity

The Company's ability to attract further investment and to attract new business is dependent on the Group maintaining a good reputation. The Group is vulnerable to adverse market perception as it

operates in an industry where a high level of integrity and trust is paramount. Any perceived, actual or alleged mismanagement, fraud or failure to satisfy the Group's responsibilities, or the negative publicity resulting from such activities or the allegation by a third party of such activities (whether well founded or not) associated with the Group, could have a material adverse effect on the financial condition, results or operations of the Group. In addition, following the downturn in the equity markets and the resulting heightened consumer and media interest in the financial services industry, any future negative publicity associated with the business or operations of the Company (whether well founded or not) could result in reputational damage and could have a material adverse effect on the financial condition, results or operations of the Group.

Taxation framework

Any change in the Group's tax status or in taxation legislation could affect the Group's ability to provide returns to shareholders or alter post tax returns to shareholders. It is the Directors' intention to operate the Company's existing subsidiary in such a way that it is only subject to tax in Australia. The actual taxation status of the Group is dependent on the activities of the Group going forward. If the Group's existing subsidiary is not solely Australian tax resident other tax consequences might arise. Commentaries in this document concerning the taxation of investors in Ordinary Shares are based on current tax law and practice, which is subject to change. The taxation of an investment in the Group depends on the individual circumstances of investors.

Political

Although political conditions in Australia, where the Group currently operates, are generally stable, changes may occur in their political, fiscal and legal systems, which might affect the ownership or operation of the Group's interest including, *inter alia*, changes in exchange rates, control regulations, expropriation of mineral rights, changes in government and in legislative and regulatory regimes.

Volatility of mineral prices and exchange rates

Historically, mineral prices have displayed wide ranges and are affected by numerous factors over which the Company does not have any control. These include world production levels, international economic trends, currency exchange fluctuations, expectations for inflation, speculative activity, consumption patterns and global or regional political events. In the case of gold, purchases and sales of bullion holdings by central banks or other large holders or dealers may also have an impact on the market and price. The aggregate effect of these factors is impossible to predict.

Consequently as a result of the above, price forecasting can be difficult to predict or imprecise. Sustained downward movements in gold market prices could render less economic, or uneconomic, some or all of the exploration and/or extraction activities to be undertaken by the Group.

Any future Company income from its product sales will be subject to fluctuations in mineral prices and could become subject to exchange controls or similar restrictions. Currency conversion may have an adverse effect on income or asset values.

Bribery Act 2010

The Company has put in place operational procedures to manage the potential issues that could arise under the Bribery Act but there can be no guarantee that the employees of the Company or its other associates will abide by these procedures and as such the Company, its Directors and employees of the Group could be exposed to criticism or prosecution under the Bribery Act.

RISKS ASSOCIATED WITH THE MINING INDUSTRY

Risks in mineral exploration

Mineral exploration companies face many risks including the inherent uncertainty of discovering commercially viable reserves, the capital costs of exploration, intense competition from other projects seeking financing and, in the future, operations in potentially remote and often politically unstable environments.

While discovery of a gold deposit may result in substantial rewards, few properties that are explored are ultimately developed into economically viable operating mines. Major expenditure may be required to establish reserves by drilling and in constructing mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary feasibility studies or full feasibility studies or exploration programmes on the Group's current or future properties in which the Group has exploration rights will result in a profitable commercial mining operation.

The Group's operations are subject to all of the hazards and risks normally incidental to the exploration, development and production of gold, any of which could result in damage to life, property or the environment and possible legal liability for such damage caused. The Group's activities may be subject to prolonged disruptions due to weather conditions depending on the location of operations in which the Group has interests. Hazards, such as unusual or unexpected formations, rock bursts, over-pressured aquifers, cavities, flooding or other conditions may be encountered during the drilling and removal of material.

Whether a gold deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit (such as its size and quality), proximity to infrastructure, financing costs and governmental regulations (including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of gemstones and environmental prosecution). The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Group not receiving an adequate return on invested capital.

Reserve and resource estimates

Any future mineral resource and reserve figures will be estimates and there can be no assurances that the resources or reserves are present, will be recovered or can be brought into profitable production. Mineral resource and reserve estimates may require revisions based on actual production experience. Furthermore, a decline in the market price for minerals that any company within the Group may discover could render remaining mineral reserves uneconomic to recover and may ultimately result in a restatement of both mineral resources and reserves.

Estimates of mineral resources can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Material changes in mineral reserves or recovery rates may affect the economic viability of projects, projects could become commercially unviable as a result of any material reduction in estimates of reserves and resources. Mineral resources are reported as general indicators and should not be interpreted as assurances of minerals or the profitability of any operations.

Exploration risks

The Group intends to invest in exploration for and the development of resources which is speculative and involves a significant degree of risk. There is no assurance that such exploration will lead to commercial discoveries or, if there is a commercial discovery, that such mineral resources will be realisable.

Whilst the Directors will endeavour to apply what they consider from time to time to be the latest technology to assess potential projects, the business of exploration for minerals is speculative and involves a high degree of risk. The mineral deposits of any projects acquired by the Group may not contain economically recoverable minerals of sufficient quality and even if there are economically recoverable resources, delays in the construction and commissioning of projects or other technical difficulties may make the resources difficult to exploit.

The exploration and/or development of any projects may be disrupted, damaged or delayed by a variety of risks and hazards which are beyond the control of the Group. These include (without limitation)

geological, geotechnical and seismic factors, environmental hazards, technical failures, adverse weather conditions, acts of God and government regulations or delays.

Ability to exploit successful discoveries

It is possible that the Group may not be able to exploit commercially viable discoveries in which it holds an interest. Exploitation may require external approvals or consents from relevant authorities and the granting of these approvals and consents is beyond the Group's control. The granting of such approvals and consents may be withheld for lengthy periods, not given at all, or granted subject to the satisfaction of certain conditions which the Group cannot meet. As a result of such delays, the Group may incur additional costs, losses of revenue or part or all of its equity in a licence.

Market risk

The scale of production from a development of a discovered mineral resource will be dependent upon factors over which the Group has no control such as market conditions at that time, access to, and the operation of, transportation and processing infrastructure, the available capacity levels and tariffs payable by the Group for such infrastructure and the granting of any permits or licences or quotas the Group may require from the relevant regulatory authority. All of these factors may result in delays in production, additional costs or a reduction in expected revenues for the Group. Therefore, there is a risk that the Group may not make a commercial return on its investment.

Environmental regulation

The Group's operations will be subject to environmental regulation. Such regulation covers a wide variety of matters, including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and health and safety. Environment and safety legislation may affect the Group's ability to make or pursue investments and may change in a manner that may require more strict or additional standards than those currently in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulation. There can be no assurance that all permits which the Group may require can be obtained or maintained on reasonable terms. There may also be unforeseen environmental liabilities resulting from exploration and mining activities, which may be costly to remedy. In particular, the acceptable level of pollution and the potential clean up costs and obligations and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations, for which the Group may become liable as a result of its activities, may be impossible to assess against the current legal framework and current enforcement practices of the various jurisdictions.

Insurance risk

There are significant exploration and operating risks associated with exploration for gold, including adverse weather conditions, environmental risks and fire, all of which can result in injury to persons as well as damage to or destruction of the extraction plant, equipment, formations and reserves, production facilities and other property. In addition, the Group will be subject to liability for environmental risks such as pollution and abuse of the environment. Although the Group currently only has directors' and officers' insurance in place, as exploration has not begun on the Tenements and as the only assets disclosed by the Group are the Tenements, no other forms of insurance have been required by the Group at this stage. The Group will however, exercise due care in the conduct of its business and it is the Group's intention to take out appropriate insurance policies for the Group depending on the activities of the Group from time to time for companies engaged in similar operations in due course. The acquisition of such insurance however, does not mean that the Group is insured against all risks in its business. The occurrence of an event that is not covered, in whole or in part, by insurance could have a material adverse effect on the business, financial condition and results of operations of the Group. There is a risk that insurance premiums may increase to a level where the Group considers it is unreasonable or not in its interests to maintain or acquire insurance cover or not to a level of coverage customary for companies engaged in similar operations. In addition, the Group may, following a cost-benefit analysis,

elect to not insure certain risks on the grounds that the amount of premium payable for that risk is excessive when compared to the potential benefit to the Group of the insurance cover.

Regulatory approvals, title and payment obligations

The operations of the Group require approvals, licences and permits from various regulatory authorities, governmental and otherwise (including project specific governmental approvals). The permits and any future permits or licences in which a member of the Group has or may earn an interest will be subject to applications for renewal or grant (as the case may be). The renewal or grant of the term of each permit or licence is usually at the discretion of the relevant Government authority. If a permit or licence is not renewed or granted, the Group may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that licence area. The Directors believe that the Group will hold or will obtain all necessary approvals, licences and permits under applicable laws and regulations in respect of exploring its Tenements or other future concessions, however there can be no certainty that this will be the case.

There can be no guarantee that the Group will be able to obtain or maintain all necessary approvals, licences and permits that may be required and/or that all project specific governmental decrees and/or required legislative enactments will be forthcoming to explore and develop the licensed areas which it may acquire, to commence construction or operation of mining facilities, to export and sell minerals or to maintain continued operations that economically justify the costs involved.

In addition, the potential costs that could be associated with compliance with applicable laws and regulations may also cause substantial delays and require significant capital outlays, adversely affecting the Group's earning and competitive position in the future and, potentially, its financial position.

Under its permits, licences and certain other contractual agreements to which the Group is or may in the future become party, the Group is or may become subject to payment and other obligations. In particular the Group may be required to expend the funds necessary to meet the minimum work commitments attaching to its permits or licences. Failure to meet these work commitments will render the permits or licences in question liable to be revoked.

Further, if any contractual obligations are not complied with when due, in addition to any other remedies which may be available to other parties, this could result in dilution or forfeiture of interests held by the Group. The Group may not have, or be able to obtain financing for all such obligations as they arise.

Any changes in the laws of countries in which the Group may carry on business relating to mining could materially affect the rights and title to the interests held there by the Group. No assurance can be given that the government of Australia or applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorisations nor that such exploration and mining authorisations will not be challenged or impugned by third parties. In addition, such approvals, licences and permits are subject to change in various circumstances and further project specific governmental decrees and/or legislative enactments may be required. Please see below for further details of the risks associated with the applicable exploration and mining authorisations in Australia.

Infrastructure

The Group's current concessions are well served with access to Australia's extensive road network and proximity to major power transmission lines. However, future projects may not have access to such infrastructure and may be reliant, amongst other factors, on privately generated electricity, irregular water supply and restricted mobile coverage.

Climate

Queensland has a sub-tropical climate with two seasons: a rainy and humid season in summer (October to May) and a relatively dry season between June and October.

The average maximum temperature in Brisbane, ranging between 29°C in January and 20°C in July, while the average minimum temperatures vary between 21°C in January and 9°C in July. There has recently been flooding in the low lying coastal areas of the state. There is always the possibility that weather may affect access to the exploration sites during the rainy season.

RISKS RELATING TO EXPLORATION AND MINING AUTHORISATIONS IN AUSTRALIA

Security

The amount of security required by the Minister for the Tenements is nil. However, the Minister can determine the amount of security required for the Tenements on renewal or variation of a condition of a permit, and, as such, Wishbone Gold Pty Ltd may be required to pay an amount of security in the future. The Minister may also require Wishbone Gold Pty Ltd to pay security if at any time the Minister feels it is required to cover damage caused or damage likely to be caused by Wishbone Gold Pty Ltd.

Reporting requirements.

Wishbone Gold Pty Ltd will be required to lodge an annual report on each Tenement one month after the anniversary of the date the Tenements were granted. Wishbone Gold Pty Ltd is also required to furnish the following reports regarding:

- the reduction in the area of the Tenements, given within two months of the reduction taking place;
- a summary of the results of exploration for the whole of the term of the Tenements, given within two months of the Tenements ending;
- anything relating to the Tenements in addition to the above, when and in the way the Minister directs;
- the expenditure around certain activities as described in the Tenement permits; and
- the materials obtained because of Wishbone Gold Pty Ltd's activities under the Tenements when and in the way the Minister directs.

Failure to meet these reporting requirements may render the Tenements liable to be cancelled by the Minister or expose Wishbone Gold Pty Ltd to a penalty of up to A\$50,000.

Relinquishment

The MRA provides that an EPM is subject to relinquishment of part of its area each year, after an initial two year period.

While the holder of an EPM can apply to have this condition varied during the term of the EPM so that they may retain all or some of the sub-blocks subject to relinquishment, it is dependent on the Minister exercising their discretion to waive this relinquishment requirement. Accordingly, there is a risk that the areas of the EPMs could be reduced by up to 50 per cent. at the end of the first two years after the grant of the EPMs, and by 50 per cent. of the remaining area of each EPM at the end of each subsequent year. Wishbone Gold Pty Ltd may apply to convert the Tenements to a MDL, which are not subject to relinquishment requirements, although rent and minimum expenditure obligations on the Tenements would increase.

Overlapping tenements

The grant of the exploration rights under the EPMs are not exclusive since other rights of tenure can be granted over the same land to third parties.

White Mountain is 100 per cent. overlapped by ATP 714, an application for an authority to prospect for petroleum made by Arrow Energy Pty Ltd. As the White Mountain EPM was granted before ATP 714, Arrow Energy Pty Ltd may only carry out authorised activities on the overlapping land if:

- its activities do not adversely affect the carrying out of an authorised activity by Wishbone Gold Pty Ltd; or
- it obtains the agreement of Wishbone Gold Pty Ltd in writing, where the activities to be carried out by Arrow Energy Pty Ltd will adversely affect the authorised activities to be carried out by Wishbone Gold Pty Ltd on the overlapping land.

This position remains the same where Wishbone Gold Pty Ltd applies for an ML. If, however, Wishbone Gold Pty Ltd applies for a MDL over White Mountain and ATP 714 has been granted, Wishbone Gold Pty Ltd may only carry out an authorised activity on the overlapping land if:

- it does not adversely affect the carrying out of an authorised activity by Arrow Energy Pty Ltd; or
- it obtains the agreement of Arrow Energy Pty Ltd in writing, where the activities to be carried out by Wishbone Gold Pty Ltd will adversely affect the authorised activities to be carried out by Arrow Energy Pty Ltd.

If Arrow Energy Pty Ltd is granted a petroleum lease over White Mountain and even if White Mountain has been upgraded to a MDL, an authorised activity for White Mountain may only be carried out on the overlapping land if Arrow Energy Pty Ltd has agreed in writing to the carrying out of the activity.

If Wishbone Gold Pty Ltd applies for a MDL or ML and Arrow Energy Pty Ltd has already been granted a petroleum lease, an authorised activity for the mining lease will only be able to be carried out on the overlapping land only if Arrow Energy Pty Ltd has agreed in writing to the carrying out of the activity.

Generally, the carrying on of activities under a petroleum authority and the carrying on of activities under a mining tenement will not adversely affect each other and each tenement holder can undertake authorised activities without requiring the other party's written agreement.

While there are no other overlapping tenements currently in existence or in the process of being applied for, the grant of an overlapping tenement to a third party may restrict the future grant of a MDL or ML over the Tenements to Wishbone Gold Pty Ltd. In addition, such overlaps may impact on future EPMs applied for by the Group.

Roads

There are two roads that run through Wishbone II. The Wishbone II EPM does not have an express authorisation to perform a mining activity in a way that obstructs a road and the conditions are silent as to whether there is an area around the roads on which Wishbone Gold Pty Ltd is prohibited from conducting activities. Accordingly, Wishbone Gold Pty Ltd would not be able to conduct activities on an area surrounding the road and has a statutory obligation to only use the roads to access the Tenements. Although the impact of this is not particularly relevant at the EPM stage, future mining activities could require an impact assessment being undertaken and may also require a further level of governmental involvement.

Strategic Cropping Land

One section of Wishbone II falls within a Strategic Cropping Land (SCL) management area. Currently there are no obligations on Wishbone Gold Pty Ltd with regards to SCL; however, landowners of the underlying lots of the Tenements can apply under the SCL Act for validation as to whether SCL exists on their land. If SCL is found on a Tenement area, Wishbone Gold Pty Ltd may have its activities on that area restricted or prohibited and may be exposed to financial obligations or have conditions imposed on the Tenements.

Native Title

Both Wishbone II and White Mountain are subject to applications for native title, which are expressions of interest by native title groups. These applications are subject to detailed assessment by the Native

Title Registrar and Federal Court. The grant of an EPM is generally a Future Act (as defined in section 233 of the Native Title Act 1993). If the government considers that a Future Act is expected to have minimal impact on native title, the grant of a tenement can be fast-tracked using the “Expedited Procedure”. Both Wishbone II and White Mountain are in the category of grants subject to the Expedited Procedure. Where an Expedited Procedure is not objected to by native title parties, the Future Act can be done without negotiations being required. There are no overlaps with Future Act objections for the Tenements. However, as the Tenements are subject to the Expedited Procedure, conditions known as the Native Title Protection Conditions (“NTPCs”) form the conditions of tenure for the Tenements. Wishbone Gold Pty Ltd is required to comply with the NTPCs which provide for a process for taking account of native title and cultural heritage issues during the course of the activities to be carried out under the Tenements. Part of these conditions is the requirement that Wishbone Gold Pty Ltd must have given the native title parties a written notice within seven business days of the grant of the Tenements (“Nominated Body Notice”) and a further written notice of the exploration activities that Wishbone Gold Pty Ltd proposes to carry out before the commencement of these activities (“Exploration Activity Notice”). Failure to comply with the NTPCs may render the Tenements liable to be cancelled by the Minister. Wishbone Gold Pty Ltd has given the Nominated Body Notice to the relevant native title parties, however this may have been done outside of the required time frame and this may constitute a technical breach of the NTPCs.

In addition, where Wishbone Gold Pty Ltd proposes to convert the Tenements into mining licences and native title claims have been lodged and registered, it will be necessary to go through the right to negotiate process with the native title holders or claimants.

The native title applications have ceased mediation. This means that the Federal Court may direct further mediation to occur or it may hear the case to make a determination on whether native title exists in the area (“Determination”). If a native title application has a Determination made finding the existence of native title, the Federal Court of Australia may set out the basic grounds for the coexistence of the rights of the native title parties and other affected parties, such as miners. Depending on the rights sought by the native title parties and the ruling of the Federal Court of Australia, the rights awarded to native title parties and set down by a Determination, may have an impact on the Tenements.

The existence of the Tenements may limit the extent of native title rights granted or recognised by the Federal Court of Australia, therefore lessening the effect of a Determination on the Tenements. While exclusive possession will not be granted to the native title parties due to the existence of the Tenements, other rights granted may impact the Tenements such as the right to hunt, fish and conduct ceremonies on the land covered by the Tenements.

Wishbone Gold Pty Ltd is not currently a party to the Determinations as the native title claims were made before the applications for the Tenements were submitted, however, Wishbone Gold Pty Ltd has the ability to apply to the Federal Court to become a party to the Determination to protect its rights and interests and Wishbone Gold Pty Ltd will likely incur costs if it chooses to enter into this process.

Wishbone Gold Pty Ltd may also choose to enter into an Indigenous Land Use Agreement with the native title parties to build a good rapport with native title parties and to determine each party’s rights and interests in a manner that is more conducive to the interests of both parties. If an Indigenous Land Use Agreement is entered into, there may be an element of compensation payable by Wishbone Gold Pty Ltd to the native title parties, and the quantum of compensation is dependent on the extent to which native title parties are compromising certain rights on the land. At an exploration permit stage, the quantum is unlikely to be a significant amount however there is no guarantee as to the amount of compensation required or that an Indigenous Land Use Agreement will be able to be agreed between the parties.

Until a Determination is made, other native title claims could be made within the areas of the Tenements. If this occurs, Wishbone Gold Pty Ltd will be notified and will most likely be considered as a party to the Determination. This means that Wishbone Gold Pty Ltd will be able to participate in the process and help protect its interests, however, Wishbone Gold Pty Ltd is likely to incur costs during this process.

Aboriginal Cultural Heritage

Under the Aboriginal Cultural Heritage Act 2003, in relation to any sites of aboriginal cultural heritage (“ACH”) that are recorded in a register, Wishbone Gold Pty Ltd shall have a duty of care not to cause harm to an area or object of ACH. Wishbone Gold Pty Ltd is also required to exercise due diligence and reasonable precaution before undertaking an activity that may cause harm, taking all reasonable and practical measures to avoid harm to ACH. Failure to comply with the duty of care may result in a maximum penalty of A\$1,000,000 for a company or A\$100,000 for an individual. There are also guidelines for the various activities to be undertaken (“ACH Guidelines”) and compliance with these guidelines would afford Wishbone Gold Pty Ltd strict compliance with their duty of care under the Aboriginal Cultural Heritage Act 2003. An EPM is usually category 4 or 5 under the ACH guidelines. Wishbone Gold Pty Ltd therefore needs to comply with certain requirements including notifying the aboriginal party to seek advice as to whether the feature constitutes ACH, entering into agreements with any aboriginal parties where required, and obtaining cultural heritage assessment. Wishbone Gold Pty Ltd have not made any communications with indigenous parties with respect to ACH and failure to do so may result in harm being caused to ACH and a breach of their duty of care under the Aboriginal Cultural Heritage Act 2003.

Land Access Code and compensation payable to landowners

The Land Access Code applies to the Tenements and, as such, Wishbone Gold Pty Ltd will need to use reasonable endeavours to consult with each owner and occupier of private or public land on which activities under the EPMs are carried out. Consultation should be in relation to access, the carrying on of the activities, and compensation liability. Wishbone Gold Pty Ltd is also required to give each landowner written notice of entry before initial entry is made under the authority of the EPMs. Wishbone Gold Pty Ltd will be required to enter into a conduct and compensation agreement with landowners when it wishes to carry out certain activities on the Tenements. Wishbone Gold Pty Ltd has so far complied with these requirements and has made initial contact with all landowners to establish good rapport with them and has already given written notices before initial entry was made on the Tenements. However, failure to comply with all other requirements of the Land Access Code may render the Tenements liable to be cancelled by the Minister and the imposition of penalties.

Health and Safety

Wishbone Gold Pty Ltd is required to comply with the Mining and Quarrying Safety and Health Act 1999 and the Mining and Quarrying Safety and Health Regulation 2001 for mining exploration. Obligations are imposed to ensure that the risk to health and safety of persons who may be affected by activities or operations at a mine is at an acceptable level. The conditions of the Tenements also impose certain conditions such as notifying the inspector of mines of the commencement/cessation of operations, surveying underground operations and providing notice of accidents to the inspector of mines. Failure to comply may render the Tenements liable to be cancelled by the Minister or expose Wishbone Gold Pty Ltd to a penalty of up to A\$50,000.

Foreign Investment Review Board approval

The Foreign Investment Review Board’s (“FIRB”) approval may be required when Wishbone Gold Pty Ltd applies for a MDL and FIRB approval will be required when Wishbone Gold Pty Ltd applies for a ML. There is a risk that FIRB approval may not be obtained. This means that Wishbone Gold Pty Ltd activities could not progress beyond the exploration stage and therefore no mining will be able to be carried out on the Tenements.

RISKS RELATING TO THE NEW ORDINARY SHARES

Fluctuations in the price of Ordinary Shares

The market price of the Ordinary Shares may be subject to fluctuations in response to many factors, including variations in the operating results of the Company, divergence in financial results from analysts’ expectations, changes in earnings estimates by stock market analysts, general economic

conditions, legislative changes in the Company's sector and other events and factors outside of the Company's control.

In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Ordinary Shares.

The value of Ordinary Shares may go down as well as up. Investors may therefore realise less than or lose all their original investment.

Liquidity of the Ordinary Shares

The price of the Ordinary Shares may be volatile, influenced by many factors, some of which are beyond the control of the Company, including the performance of the overall stockmarket, other shareholders buying or selling large numbers of shares, changes in legislation or regulations and general economic conditions. Therefore, a return on an investment in the Ordinary Shares cannot be guaranteed.

Admission to AIM should not be taken as implying that there will be a liquid market for the Ordinary Shares. AIM is a market designed primarily for emerging or smaller companies and the rules of this market are less demanding than the Official List. The future success of AIM and liquidity in the market for Ordinary Shares cannot be guaranteed. In particular, the market for Ordinary Shares may become or may be relatively illiquid and therefore such Ordinary Shares may be or may become difficult to sell. It may be more difficult for an investor to realise their investment in the Company than in a company whose shares are quoted on the Official List.

Suitability of Ordinary Shares as an investment

The Ordinary Shares may not be suitable for all the recipients of this document. Before making a final decision, investors are advised to consult an investment adviser authorised through the Financial Services and Markets Act 2000 or another appropriately qualified professional adviser who specialises in advising on the acquisition of shares and other securities.

Dilution of shareholders' interest as a result of additional equity fundraising

The Group may need to raise additional funds in the future to finance, amongst other things, working capital, expansion of the business, new developments relating to existing operations or new acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of the Company other than on a pro rata basis to existing Shareholders, the percentage ownership of the existing Shareholders may be reduced. Shareholders may also experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to the Ordinary Shares. The Company may also issue shares as consideration shares on acquisitions or investments which would also dilute Shareholders' respective shareholdings.

Exchange rate fluctuations

A large majority of the Group's revenue and costs will be transacted in A\$ or directly linked to the A\$ and consequently investment in the Ordinary Shares includes an economic exposure to the A\$. Fluctuations in the value of A\$, the US\$ and other currencies in which the Group may agree to transact business from time to time may materially affect the cash flows and earnings which the Group expects to realise from its operations when translated into US\$. The Company's use of proceeds assumes an exchange rate of US\$1.55:£1; the actual exchange rate may fluctuate up or down. If the Group begins to generate revenues, it will be exposed to currency translation risk on those revenues to the extent not mitigated by costs based on the A\$ and to the extent the Group does not seek to hedge its currency exposure in the financial markets.

Dividends

There can be no assurance as to the level of future dividends. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Shareholders or, in the case of interim dividends to the discretion of the Directors, and will depend upon, amongst other things, the Company's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time.

Although the Board intends to pay dividends to Shareholders in the future, there can be no assurance that the Company will declare and pay, or have the ability to declare and pay, any dividends on the new Ordinary Shares (or the Ordinary Shares) in the future.

City Code

The City Code will not apply to the Company as further described in Part I and Part VI of this document, and therefore any takeover of the Company will be unregulated by UK takeover authorities. Shareholders may not therefore be afforded the protections of the City Code as they might have been if they were shareholders in a company where a takeover is regulated by the Panel.

The Company is governed by the Gibraltar legislation which regulates the takeover of Gibraltar registered public companies. The Companies (Cross-Border Mergers) Regulations 2010 transpose Directive 2005/56/EC of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies into the law of Gibraltar. These regulations are designed to facilitate cross-border mergers of limited liability companies and to allow for cross-border merger of a national limited liability company with a limited liability company of another Member State. Takeovers of a Gibraltar registered public company can also take place via a scheme of arrangement pursuant to sections 205 to 208 of the Gibraltar Act.

Gibraltar company law

The Company is a company incorporated in Gibraltar. As a result, the rights of the Shareholders will be governed by the laws of Gibraltar and the memorandum and articles of association of the Company and not by UK company law.

Realisation of investment

Potential investors should be aware that the value of the Ordinary Shares and income from these Ordinary Shares can go down as well as up and that Admission should not be taken as implying that there will be a liquid market in the Ordinary Shares. An investment in the Ordinary Shares may thus be difficult to realise.

In the event of a winding up of the Company, the Ordinary Shares will rank behind any liabilities of the Company and therefore any return for Shareholders will depend on the Company's assets being sufficient to meet prior entitlements of creditors.

Forward looking statements

This document contains forward-looking statements that involve risks and uncertainties. The Company's results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including the risks faced by the Company, which are described above and elsewhere in the document. Additional risks and uncertainties not currently known to the Board may also have an adverse effect on the Company's business.

PART III

AUSTRALIA AND QUEENSLAND MINING LAW

1. Background on the Commonwealth of Australia (“Australia” or the “Commonwealth”)

The Commonwealth of Australia was formed in 1901. The rules of government were enshrined in the Australian constitution (the “Constitution”), which defined how the Australian government was to operate and what issues it could pass laws on. The Constitution created a ‘federal’ system of government. Under a federal system, powers are divided between a central government and individual states. In Australia, power was divided between the Australian government and the six state governments.

2. State and territory government

Although the six states joined together to form the Commonwealth of Australia and the Australian government, they still each retain the power to make their own laws over matters not controlled by the Commonwealth under Section 51 of the Constitution. State governments also have their own constitutions, as well as a structure of legislature, executive and judiciary.

Territories are areas within Australia’s borders that are not claimed by one of the six states. Territories can be administered by the Australian government, or they can be granted a right of self-government. Self-government allows a territory to establish its own government in a similar manner to a state. The Constitution allows territories to become states with the approval of the Commonwealth legislature.

The change of governments in the State of Queensland (occurred on 26 March 2012) and while a change of attitudes with regards to the laws that relate to the Tenements and the Group is possible, there has been no published indication of this as at the date of this Admission Document. Further, on 30 March 2012 the Queensland Government announced machinery-of-government changes for the departments. The functions of the Department of Environment and Resource Management (formerly DERM) will now be delivered by the Department of Environment and Heritage Protection, Department of Natural Resources and Mines, Department of National Parks, Recreation, Sport and Racing and the Department of Energy and water Supply and the functions of DEEDI will now be administered by the Department of State Development, Infrastructure and Planning, Queensland Treasure and Trade, Department of Education, Training and Employment, Department of Agriculture, Fisheries and Forestry, Department of Natural Resources and Mines, Department of Energy and Water Supply, Department of Science, Information Technology, Innovation and the Arts, Department of National Parks, Recreation, Sport and Racing and Department of Tourism, Major Events, Small Business and the Commonwealth Games. The daily operations of DEEDI and DERM have not yet been altered; this Admission Document refers to DERM and DEEDI in their previous capacities.

3. Mining law in Queensland

Mining tenements in Queensland are largely governed by the Mineral Resources Act 1989 (Qld) (“MRA”). The following is a summary of the relevant legislation governing the various forms of tenements which Wishbone Gold Pty Ltd, as holder of the Tenements, will be bound to comply with now, or in the future if Wishbone Gold Pty Ltd seek to apply for higher forms of tenure.

3.1. EPMs

Application, term and general conditions of EPMs

The MRA provides that an eligible person may apply to the Minister for an EPM. The applicant must comply with the requirements set out under the MRA when making an application for an EPM.

The Minister may grant or refuse an EPM under the MRA. If granted, an EPM may be granted for a period not exceeding five years and the EPM may be granted in respect of all minerals other than coal or for coal under s 130 of the MRA.

Following the grant of an EPM, the Minister will determine the area to be held under the EPM and the terms, rent and other conditions on which the EPM is granted.

EPMs are granted subject to a number of conditions set out in the MRA. The Minister may also determine other conditions to be imposed on the EPMs. Failing to comply with any of these conditions or a condition of the EPM may render the EPM liable to be cancelled by the Minister.

The holder of an EPM may apply for a renewal of the term not more than six months and not less than three months (unless allowed by the Minister) prior to the expiration of the current term of the EPM. The renewal term may be granted for a further term of not more than five years and the renewed permit is subject to any conditions prescribed under a regulation and any conditions decided by the Minister. The Minister will have regard to a variety of considerations under the MRA when deciding whether to grant a renewal for an EPM.

Land access under EPMs

The holder of an EPM may enter any part of the land that is not the surface of a restricted land for the purpose of facilitating the exploration of the minerals to which the EPM applies. While on the land, the holder of an EPM may carry out any activity authorised by the EPM.

The Land Access Code applies to the Tenements. The Land Access Code consists of good relations provisions and mandatory conditions for resources authorities.

Under the MRA, an EPM holder must consult with or use reasonable endeavours to consult with each owner or occupier of private or public land ("Landowner") on which authorised activities for the EPM are proposed to be carried out on about access, the carrying on of Authorised Activities and compensation liability.

An EPM holder is required to give each Landowner written notice of entry before initial entry is made by the holder under authority of the EPM.

An EPM holder cannot enter private land to carry out Preliminary Activities unless it has given each Landowner a written entry notice at least ten business days before entry and it complies with s 6 of the MRA. An EPM holder must compensate each Landowner for any Compensatable Effect that the Landowner may suffer because of the Authorised Activities.

If an EPM holder is only conducting Preliminary Activities, they do not need to enter into an agreement prior to entry onto the land but the compensation obligation outlined above is otherwise identical.

An EPM holder cannot enter private land to carry out Advanced Activities unless each Landowner is a party to a conduct and compensation agreement. If the conduct and compensation agreement cannot be agreed between the parties, an EPM holder must comply with the negotiation process provided for under the MRA.

Failure to comply with the Land Access Code and compensation provisions of the MRA may render an EPM liable to be cancelled by the Minister and subject the EPM holder to the imposition of penalties.

Reporting requirements

The MRA provides that an EPM holder is required to furnish the following reports to the Minister:

- (a) an annual report given each year during the term of the EPM and to be furnished within one month after each anniversary of the EPM;

- (b) a report on the reduction in the area of the EPM, given within two months after the reduction takes effect;
- (c) a report summarising the results of exploration for the whole of the term of the EPM given within two months after the EPM ends;
- (d) a report about the EPM that is in addition to any report mentioned above; and
- (e) a report about materials obtained because of the EPM holder's activities under the EPM.

Failure to meet these reporting requirements may render an EPM liable to be cancelled by the Minister or expose an EPM holder to a penalty not exceeding \$50,000.00.

Native Title

Native title is the recognition by Australian law that some Indigenous people have rights and interests to their land that come from their traditional laws and customs ("Native Title").

Native Title land is land over which Native Title holders have rights, which usually co-exist with the rights of other users ("Native Title Land"). Aboriginal parties who believe they may have a claim of Native Title over a particular area or areas of land may make a Native Title application ("Native Title Application"). Native Title Applications are subjected to detailed assessment by the Native Title Registrar and ultimately the existence of Native Title is determined by the Federal Court of Australia ("Federal Court") ("Determination"). Native Title Applications will be discussed in further detail below.

The applicant for an EPM must address Native Title in accordance with the provisions of the Native Title Act 1993.

Under the MRA, the Minister may determine Native Title protection conditions for the EPM.

If an EPM is granted after 1 January 1994, it is generally deemed to be a future act ("Future Act"). The Native Title Act 1993 grants a number of procedural rights that must be satisfied in order for a Future Act to be validly undertaken, for example a Future Act must first proceed through either the 'right to negotiate' provisions of the Native Title Act 1993 or an Indigenous Land Use Agreement ("ILUA").

If the state government considers that some Future Acts are expected to have minimal impact on Native Title, the grant of an EPM can be fast-tracked using a process known as expedited procedure ("Expedited Procedure"). The vast majority of EPMs fall within the category of grants subject to Expedited Procedure.

Native Title parties may object to an EPM being granted as an Expedited Procedure, however, where an Expedited Procedure is not objected to by Native Title parties, the Future Act can be done without any negotiations being required.

While negotiations are not compulsory for holders of EPMs granted pursuant to an Expedited Procedure, holders may enter into an ILUA with Native Title parties. ILUAs must meet the requirements set out in the Native Title Act 1993 and they allow an agreement to be made by both parties tailored to suit each party's needs.

Where an EPM is granted subject to an Expedited Procedure, the Native Title Protection Conditions ("NTPCs") form a condition of an EPM. The NTPCs provide a process for taking account of Native Title and cultural heritage issues during the course of the activities to be carried out under the Tenements.

The NTPCs provide that exploration activities that are likely to involve major disturbance to any land or waters concerned or create rights whose exercise is likely to involve major disturbance to any land or waters concerned, must not be carried out except in accordance with the NTPCs.

Part of the conditions of the NTPCs is the requirement that an EPM holder must give the Native Title parties a written notice within seven business days of the grant of the EPM seeking details of the body nominated to receive funds.

The NTPCs also require a written notice to be given to the Native Title parties regarding the exploration activities that an EPM holder proposes to carry out, before commencement of these activities. The written notice must be given to any registered Native Title body corporate, registered Native Title claimant or a person being a determined hold of Native Title. The written notice must include all of the details of the NTPCs.

As the NTPCs form part of the conditions of an EPM, failure to comply with the NTPCs may render an EPM liable to be cancelled by the Minister.

When a Native Title Application is made it must pass a registration test. If the registration test is passed, the National Native Title Tribunal (“Tribunal”) will then notify anyone whose interests may be affected by a determination to apply to the Federal Court to become a party to mediation.

The Federal Court receives applications to become a party to proceedings and will decide whether or not a person is a party. This is followed by a directions hearing where the Judge will finalise the party list and refer the application to the Tribunal for mediation.

If mediation is successful, the agreement reached will be forwarded to the Federal Court to make a determination of Native Title consistent with the agreement.

If mediation is unsuccessful, the Tribunal will provide a report to the Federal Court and the Federal Court may direct further mediation to occur or it may hear the case to make a determination.

If a Native Title Application has a Determination made finding the existence of Native Title, the determination will identify the Native Title holders and describe their Native Title rights and interests. A determination finding the existence of Native Title will also recognise non-Native Title rights and interests in the area and the Federal Court may set out the basic grounds for the coexistence of those two sets of rights.

The content of the rights of Native Title holders will depend on the Native Title holders’ traditional laws and customs and on the capacity of Australian law to recognise those rights and interests that they hold under those laws and customs.

The existence of other rights and interests over the same area may prevent Native Title being recognised or limit its content. Native Title rights may include the right to possess, occupy and enjoy a particular area to the exclusion of all others (also known as exclusive possession). This right can only be recognised in limited parts of Australia and over other areas, the Native Title rights are most likely to be a set of non-exclusive rights, which means there is no right to control access to and use of the area.

To the extent that native title has not been extinguished with respect to the underlying land where an EPM holder seeks to convert the EPM into a ML and Native Title claims are lodged and registered, it will be necessary to go through the right to negotiate process with any Native Title holders or claimants whose claims are accepted for registration at the relevant time.

Aboriginal Cultural Heritage

Aboriginal cultural heritage is anything that is:

- (a) an area of particular significance to Aboriginal people because of Aboriginal tradition or history;
- (b) an object of particular significance to Aboriginal people because of Aboriginal tradition or history; or
- (c) evidence, of archaeological or historical significance, of occupation of an area, in Queensland (“ACH”).

The *Aboriginal Cultural Heritage Act 2003* (Qld) (“ACH Act”) is designed to provide effective recognition, protection and conservation of ACH.

Under the ACH Act, regardless of whether the ACH site is recorded in a register, is on private land or not yet discovered, an EPM holder has a duty of care not to cause harm to an area or object of ACH. An EPM holder is required to exercise due diligence and reasonable precaution before undertaking an activity that may cause harm, taking all reasonable and practical measures to avoid harm to ACH. A set of guidelines has been developed to assist EPM holders with compliance with the ACH Act (ACH Guidelines). The ACH Guidelines provide that where ACH lies undiscovered, below ground or not yet visible, a person must consult with the relevant Aboriginal party before proceeding to remove or excavate.

Where ACH is located on the surface of land and a person is otherwise entitled to the use and enjoyment of the surface of the land, despite the existence of the ACH, the person is entitled to the use and enjoyment of the land to the extent that the person does not unlawfully harm the ACH (s 21 of the ACH Act).

When undertaking activities in an area, an EPM Holder must meet the ACH duty of care under the ACH Act. One method of ensuring strict compliance with the duty of care obligations under ACH Act is through complying with the ACH Guidelines. Failure to comply with the ACH Act’s duty of care may result in a maximum penalty of A\$1,000,000.00 for a corporation or A\$100,000.00 for an individual.

The ACH Guidelines sets out guidelines for various kinds of activities to be undertaken. An EPM is usually a category 4 or category 5 under the ACH Guidelines.

For category 4 activities, quarries and artefact scatters are identified under the ACH Guidelines as features that may have residual cultural heritage significance and the ACH Guidelines state that it is important to be informed about any cultural heritage significance that may attach to these features and extra care must be taken prior to proceeding with any activity that may cause additional surface disturbance to the feature or the area immediately surrounding the feature which is inconsistent with pre-existent significant ground disturbance.

In these circumstances and for category 5 activities, it is necessary for the EPM holder to notify the aboriginal party and seek:

- (a) advice as to whether the feature constitutes ACH; and
- (b) if it does, agreement as to how best the activity may be managed to avoid or minimise harm to any ACH.

If an agreement cannot be reached for the area, an EPM holder still has a duty of care obligation and must take all reasonable and practical measures to ensure the activity does not harm ACH including, where necessary, through the development of a cultural heritage management plan under Part 7 of the ACH Act.

An activity under category 4 or category 5 of the ACH Guidelines that will excavate, relocate, remove or harm ACH entered on the ACH register or database should not proceed without the agreement of the aboriginal party for the area or a cultural heritage management plan undertaken pursuant to Part 7 of the ACH Act.

For category 5 activities under the ACH Guidelines, the activity should not proceed without cultural heritage assessment.

For category 5 activities, particular care must be taken where an EPM holder proposes to undertake activities causing additional surface disturbance to artefact scatters or quarries. The ACH Guidelines state that it is important to be informed about any cultural heritage significance that may attach to these

features and extra care must be taken prior to proceeding with any activity that may cause additional surface disturbance to the feature or the area immediately surrounding the feature.

The views of an aboriginal party for an area are key in helping assess the ACH significance of features. It would be good practice for an EPM holder to enter into discussions early with aboriginal parties to ensure strict compliance with its obligations under the ACH Act. Further, appropriately qualified people such as anthropologists, archaeologists and historians can also provide valuable assistance and an EPM holder may need to consider the appropriateness of engaging such professionals or approaching aboriginal parties before undertaking activities on the EPM. Further, having someone survey the area is one way to ensure compliance with the duty of care that the EPM holder has under the ACH Act.

Relinquishment

An EPM is subject to relinquishment of part of its area – the MRA provides that the area of an EPM is reduced by 50% at the end of the first two years after the grant of the EPM, and by 50% of the remaining area at the end of each subsequent year.

However, a holder of an EPM can apply to have this condition varied during the term of the EPM so that they may retain all or some of the sub-blocks subject to relinquishment. Accordingly, the Minister retains the discretion to waive this relinquishment obligation in any particular year.

Another alternative for the holder of an EPM to avoid any relinquishment is to apply for an MDL over the area of the EPM, giving the holder more secure tenure.

3.2. MDLs

Application, term and general conditions of MDLs

The MRA provides that, unless otherwise approved by the Minister, an MDL may be applied for by an eligible person in respect of contiguous land comprised of an EPM or MDL where the applicant is the holder of the EPM or MDL. An application for the grant of an MDL must be made in accordance with the MRA and the Minister may refuse or grant an MDL.

An MDL may be granted for an initial term of not more than five years, unless the Minister approves otherwise. An MDL holder may apply for the MDL to be renewed at least six months before the current term ends and not more than one year before the current term expires. The period for which the MDL is renewed must not exceed five years.

Following the grant of an MDL the Minister will determine the terms, rent and other conditions on which the MDL is granted. The area of an MDL will not include areas that were the subject of an existing mining claim or ML or an earlier application for a mining claim or ML (“Excluded Land”). However, under the MRA, an MDL holder may apply to have the Excluded Land added to the area covered by the MDL.

MDL’s are also granted subject to the conditions set out in the MRA. A breach of a condition of an MDL may result in the Minister cancelling the MDL or expose the holder to a fine not exceeding A\$100,000.00 under the MRA.

The MRA allows an MDL holder to carry out such activities as are specified in the licence by the Minister, including drilling, seismic surveys, mining feasibility studies, metallurgical testing and marketing, environmental, engineering and design studies in order to evaluate the potential for the development of a resource.

The Minister may direct an MDL holder to apply for a ML during the term of the MDL if the Minister is of the opinion that actual mining operations should commence. If the holder does not comply, the Minister may cancel the MDL.

The Foreign Investment Review Board's approval may be required when a foreign entity applies for a MDL.

Land access under MDLs

The MRA provides that the Land Access Code also applies to MDLs. Please refer above to the Land access under EPMs in section 3.1 above for information on the Land Access Code.

Relinquishment

MDLs are not subject to any relinquishment conditions.

3.3. MLs

Application, term and general conditions of MLs

The MRA provides that, unless otherwise approved by the Minister, a ML may be applied for by an eligible person in respect of contiguous land comprised of an EPM or MDL where the ML applicant is the holder of the EPM or MDL.

Once the applicant has complied with all requirements under the MRA and the application fee has been paid, the applicant will receive a certificate of application.

The MRA requires the applicant to deliver copies of this certificate and the application for the ML, other than the parts relating to the applicants financial and technical resources, to all owners of land underlying the ML within five business days.

Any person can object to the grant of an ML. If there are no objections to the grant of the ML within the relevant period, the Minister may consider the application and recommend to the Governor in Council that the ML be granted without the need for assessment by the Land Court.

If an objection is made to the grant of the ML, the application and any objections will be referred by the Minister to the Land Court. The Land Court will make a recommendation to the Minister regarding the grant of the ML.

The MRA requires the Minister, in deciding to grant or refuse an application for a ML, to take into account, among other things, any recommendations made by the Land Court and any Native Title considerations.

The conditions of an ML are set out in the MRA. The failure of the holder to comply with any conditions of the ML may render the ML liable to be cancelled by the Minister, or depending on the condition breached, may render the company liable for a penalty not exceeding A\$150,000.00.

The MRA allows the holder of an ML to carry out any activity authorised by the ML for the purpose for which the ML is granted or for any purpose permitted or required under the ML or by the MRA. In addition, the MRA also entitles an ML holder to access any sand, gravel or rock, following payment of any royalties to the person with property in the sand, gravel or rock, which the holder of the ML may utilise for any purpose permitted under the ML.

The initial term of an ML shall be for a period approved by the Governor in Council on the recommendation of the Minister but the term shall not be for longer than the period for which compensation has been agreed or determined pursuant to the MRA.

A holder of an ML is able to apply for a renewal of the ML not more than one year and not less than six months (unless allowed otherwise by the Minister) prior to the expiration of the current term. The ML cannot be renewed unless compensation is agreed between the holder and the owner of land or determined by the Land Court.

The Foreign Investment Review Board's approval will be required when a foreign entity applies for a ML.

Compensation requirements

The MRA provides that compensation is to be settled with the owner of land subject to the ML before an ML will be granted. Compensation may be agreed between the parties in accordance with the MRA. If an agreement as to compensation cannot be reached between the parties, either party may apply in writing under the MRA to the mining registrar to have the Land Court determine the terms, conditions and times of payment of the compensation. If within three months from the date of the last objection day, no written application has been made to the mining registrar and no agreement is reached between the parties, the mining registrar must refer the question of compensation to the Land Court who will hear the matter as if an application had been made under the MRA.

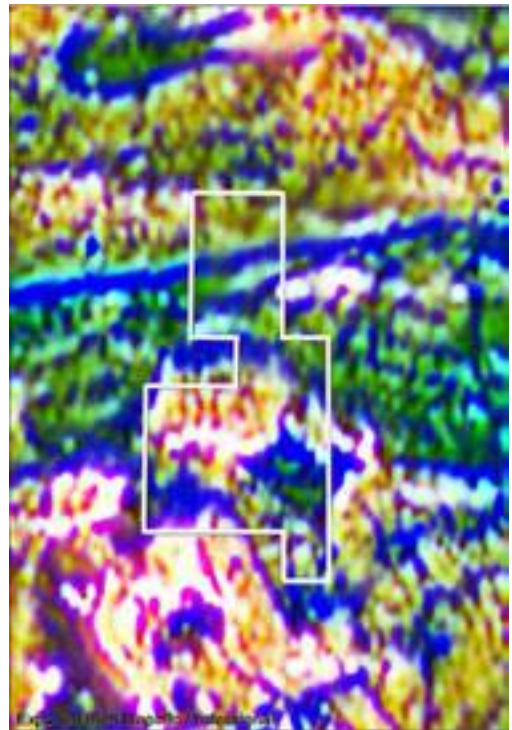
PART IV

COMPETENT PERSON'S REPORTS

**Wishbone II Project:
Northeast Queensland, Australia
Competent Persons Report (CPR)**

for:

**Wishbone Gold Pty Ltd
and
Shore Capital & Corporate Limited**



by

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Section 1.0 CPR Executive Summary

A Competent Persons Report (CPR) has been prepared for Wishbone Gold Pty Ltd. and Shore Capital and Corporate Limited, London, by I2M Associates (I2M) dated July 10, 2012, on the Wishbone II tenement located in Northeast Queensland, Australia. The key elements of I2M's assessment are:

- The area in and around the Wishbone II tenement has been explored for decades, but many sites within the tenement remain poorly investigated and untested. The general area has received only superficial investigation to date on the obvious fracture zones and associated geological structures.
- I2M confirms that exploration on the subject tenement will benefit from the data produced over more than 30 years of exploration within and around the tenement and will assist the current exploration in designating priority areas that were not investigated previously. This will improve the likelihood of making new discoveries within the tenement.
- I2M Associates, LLC (I2M) concludes that the Wishbone II tenement is an especially high-quality property. Although previous exploration company programs have not located significant deposits, they have contributed the necessary preliminary exploration data that points to new areas of focus in the current exploration program.
- I2M recommends that the tenement be aggressively funded to cover three areas of special interest: 1) the Northern area covering areas along the Alex Hill Shear Zones, 2) the Mid-Section area covering the southern contact of the Alex Hill Shear Zone, and 3) the Southern area covering a large area of anomalous gold reported from earlier exploration that was not followed up.
- I2M recommends priority consideration be given to determining the source of the gold purported by earlier programs to originate within the Devonian Collopy Formation. The unit just below the Collopy would be the primary target.
- I2M evaluated the deposits of surrounding mines and advanced exploration programs and has concluded that such deposits have analogies near the surface and at depth to guide exploration on the subject tenement, with special emphasis on Resolute Mining, Ltd.'s Mount Wright deposit to the south, the recently discovered Welcome deposit to the west, as well as similar deposits such as at Mount Leyshon, Thalanga-West 45 and Pajingo some distance to the southwest of the Wishbone II and south and southwest of Charters Towers, Qld.



- I2M agrees with Wishbone Gold Pty Ltd. management that having an experienced consultant such as Terra Search, who has specific previous experience in and around the subject tenement, will benefit the current exploration program.
- I2M confirms that this Competent Persons Report is also considered to be JORC-compliant as the asset is located in Australia. Competent Persons Certifications are provided in Section 23.0 of this CPR.
- I2M confirms that there has been no material change in conditions, assumptions, or technical facts since I2M's meetings and site visit in Queensland during the week of March 26, 2012.

Section 2.0 Project Summary

The objective of I2M Associates, LLC (I2M) in this report is to evaluate the available historical technical information, combined with a review of current exploration and mining activities in the general area of the Wishbone II tenement activities, and to assess the likelihood of one or more discoveries of potentially economic interest on the Wishbone II tenement.

The Wishbone II tenement (EPM #18396) is held by Wishbone Gold Pty Ltd. (WBG), a Queensland company, owned by Wishbone Gold plc, which was incorporated in Gibraltar on October 28, 2009. The tenement is located some 80 km via the Flinders Highway south of Townsville, Queensland (see Figure 1). Access to the tenement is by the Burdekin Falls Dam Road via the settlement of Mingela and covers an area of approximately 6,300 hectares (about 24 square miles).

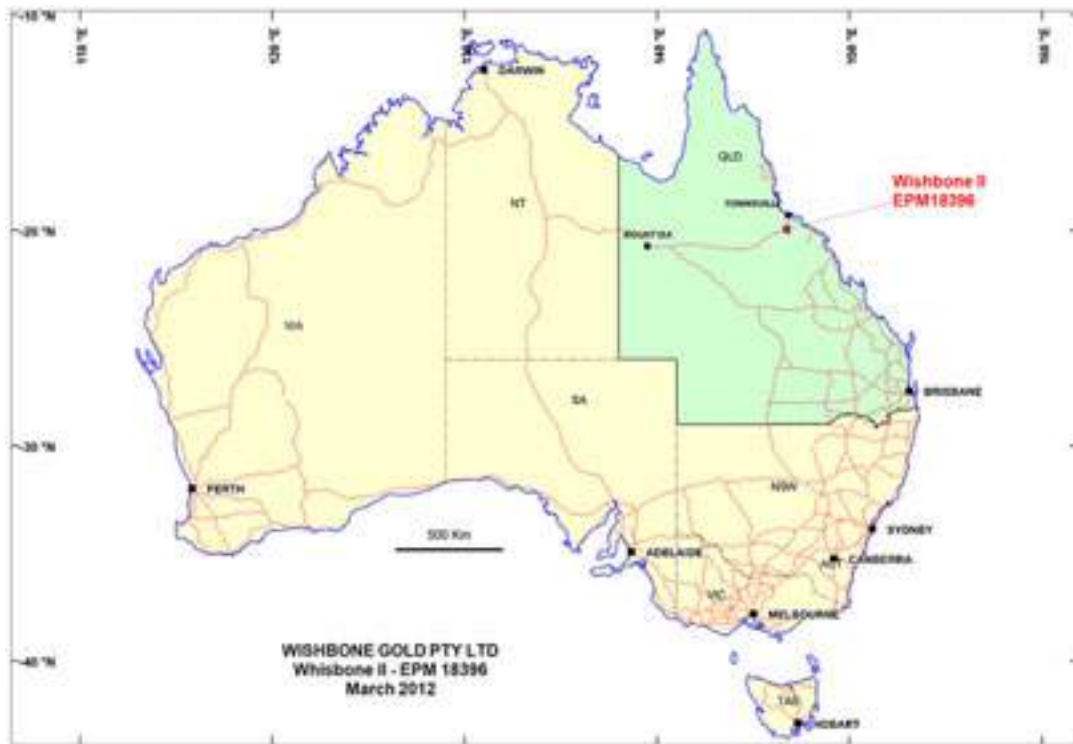


Figure 1 – General Location of Wishbone II Tenement
(From Terra Search)

Previous discoveries in the Mingela-Ravenswood area have been made by applying standard exploration techniques, such as surface reconnaissance, geological mapping, rock, and soil sampling, and various methods of aerial and ground geophysics, followed by bedrock drilling and coring.

With the recent advances in geophysics, especially airborne and ground magnetics systems, complemented by new satellite imagery combined with new and revised models of mineralization, the management of WBG elected to acquire and explore the Wishbone II tenement area.

Based on recent discoveries at the Welcome Mine (located about 10 km west of the subject tenement) and others to the northwest, and on the new information made available regarding the Mount Wright Mine (located 20 km south of the Wishbone II tenement) and the Mount Leyshon Mine (located some 60 km southwest of the tenement), a renewed interest in this trend has just recently developed. The subject tenement is located along this trend, and although this area has been explored over the past 20 years by standard methods without success, the new information will allow WBG management to conduct a more focused exploration program than previous programs by using the new methods and revised models of mineralization now available.

Because the Queensland government makes available the exploration information collected by both major and junior mining companies since the 1960s, this will allow WBG to use all the previous exploration data to target the most prospective areas, which includes the data on the historical mines located within and around the subject tenement (see Appendix VII and VIII for aerial views), and to follow up on several key leads recommended in those reports by developing exploration programs in the prospective areas.

WBG, combined with the technical support of Terra Search Pty Ltd. (Terra Search) and other consultants, appears to be able to provide the necessary financial and technical resources to mount an extensive exploration program within the area with the ultimate goal of discovering significant deposits of gold, silver and/or other metals of economic interest.

Section 3.0 Introduction

Wishbone Gold Pty Ltd. engaged I2M Associates, LLC via agreement dated November 9, 2011 to provide an independent assessment and review of the current technical information and of the merit of future exploration and development plans for the Wishbone II tenement located in Northeast Queensland, (see Figure 1). This report is to be used by WBG management as an independent assessment of the exploration potential of the subject tenement and, if I2M's assessment is

favorable, as part of a potential future listing on the London Stock Exchange's Alternative Investment Market (AIM).

This Competent Persons Report utilizes an extended form beyond that suggested in the AIM guidance documents of Part One and Part Two, especially Appendix 1 and 2. The treatment of the various subjects within the stipulated headings will by nature involve some duplication. This is to facilitate reader understanding and familiarity with the subjects treated. To further improve clarity, we have included a list of standard abbreviations (Appendix I), and a glossary of technical terms (Appendix II) as suggested in the AIM guidance documents.

3.1 Location of Property

EPM# 18396 was granted in 2011 and was named the Wishbone II tenement. Its northern boundary is located 8 km by road southeast of Mingela to the northern boundary and about 24 km to the southern boundary where the boundary crosses the road, (see Figures 2 and 3). It should be noted that tenement boundaries plotted in all figures in this report are approximate only.



Figure 2
General Geography of the Wishbone II Tenement
(Google Earth Map)

Left click to expand view.

Note: For expanded views of the figures contained herein, see Section 24.

3.2 Scope of Work

This report has been prepared based on our review of the available internal documents from WBG, and on information provided by their principal consultant, Terra Search located in Townsville, Queensland. Additional information has been obtained from various Queensland governmental agencies, from the available geoscience literature, and from the files of I2M Associates, LLC in Houston, Texas, and Seattle, Washington.

For this report, I2M personnel carried out the following tasks:

- Discussions with WBG management and Terra Search personnel, Townsville, Qld. on March 27, 2012 regarding their perspectives, with special emphasis on the elements of exploration planned for the Wishbone II tenement,
- Site visit to the Wishbone II tenement and environs south of Mingela, Qld. on March 28, 2012 in the air and on the ground,
- Discussions with senior personnel of the Department of Environment and Resource Management (DERM*), Townsville, Queensland on March 28, 2012 regarding potential environmental issues should Wishbone II be developed as a mining operation sometime within the next 10 years,
- Visit to the James Cook University library to search for any recent geological reports focusing on the general area,
- Independent review of historical reports on exploration from the 1950s to date concerning the Wishbone II EPM area and environs,
- Independent geological assessment of the reported mineralized zones in and around the EPM in context with other similar deposits nearby that have been studied by others in detail,
- Independent assessment of the basis for pursuing additional exploration at the Wishbone II tenement.

3.3 Wishbone II Tenement

The Wishbone II tenement was lodged November 19, 2009 and was subsequently granted for the period April 19, 2011 to April 18, 2016. The general location of the tenement (EPM# 18396) is shown in Figure 3, indicated by a red star within the Wishbone II tenement.

* Note: The Department name may change due to recent changes in Queensland Government (see: www.derm.qld.gov.au).

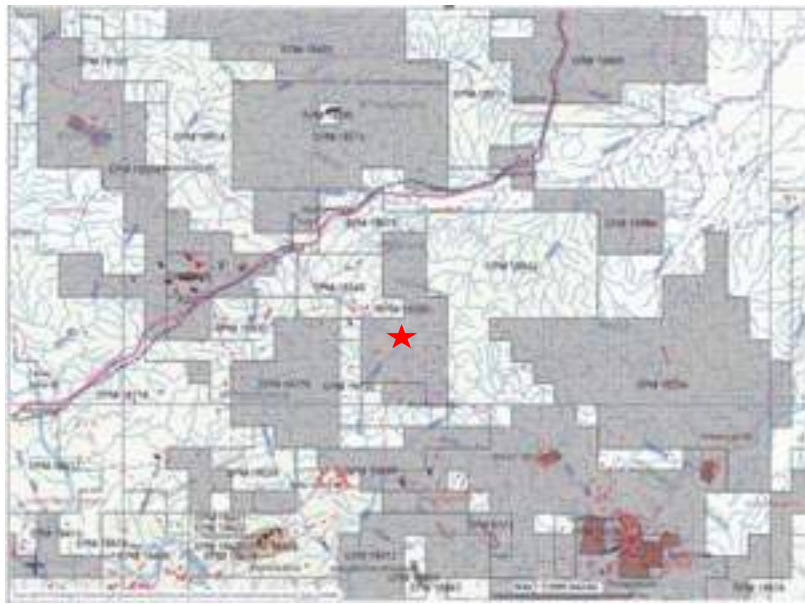


Figure 3 –Wishbone II & Surrounding Tenements
 Source: QDEX Tenement Database (As of January 15, 2012)

This shows the location of the tenement and the immediately surrounding tenements and mining leases (shown in dark patterns). The regulatory status of the tenements shown is either “granted” (medium-grey shade) or “application” status (shown without color in Figure 3). There are no mining leases currently located within the Wishbone II tenement. However, there are mining leases shown in brown to the west and northwest of the tenement at the Welcome and Mount Success areas and to the southeast of the tenement at Mount Wright and around the Ravenswood area. Both of the latter mining areas are being operated by Resolute Mining, Ltd.

The above tenement boundaries were confirmed as of January 15, 2012 with the DEEDI* database (see citation and link: Section 22.0 - References). Additional information is provided on other companies with tenements either granted or in application stage surrounding the Wishbone II tenement in Section 16.0 - Adjacent Properties (Tenements).

During week of March 26, 2012, I2M personnel, Michael D. Campbell, P.G., P.H., Chief Geologist, visited the subject tenement in the company of Mr. Richard Poulden, Chairman of WBG, and Dr. Simon Beams, Chief Geologist of Terra Search Pty Ltd. (Terra Search) by helicopter, by vehicle, and on foot. I2M personnel also observed the Mount Wright mine to the south and the terrain of the area by helicopter (see Figures 4 and 5). For additional field photos, see Appendix VII.

* Note: The Department name may change due to recent changes in Queensland Government (see: www.deedi.qld.gov.au).



Figure 4 – Aerial View of the Wishbone II Area
(Google Earth Map: Left click to expand view)

The field team later drove to the Wishbone II area via the Mingela-Ravenswood Road (see Figure 4). The team also visited the entrance of the Mount Wright mine operations and the Ravenswood mine complex to the south.

On March 28, the field team visited the Wishbone II property via helicopter at various locations, conducted a fly-over of the Mount Wright mine and of the Ravenswood mine complex (see Appendices VII and VIII), and then returned by ground transport to Townsville. Later that day, Mr. Poulden and Mr. Campbell visited with senior personnel of DERM in Townsville regarding potential environmental issues should Wishbone II be developed as a mining operation. Final briefings were held with Terra Search personnel, Mr. Poulden of WBG, and Mr. Campbell of I2M to discuss future exploration activities.

On March 29, I2M personnel also visited James Cook University to consult the library for any new geological reports focusing on the area of interest. Subsequently, Mr. Poulden returned to Brisbane, and Mr. Campbell returned to the U.S. on March 30.



Figure 5 – Site Visit Personnel on the Wishbone II Tenement
(left to right: Mr. Poulden, CEO, Wishbone Gold Pty Ltd., Mr. Campbell, I2M,
and Dr. Beams, Terra Search)

3.4 Units

The Metric System is the primary system of measure and length used in this Report and is generally expressed in kilometers (km), meters (m), and centimeters (cm); volume is expressed as cubic meters (m³); mass is expressed as metric tonnes (t); area as hectares (ha); laboratory analyses are reported as elements or are converted to oxide percent in parts per million (ppm). Grams per tonne (g/t) is an equivalent unit to ppm. One tonne is the equivalent of 2,204.6 lbs. A list of standard technical abbreviations is provided in Appendix I. Monetary units are treated as Australian Dollars. Mining and mineral acronyms in this report conform to mineral industry-accepted usage. The reader is directed to the glossary of commonly used terms: www.maden.hacettepe.edu.tr/dmmrt/index.html, and to Appendix II for report-related terms.

Section 4.0 Reliance on Other Experts

The authors of this report have relied on the information made available by the management and consultants of Wishbone Gold Pty Ltd., the technical literature and company reports made available online by personnel of the Geological Survey of Queensland, and from the I2M library. Queensland exploration reports were recovered using an Internet document-management system called QDEX (Queensland Digital EXploration Reports system), which contains thousands of company reports, associated figures, tables, maps, and geophysical information from the 1960s to 2010 on mineral exploration and development projects in Queensland. The reports consulted have been cited in this report and are listed in Section 22.0 - References.

The I2M personnel selected for this project also included Tom Sutton, Ph.D. P.G., and M. David Campbell, P.G. Their resumes may be viewed in Section 25.0 - Appendix IX. On March 26, 2012, I2M personnel met with Mr. Richard Poulden, Chairman of Wishbone Gold Pty Ltd., and Dr. Simon Beams and staff of Terra Search in Townsville, Queensland to discuss the status of the project. I2M personnel were provided with copies of the technical reports and associated literature on past exploration on the Wishbone II tenement area. Input was also subsequently received from the WBG management regarding current land status (see Sections 5.2 and 5.3).

Section 5.0 Property Description and Location

5.1 General Description

The northern areas of Wishbone II tenement (EPM 18396) covers part of the area known as “The Bluff” (see Appendix VII), which exhibits unusual topographic features that rise more than 450 meters above the surrounding plains. These features, which are at elevations of about 80 meters just to the north of the Haughton River Valley, are as high as 520 meters in The Bluff area (see Figure 6).

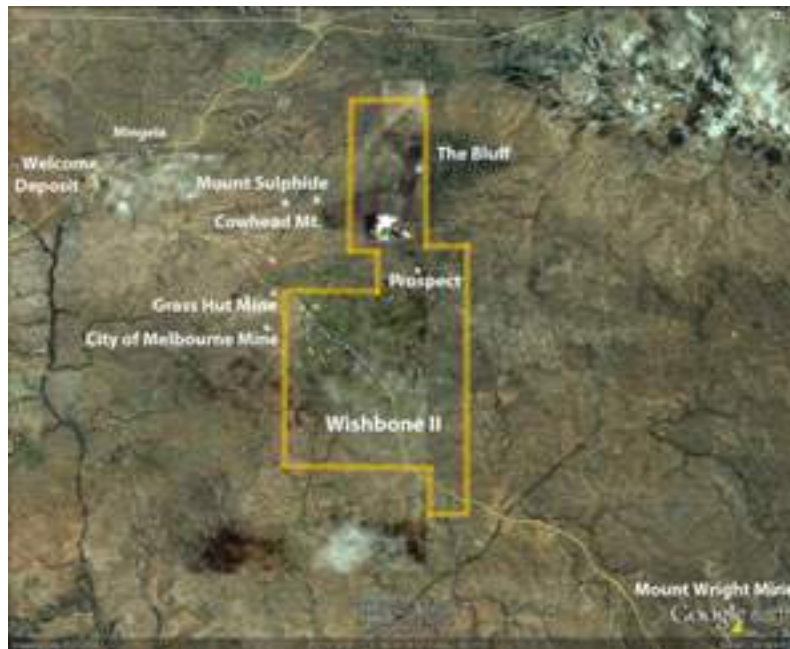


Figure 6 - Aerial View of Selected Locations of Historical Workings and Current Mines. (Google Earth Map: Left click to expand view)

The segment of the range shown in Figure 6 is located within the Wishbone II tenement with the highest elevation of about 415 meters (Coordinates: 19° 53' 31.47" S; 146° 42' 46.73" E), see ground view in Figure 7). The local area is dissected by a number of faults, which form numerous small valleys that drain precipitation into Haughton Creek to the north. The dissected areas exhibit rugged landscape but most are accessible by tracks and short hikes and climbs. The peak immediately to the east is referred to as The Bluff (also see Appendix VII – Field Photos).



**Figure 7 - Segment of The Bluff area in the Northern Regions
of Wishbone II Tenement**
(Also see Appendix VII)

EPM# 18396 (Wishbone II) lies within the Townsville SE55-14 1:250,000 Sheet and the Mingela (8258) 1:100,000 sheet area. The tenement is located approximately 8 kms to the southeast and east of Mingela, with access by the Burdekin Falls Dam Road (aka the Mingela-Ravenswood Road) that passes through the tenement. Station tracks and tracks created by earlier exploration traffic provide good access throughout most of the tenement, see Figure 8.



Figure 8 – Topography and Elevations (100,000 sheet), showing the Wishbone II Tenement and Infrastructure (roads, tracks, railroad, and creeks). Left click to expand view.

5.2 Property Ownership and Financial Obligations

Wishbone Gold Pty Ltd, domiciled in Queensland, Australia, holds all relevant rights to Wishbone II. The financial obligations of holding the Wishbone II tenement include yearly rentals and a commitment to a minimum yearly expenditure for exploration in the area held. The Wishbone II EPM currently holds 21 sub-blocks within the Mingela 1:100,000 map sheet, described in Table 1. Station holder is listed in Table 1.

Table 1
Wishbone II EPM Holdings

SHEET NAME	SHEET REFERENCE	BLOCK	SUB BLOCKS	DATE GRANTED	INITIAL HOLDER
Mingela	8258	TOWN	21	April 19, 2011	Wishbone Gold Pty Ltd.,

Station Holders: See Appendix III
 BIM: TOWNSVILLE (TOWN)
 TOWN Block: 3345 Sub-blocks: n, o, s, t, x, y
 TOWN Block: 3417 Sub-blocks: d, e, g, h, j, k, m, n, o, p, r, s, t, u, z

We have included our estimates of the likely rentals fees in Table 2, assuming no variations in the relinquishment schedule. It is the responsibility of the EPM holder to check the current rental rate and to pay the rentals before the indicated due date. The anticipated increase in the annual rental rates through 2016 have been estimated at \$6.30/year and are incorporated in Table 2.

Table 2
Rentals for Wishbone II EPM Sub Blocks Held*

YEAR OF PROJECT	COST PER SUB-BLOCK	NUMBER OF SUB-BLOCKS	TOTAL COST(AU\$)
Year 2012	\$127.05**	21 (6,300 ha)	2,668.05
Year 2013	133.35**	11 (3,300 ha)	1,466.85
Year 2014	139.65**	6 (1,800 ha)	837.90
Year 2015	145.95**	3 (900 ha)	437.85
Year 2016	152.25**	1 (300 ha)	<u>152.25</u>
Total:			\$5,562.90

* Based on Tenure Rental Current Yearly Rates – 2012 for EPMs at \$127.05 per sub-block (~300 ha)

** Based on 2012 Rate Sheet provided by Terra Search.

As indicated in Table 2, the EPM must be reduced in size by sub block periodically, as required by the Queensland Department of Employment, Economic Development and Innovation (DEEDI)* according to Section 139 of the Queensland Mining Resources Act of 1989 (MRA). For the subject tenement, no relinquishment is required until 2013. Unless otherwise specified by the Minister, the area of the tenement must be reduced in the way and to the extent decided by the Minister when the tenement was granted or is renewed. Section 139 of the MRA provides that the area of an EPM must be reduced by 50% at the end of the first two years after its grant, and by 50% of the remainder at the end of each subsequent year.

We understand, however, that if WBG management wishes to retain sub blocks and not relinquish blocks at the scheduled time, WBG can apply to the minister for a ‘variation of relinquishment’. This must be supported with reasonable justification and/or evidence (e.g. extreme weather event, company restructure, discovery of significant mineralization, etc.). An application for variation of relinquishment is required to be made within three months before the relinquishment is due. WBG must also make a submission to the Minister at least 20 business days prior to the date relinquishment is due to occur by identifying which sub-blocks of land WBG wishes to relinquish. If WBG fails to make the submission, the Minister will either make a determination of the sub-blocks to be relinquished, or, the Minister may cancel the exploration permit.

In addition to the rental payments, there is a minimum annual expenditure (MAE). An estimated MAE is required by DEEDI as indicated in the EPM application by the applicant.

* Note: The Department name may change due to recent changes in Queensland Government (see: www.deedi.qld.gov.au).



This is based on the anticipated scope of work (and cost estimate), the latter becoming the MAE if approved by the Queensland Government. The subject tenement application was granted in 2011 with a MAE of \$172,000 over a five-year program.

The Minister may require security to be paid for the EPM. Currently, the security amount is nil, but this is subject to change if the Minister determines that security is required to cover any damages caused by WBG. WBG will be required to pay security if they apply for a more secure form of tenure, and this amount will be at the Minister's discretion.

Total minimum holding cost for the subject tenement for 5 years is:

Rentals: \$5,562.90 (Actual rentals would depend on relinquishment schedule and property held and would likely be somewhat higher)

MAE: 172,000.00 (Based on 5-year exploration program)

Bonds: Nil (To be determined by the Minister).

Minimum: \$177,562.90*

* This does not include costs related to homestead access, road repairs, or costs involved in land usage.

5.3 Production Royalties & Agreements

In the event a mineral discovery is made on the subject tenement, and that it has been deemed suitable for mining (subject to the company's Mining Feasibility Study), a mining development license (MDL) will be required. A mining lease would then be required if mining operations are approved. Royalty and other agreements would be in place prior to mining operations.

5.3.1 Royalty to be Paid

Under the *Mineral Resources Act 1989* (Qld) (Act), the holder of an Exploration Permit must pay, in respect of all commodities mined or purported to be mined, a royalty to the Minister. The royalty rate for each commodity is provided for at Schedule 4 to the *Mineral Resources Regulation 2003* (Qld), see QMRA, 1989. For example, the ***Average Market Price***, for a prescribed commodity, means the average for a return period of the following price, converted to Australian dollars at the hedge settlement rate for each day of the return period:

- a) for cobalt, copper, lead, nickel or zinc: the spot price quoted on the London Metal Exchange;

- b) for gold: the p.m. “fix price” quoted on the London Bullion Market;
- c) for silver: the “fix price” quoted on the London Bullion Market.

Reference Price 1, for a prescribed commodity, means:

- a) for cobalt: \$25 for each pound; or
- b) for copper: \$3,600 for each tonne; or
- c) for gold: \$600 for each troy ounce; or
- d) for lead: \$1,100 for each tonne; or
- e) for nickel: \$12,500 for each tonne; or
- f) for silver: \$9 for each troy ounce; or
- g) for zinc: \$1,900 for each tonne.

Reference Price 2, for a Prescribed commodity, means:

- a) for cobalt: \$38 for each pound; or
- b) for copper: \$9,200 for each tonne; or
- c) for gold: \$890 for each troy ounce; or
- d) for lead: \$2,500 for each tonne; or
- e) for nickel: \$38,100 for each tonne; or
- f) for silver: \$16.50 for each troy ounce; or
- g) for zinc: \$4,400 for each tonne.

The royalty rate for a Prescribed commodity is:

- a) if the average market price for the commodity is equal to or lower than reference Price 1 for the commodity or 2.5% of the value of the prescribed commodity; or
- b) if the average market price for the commodity is higher than reference Price 1 for the commodity but lower than reference Price 2 for the commodity or the Prescribed Percentage of the value of the prescribed commodity; or
- c) if the average market price for the commodity is equal to or higher than reference Price 2 for the commodity or 5% of the value of the prescribed commodity.

The **Prescribed Percentage** is applied for price conditions described in b) above and is calculated by applying the following formula:

$$PP = 2.5\% + \left\{ \frac{PD}{RFD} \times 2.5\% \right\}$$

where:

PP = the prescribed percentage.

PD = the difference between the Average Market Price and Reference Price 1 for the prescribed commodity.

RFD = the difference between Reference Price 2 and Reference Price 1 for the prescribed commodity.

For the other two other cases (for a) and c) above), the royalty would be 2.5% and 5%, respectively, on the gold sold. As an example of the procedure, if the average market price for gold is \$1,600.00 for each ounce of gold sold, the royalty rate paid to the Queensland Government for the gold recovered for the quarter would meet the requirements of subsection c), above, given the average market price is higher than the Reference Price 1 for gold (\$600.00) and higher than Reference Price 2 for gold (\$890.00). The royalty rate would be 5% on the revenue gained by selling gold. This assumes that the gold is bullion grade produced by an approved refinery. For multi-metal production, the royalty calculation becomes more involved (see QDEEDI, 2012).

There are no other current royalties in affect involving any future production from the Wishbone II EPM. This is not to imply that additional royalties may not be required at some time in the future by the Government or offered by WBM and/or accepted by a third-party at some time in the future.

5.3.2 Agreements Concerning Land Access

Land Access Code

We understand that the Queensland Parliament has recently introduced a new Land Access Code that will form part of the conditions of exploration permits and mineral development licenses issued under the Act. The Code updates the existing Notice of Entry (NOE) and compensation provisions contained under the Act and aims to ensure consistency in the definitions of “compensatable effects” for which tenement holders must compensate landowners. A breach of the Code may result in pecuniary penalty, and can also potentially lead to forfeiture of a tenement.

With the recent elections in Queensland, significant changes are likely and these would likely be beneficial to the mining industry.

Access / NOE provisions under the Code

Proposed activities, for which access to the land is required, are categorized as either a ‘preliminary activity’ or an ‘advanced activity.’ A ‘preliminary activity’ is an authorized activity “that will have no impact, or only a minor impact, on the business or land use activities of any owner or occupier of the land on which the activity is to be carried out”. Some examples are provided below:

- walking the area;
- driving along an existing road or track;
- taking soil or water samples;
- drilling without constructing earthworks;
- geophysical surveying without site preparation; and
- aerial, electrical or environmental surveying.

Activities on land that is less than 100 ha or that is used for intensive farming or broad-acre agriculture, an activity that is carried out within 600 m of a school or an occupied residence, or that affects the lawful carrying out of an organic or bio-organic farming system, is considered a preliminary activity. All other activities are considered to be ‘advanced activities’.

NOE requirements under the Code provide that a tenement holder can enter the land to conduct preliminary activities by giving a written entry notice at least 10-days business days before entry, or in accordance with an existing agreement, such as a Compensation Agreement. However, for advanced activities, broad overview compensation must be determined first, and once that has occurred, an NOE may be given. If an agreement can’t be reached, a negotiation notice must be given to the land owner to commence negotiating the entry of the tenement holder on the land. An agreement remains to be worked out with the Homestead owners with land holding within the Wishbone II EPM (see Table 1 and Appendix III for Homestead owners).

5.3.3 Aboriginal Cultural Heritage

The Aboriginal Cultural Heritage Act (ACH) of 2003 came into effect on April 16, 2004. This legislation provides for the recognition, protection and conservation of Aboriginal cultural heritage. Tenement holders have a duty of care to protect Aboriginal cultural heritage when carrying out exploration and any development activities undertaken on the subject tenement, and to meet with any Aboriginal party within the area, if any, to satisfy its duty of care in accordance with the criteria set out in Sections 34 and 35 of the ACH Act (see QDERM, 2012). We understand that there is a native title claim within the subject tenement. Additional investigations are recommended regarding these matters at the appropriate time.

5.4 Permitting

At present, there are no known active Mining Development Licenses (MDL) currently held within or near the subject EPM (see Section 3.3 - Wishbone II Tenement). A permit is required to drill test wells; coring and logging are considered part of the drilling program. Drilling of the test holes also require a Class 3 driller with all the appropriate certificates for permission to drill in the Wishbone II area. Other permitting requirements include yearly reports on the exploration program to the Queensland Department of Energy and Water Supply (DEWS*).

At some point in the exploration program, assuming results are favorable, a Mineral Development License (MDL) will be required to permit a mining venture to proceed in the event that minerals of economic significance are discovered on the tenement. The MDL is designed to allow time to conduct various permitting requirements, one of which will be the confirmation of a Native Title Agreement, if applicable. Others include agreements on water-use rights, railway agreements (if possible), and others focusing on the construction of facilities or infrastructure, and with the Homesteads' surface rights within the tenement area, see Appendix III.

* Note: The Department name may change due to recent changes in Queensland Government (see: www.deedi.qld.gov.au).

5.5 Environmental Issues

The Wishbone II EPM is not currently subject to any known environmental study. All work carried out by Terra Search or other consultants to WBG is to be in accordance with the Code of Practice, as outlined in the Queensland Department of Environment and Resource Management (DERM*) “Schedule of General Exclusions and Conditions for Exploration Permits”. WBG management anticipates that the proposed exploration methods will have minimal impact on the environment. Initial traversing will be done on foot and light four-wheel-drive vehicles, and where possible vehicles are to use existing tracks. In areas of no tracks, vehicle traversing is to be designed to cause minimal soil erosion or damage to existing vegetation. Any earthworks necessary for drilling programs are to be rehabilitated at completion of the program, if required. A truck-mounted drilling rig will be the only significant large item of equipment that will be used on site. Minor site preparation will be required to maintain personnel safety. All drill sites are to be rehabilitated, including:

- all top soil preserved,
- all drill holes, including open hole, capped at ground level,
- drill sumps, where used, are to be backfilled, and
- if a drill site is to impact a water course, the drill-hole site is to be designed to avoid disturbance.

We understand that the mine personnel at Ravenswood and Mount Wright of Resolute Mines, Ltd., located approximately 25 and 16 km, respectively, south of the subject EPM have a number of rehabilitation environmental experts on their staff. WBG management and their consultants have arranged that should the need arise they would be called to assist WBG with any reasonable operations on the subject EPM. There are also other environmental consultants that could be called upon, if required.

A mining project is prescribed under section 151 of the *Environmental Protection Act 1994* as either a level 1 mining project or a level 2 mining project, depending on the risk of environmental harm. Mining activities that are part of a mining project are authorized under an Environmental Authority (for mining activities).

* Note: The Department name may change due to recent changes in Queensland Government (see: www.derm.qld.gov.au).

For a new mining project, an applicant must apply concurrently for an Environmental Authority (for mining activities) under the *Environmental Protection Act 1994* and a tenement mining lease (after an MDL has been approved) under the *Mineral Resources Act 1989*.

Following a legislative review, the Queensland Government amended the *Environmental Protection Act 1994* and the Environmental Protection Regulation 2008. These changes came into effect in December, 2011.

The main changes relating to level 2 Environmental Authorities (mining activities for a mining area of less than 10 hectares) are:

- the annual fee for an environmental authority is no longer required to be submitted with the application for a new environmental authority.
- the annual fee for an environmental authority will become payable on the first anniversary after granting of at least one mining tenement related to the environmental authority.
- where an environmental authority has been amended to form part of an amalgamated environmental authority - and the application is received on or after March 1, 2011, but before November 2, 2012 - all annual fees and late fees paid for the extinguished environmental authority will be refunded back to January 1, 2009. Where annual fees and late fees have not been paid for the extinguished environmental authority, outstanding invoices for the above period will be cancelled. For additional information, see QDERM, 2012).

As indicated above, with the recent elections in Queensland, significant changes are likely in the next few years and these would likely be beneficial to the mining industry.

Section 6.0 Accessibility, Climate, Local Resources, and Physiography

6.1 Topography, Elevation, Vegetation, and Fauna

The topography and associated elevation in the general area of the subject tenement are illustrated in Figure 8, along with the boundaries of the subject tenement. Based on information provided by the Australian Government (see Section 23.0 - References), the vegetation in the area of interest is mainly native shrub lands.

The subject tenement lies within the upper reaches of the Ross Drainage Basin and is part of the Brigalow Belt North and Einasleigh Uplands bioregions. This bioregion generally includes coastal areas, rugged ranges and alluvial plains. Its main town centers include Townsville to north some 60 km. The small settlement of Mingela is about 10 km to the northwest. The bioregion has a subhumid to semiarid climate.

The region to the immediate south of the tenement contains rangelands (or savannas) some of which has been developed for agriculture and is generally found on the more fertile soils that was originally occupied by brigalow (*Acacia harpophylla*) or grasslands of eastern grasses (*Dichanthium* and *Bothriochloa* sp.)

The vegetation of the Brigalow Belt North bioregion consists of woodlands of ironbarks (*Eucalyptus melanophloia*, *Eucalyptus crebra*), poplar box (*Eucalyptus populnea*) and Brown's box (*Eucalyptus brownii*) with forests of brigalow (*Acacia harpophylla*), blackwood (*Acacia argyrodendron*) and gidgee (*Acacia cambagei*).

The alluvial plains to the north of the tenement support woodlands of poplar box, gidgee or coolibah (*Eucalyptus coolabah*) with forest areas of Dawson gum-brigalow (*Eucalyptus cambageana*-*Acacia harpophylla*). Along the water courses, such as the Houghton River and associated tributaries, there are scrublands.

There are 78 rare, 53 vulnerable and 13 endangered plant species within this broad bioregion. Mammal species in this bioregion are generally adapted to the eucalypt woodlands and open forests. Approximately 43 mammal species have been recorded with ten species of macropods, including the bridled nailtailed wallaby (*Onychogalea fraenata*), brushtailed rock-wallaby (*Petrogale penicillata*), wallaroo (*Macropus robustus*), eastern gray kangaroo (*Macropus giganteus*) and the black-striped wallaby (*Macropus dorsalis*).

There are four presumed extinct, 10 endangered, 30 vulnerable and 35 rare animal species that reportedly exist within the bioregion. The extinct animals include the western quoll (*Dasyuria geoffroii geoffroii*), white-footed rabbit-rat (*Conilurus albipes*), downs hopping-mouse (*Notomys mordax*) and the paradise parrot (*Psephotus pulcherrimus*). Native plants includes the cycad (*Cycas*

couttsiana) and a number of dry rainforests species such as *Atalaya callicola* and *Alectryon tropicus*. Heath and woodland species east of Herberton include mottled gum (*Eucalyptus pachycalyx*), the purple flowering wattle (*Acacia pupureipetala*) and *Grevillea glossadenia*. Approximately 62 plant species are listed as rare and threatened in this bioregion and *Plectranthus minutus* and *Tylophora rupicola* are considered endangered.

6.2 Accessibility to Properties

The subject area is located approximately 80 kilometers southwest by road from Townsville. Access to the tenement is possible from the Flinders Highway at Mingela with permission from the Homestead Station holder(s), see Section 5.3.2, and Appendix III. Otherwise, the main access is via the Burdekin Falls Dam Road. The area experiences a monsoonal climate with heavy rainfall during the wet season on soils desiccated during the warm, dry months and not only produces severe gully and sheet erosion, but also results in ground-water recharge with excess discharging as surface run off via streams and rivers.

6.3 Local Resources

Ground-water resources are available from water bores (windmills and tanks (ponds)) in areas where fractures and joints are prevalent. In areas where granite and other igneous and metamorphic rocks are present in the subsurface, ground-water supplies would be available, especially near dry creeks where major fractures or joints are likely to be present. Lower meadows surrounded by hills consisting of igneous and metamorphic rocks serve as collection areas for shallow ground water. The depth to the water table in such areas will need to be monitored because the volume of ground water available within the fracture systems may not be large, although sufficient supplies can be available under certain circumstances, see Larsson, I., M. D. Campbell, *et al.*, (1984). Surface water was noted in numerous creeks leading out of the immediate area, eventually to the Haughton River north of the subject tenement. Typically, these rivers and creeks are dry and only run during and after rainfall. Numerous livestock were observed during the I2M Associates' site visit during the week of March 26, 2012.

A major power transmission line right-of-way passes to the north of the subject tenement heading toward Townsville to the north and to Charters Towers to the southwest (see northwest of tenement

in Figure 8). The nearest railway is the main Mt Isa-Townsville Railway located parallel to Flinders Highway, and approximately 8 km north of the subject tenement (see Figure 8).

6.4 Climate and Seasonal Operations

The general area experiences a semi-arid to tropical climate with dry winters. Rainfall decreases with the distance from the coast, but extensive precipitation can occur in association with the passage of tropical cyclones from the Coral Sea across the coast and inland. The annual average rainfall ranges from 300 mm in the subject area to 1,200 mm along the coast, except during drought periods that may last 5 years or more. The so-called “wet season” is typically during November-April and not usually conducive to field operations in the subject area. However, drought conditions can occur more frequently inland than near the coast, which may permit field activities during some years.

Temperatures in the Townsville area range from 17°C to 44°C in the summer and from 1°C to 33°C in winter. During the summer, field conditions related to industrial development are not usually conducive to optimal production. However, the prevailing weather factors could be favorable for year-round operations if certain precautions were taken during the rainy season and in response to the high temperatures and humidity during the summer. Because the Wishbone II tenement is located only a few kilometers from maintained roads and principal highway and about 60 km by road from Townville, the site is strategically located for easy access even during some periods of the wet season. During the dry season of moderate temperature, low rainfall, and low humidity, the area offers near optimal conditions for exploration and mining operations. The prevailing weather factors, based on many years of accumulated weather data collected in Charters Towers are illustrated in Figures 9, 10, and 11.

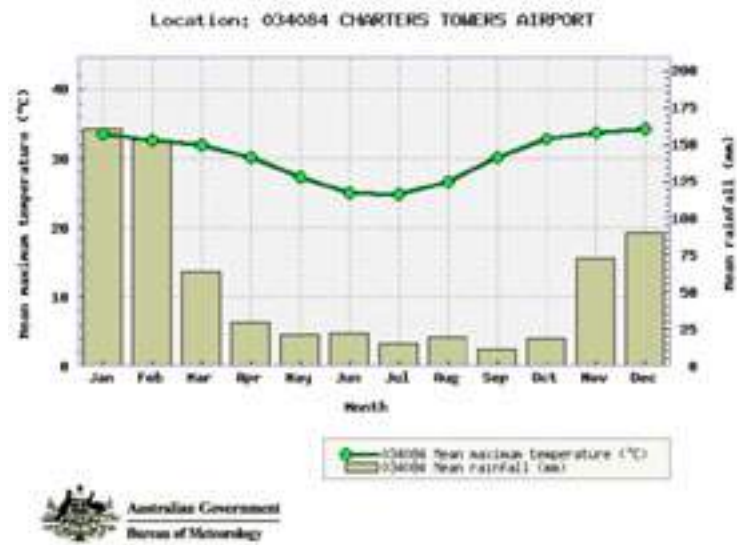
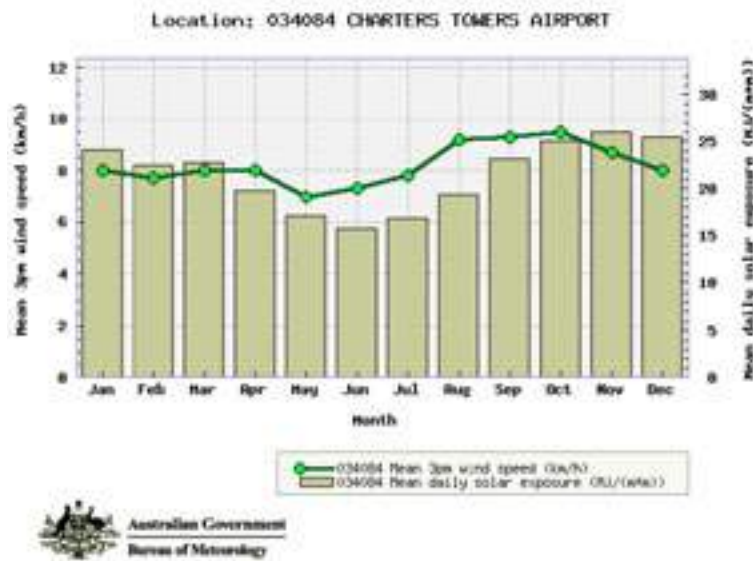


Figure 9 - Mean Maximum Monthly Temperatures and Rainfall



Figure 10 - Average Daily Relative Humidity
(@ 3:00 PM)



**Figure 11 - Mean Monthly Wind Speed
(@ 3:00 PM) and Mean Daily Solar Exposure**

6.5 Available Infrastructure

As discussed in Sections 6.2 - Accessibility to Properties and 6.3 - Local Resources, supporting infrastructure is available in Townsville about 60 km to the north via the Flinders Highway located approximately 8-10 km to the north. The Mt. Isa - Townsville Railway parallels the Flinders Highway heading north to Townsville. This carries mined ore and concentrates from the Mt. Isa Mines, and more recently from mines in the Cloncurry area.

The support of the Queensland Government for the development of a Queensland-based precious metal, base metal, and iron ore industries could result in a major improvement over the next few decades in the supporting infrastructure. Significant factors impacting the development of the industry will be road and rail transport and port infrastructure and capacity, and the availability of water for processing and associated mining needs. Reports are that the Mt. Isa-Townsville Railway System is nearing capacity and any additional transport needs will be met by special agreements and cooperation with the Queensland Government and current transporters.

Section 7.0 History

7.1 Previous Exploration

Wishbone II is located in the Mingela area which lies within the eastern outcrops of igneous and metamorphic rocks of the Ravenswood-Lolworth Province. The Ravenswood Granodiorite

Complex crops out throughout the area and is bounded by a large shear zone structure along which much of the historical gold mineralization has been located. Their significance will be discussed below and in some detail later in this report.

The larger historical deposits found at or near the surface in the area include:

- Welcome Mine: produced 91,000 g (or 6,737 oz) of gold in 3,658 tonnes of ore @ 25 g/t, now with a current shallow pit resource of 250,000 tonnes @ 3.0 g/t gold, estimated by North Queensland Resources (see Figures 6 and 13 for general location),
- Grass Hut Mine: produced from 1887-1910, produced 68,000 g (or 2,397 oz) of gold in 2,014 tonnes of ore @ 33.76 g/t (see Figures 6 and 13 for general location),
- New Caledonian Mine: produced 467,500 g (or 16,500 oz) of gold at a grade of 30 g/t,
- Mount Sulphide Mine (from 1934-1940): produced 1,860 g (or 66 oz) of gold with grades up to 29.06 g/t and 21,210 g (or 748 oz) of silver with grades up to 331.4 g/t (see Figures 6 and 13 for general location),
- Althea/Christian Kruck Mine: contains an indicated open-pit resource of 0.63 million tonnes @ 3.1 g/t gold totaling about 2 million grams (or 70,548 oz) of gold. Calculated by Gold Mines of Kalgoorlie Ltd (G.M.K) (see Figure 13 for general location),
- The City of Melbourne Mine: workings returned 56,700 g (or 2,000 oz) of gold, in 1,983 tonnes of ore @ 28.6 g/t (see Figures 6 and 13 for general location),
- Kitty Cummings Mine: workings returned 4,650 g (or 164 oz) of gold, in 340 tonnes of ore @ 13.68 g/t,
- King Solomon Mine: workings returned 2,737 g (or 97 oz) of gold, in 45.7 tonnes of ore @ 59.9 g/t, and
- Rose of Allandale No. 1 SW Mine: workings returned 2,644 g (or 93 oz) of gold, in 73.12 tonnes of ore @ 36.16 g/t.

The Bluff Area (see Figure 12) is involved in the Alex Hill Shear Zones in the northwestern part of the Leichardt Range, which is in sharp relief from the surrounding plains and rolling hills that extend toward the east for more than 40 km (see Figures 8).



Figure 12 – Historical Field Photo of the Bluff Area Showing Prospects
(Beams, 1990)

Major northeast trending shear faults are evident along the strike of this feature, but are most pronounced within the tenement and to the west. The zones appear to terminate within or adjacent to altered ground in the area of the Welcome deposit, the site of historical mining and of recent exploration and development (see Figure 13). The dark orange coloration of the surface sediments highlights the area. This feature no doubt attracted early explorers and miners.



Figure 13 – Shear Zones between Wishbone II and the Welcome Deposit
(Google Earth: Left click to expand view)

Based on our review of the historical documents, the Wishbone II project area is centered over what appears to be favorable areas of the Mingela region, and includes several polymetallic (gold, silver-bismuth-lead) historical mines and advanced prospects that have received extensive surface exploration over the past 100 years.

Terra Search, WBG management's principal consultant, collected information from QDEX, the online source of previous mining and exploration activities in Queensland since the 1960s. Terra Search presented exploration narratives for the previous activities in the general Wishbone II area. We have identified three types of groups that have been active in the general region within the past few decades. The first group consisted of the early miners of the 1800s and early to mid-1900s.

These efforts were based on surface sampling and drilling to limited depths. The second group involves the exploration programs conducted by Mt. Isa Mines. Carpentaria Gold Pty Ltd., who some years ago was sold by Mt. Isa Mines to Resolute Mines, Ltd. for the principal purpose of providing ore to their ongoing operations near Ravenswood, Qld to the southeast of the Wishbone II tenement approximately 20 km. It should be noted that professional personnel from Mt. Isa mines and other companies formed a company called Carpentaria Exploration Pty Ltd, that went public on the ASX in 2007. There is no apparent relationship between this group and Resolute Mines' Carpentaria Gold Pty Ltd. (Carpentaria Gold).

Carpentaria Gold is still very active in the subject area and has explored more than 30 tenement holdings since 1995, many of which were in areas of historical gold workings. Currently, two areas are under renewed development by Resolute Mines, Ltd (2012); one in the Welcome area (west of Wishbone II some 10 km, see Figure 11), and the other is the Mount Wright Mine located south east some 8 km along the main Burdekin Falls Dam Road (see southeast corner of Figure 6 and along the section of Figure 8). Their primary focus seems to be along a northwest trend from the Ravenswood deposit through Mount Wright to the Welcome deposit, but this trend extends even farther northwest through Mount Success to the Mount St. Michael and Mount Douglas areas. This is significant in that the NW trend passes through the subject Wishbone II tenement, while other parts of the tenement are located along the NE trend (i.e. Alex Hill Shear Zone).

The Carpentaria Gold activity was associated with at least four previous EPMs that overlapped parts of the current Wishbone II tenement, and which involved sampling and collection of geological and exploration information that are relevant to the current geological evaluation of the subject tenement. These activities are listed in Table 3, and are keyed to their respective reports.

Table 3
Carpentaria Gold Reports Related to Wishbone II Area

YEAR INITIATED	TENEMENT NAME	REPORT
2001	Leichhardt Range	CR 9732
2001	Kitty O'Shea	CR 9130
2001	The Bluff	CR 8190
2009	Mingela	CR 14778

Carpentaria Gold has new holdings in other non-trend related areas nearby (see Figure 14).

The third group involves firms currently active such as Lione Resources, Fairfield Cooper and Gold, and Wash River Mining, and those firms who conducted exploration for a few years and either discovered a significant deposit, morphed into other entities, bought into existing mines, or departed the area, such as Australian Overseas Mining, Aberfoyle Exploration, Camira Mines, N.L., Dalrymple Resources, Metana Minerals, N.L., Newmont Australia, North Queensland Anaconda Australia, Ltd, and others.

The WBG Tenement Application (2009) presents substantial historical information on the area's activities.

7.2 Historical Company Exploration

We have reviewed a number of the company reports that focused on areas in and around the Wishbone II EPM over the past few decades (see Table 4), and have summarized some of the more significant results as revealed in the historical reports filed with the Queensland Government, as follows:

Table 4
Company Reports: Pre-2010 Exploration Activities

EPM / ATP	HOLDER	REPORT DATE	COMPANY REPORT
274	Kennecott	1966	CR 2142
360	Anaconda Australia	1967	CR 2141
643	McIntyre Mines	1969	CR 2981
643	McIntyre Mines	1970	CR 3392
2642	Camira Mines	1985	CR 14258
4210	Metals Exploration	1988	CR 19601
5097	Dalrymple Resources	1988	CR 19007
5097	Dalrymple Resources	1989	CR 19732
5435	Metana Minerals	1989	CR 21106
5097	Dalrymple Resources	1989	CR 20511
5097	Dalrymple Resources	1990	CR 21858
5075	Australia Overseas	1990	CR 21993
5097	Dalrymple Resources	1991	CR 23027
8190	Carpentaria Gold Pty Ltd.	1994	CR 26053
9732	Carpentaria Gold Pty Ltd.	1994	CR 26535
8190	Carpentaria Gold Pty Ltd.	1995	CR 26054
9732	Carpentaria Gold Pty Ltd.	1995	CR 27542
9732	Carpentaria Gold Pty Ltd.	1996	CR 28364
9732	Carpentaria Gold Pty Ltd.	1996	CR 28366
8190	Carpentaria Gold Pty Ltd.	1997	CR 29445
8190	Carpentaria Gold Pty Ltd.	1998	CR 29111
8190	Carpentaria Gold Pty Ltd.	1998	CR 30277
9732	Carpentaria Gold Pty Ltd.	1998	CR 30538
8190	Carpentaria Gold Pty Ltd.	1999	CR 31117
9732	Carpentaria Gold Pty Ltd.	1999	CR 31410
8190	Carpentaria Gold Pty Ltd.	2000	CR 32092
9732	Carpentaria Gold Pty Ltd.	2000	CR 32354
9732	Carpentaria Gold Pty Ltd.	2001	CR 32897
9732	Carpentaria Gold Pty Ltd.	2001	CR 33116
8190	Carpentaria Gold Pty Ltd.	2003	CR 34414
14778	Carpentaria Gold Pty Ltd.	2008	CR 54829
14778	Carpentaria Gold Pty Ltd.	2009	CR 62041

7.3 Current Nearby Exploration

Historical company activities in the area are useful in determining what exploration methods and techniques have been applied and their results over the past decades. Appendix IV contains a summary of the typical exploration methods employed. It is also instructive to know the type and characterization of mineralization of the current exploration/mining operations present in the general area surrounding the Wishbone II EPM in order to assess the viability of the exploration program being considered by the WBG management.

Dalrymple Resources Pty Ltd. engaged the field assistance of Terra Search to conduct several stream-sediment and follow up rock-chip surveys in an area enclosing the eastern portion of Wishbone II and extending to the east and north. Several anomalous regions were targeted including: Bluff Creek, Bluff North, Cicada / Hanging Valley (see Figures 12 and 13 and Appendix VII), Four Mile, Hill Top, Horse Camp Mill, Kings Cross, March Fly, Oaky Hill North (See Figure 19) and West Haughton north of The Buff area (Beams, 1991). A stream-sediment sampling program with reconnaissance rock-chip sampling identified four prospects that merit additional attention, including: Bunkers Hill, Oaky Mill North, Oaky Mill and Hilltop. Oaky Mill grab samples returned assay values of 5.34 g/t, 2.69 g/t and 23.20 g/t gold (Lesh, 1988).

The Hilltop Prospect (11 km east of Grass Hut, (see Figures 6 and 13) consists of a 1.5 km (along strike) 50 cm-wide milky quartz vein returning rock-chip values of 0.3 g/t gold, 900 ppm lead, 20 g/t silver, and 0.12% copper (Lesh, 1988). A regional sampling survey returned 14 samples with assay values in excess of 5 ppb gold with a maximum of 137 ppb gold (Ryan, 1989).

The Kings Cross Prospect (4 km west of Mount Sulphide - see Figure 13) has returned drainage samples with clearly anomalous values of 15.7, 2.2, 11.9, 16.5 and 1.7 ppb gold with a rock-chip sample returning up to 0.1 g/t gold. The general consensus is that the source of the gold is from weathering and dispersal of gold within the Collopy Formation conglomerates (Ryan, 1989).

Regional rock-chip samples returned assay values up to 23.6 ppm within the Mount Sulphide area (Ryan, 1989). Pan Concentrate stream sediment sampling returned values of 60.7 ppm gold equating to 0.93 ppm "Alluvial Grade" in the Cicada Prospect with maximum stream sediment value of 137.0 ppb gold. In the nearby Hanging Valley area (Figure 12), it also produced anomalous pan-concentrated alluvial gold with sample values such as 4.69 g/t, 12.85 g/t, 6.85 g/t, 9.36 g/t, and 7.39 g/t (Beams, 1989). Geological mapping, including magnetic susceptibility surveys of the prospects and important lithologies, was also included in that exploration program (Beams, 1990).

Although Dalrymple's exploration program revealed that 47 samples assayed values over 1 ppb in proximity to the Wishbone II tenement, Terra Search concluded that the whole thickness of the coarse sandstones/conglomerates of the Devonian/Carboniferous Collopy Formation is shedding gold. Limited 'alluvial grade' calculations indicated that this detectable coarse gold only translates to 0.05 to 0.1 g/t gold (Beams, 1990). The source of the gold within the Collopy Formation has not been determined to date.

7.4 Relevant Exploration and Mine Geology

The current operations in the general area around the subject EPM have been reviewed (see Figure 13 and 24 for the principal sites reviewed). These include Resolute Mining and Carpentaria Gold exploration activities and mining operations, the Mount Wright Mining activities, The Welcome Mine discovery, the Thalanga-West 45 Mines, the Pajingo-Cindy-Jandam Mines, and the Mount Leyshon Mine, the last two of which operated well into the 2000s (see Appendices VII and VIII for aerial views of the subject mines).

7.4.1 Carpentaria Gold Pty Ltd. and Resolute Mining, Ltd.

The Ravenswood area contains breccia style and stockwork vein targets within several prospective "corridors". Targets include Mount Wright-style breccia pipes, high-grade, low-tonnage, Sunset-style veins, and low-grade, high tonnage-Nolans-Sarsfield stockwork-style vein deposits (as occurs in the Ravenswood mining area). Carpentaria Gold (initially consultant to and now owned by Resolute Mining, Ltd.) embarked on a major exploration effort a few years ago to develop gold deposits within hauling range of Resolute Mining's operations located near Ravenswood, Queensland (see Appendices VII and VIII). They currently have large tenement holdings and recent applications for additional holdings in the northwest trend from Ravenswood to Mount Wright, to the Welcome deposit, the Mount Success, and beyond (see Figure 14).

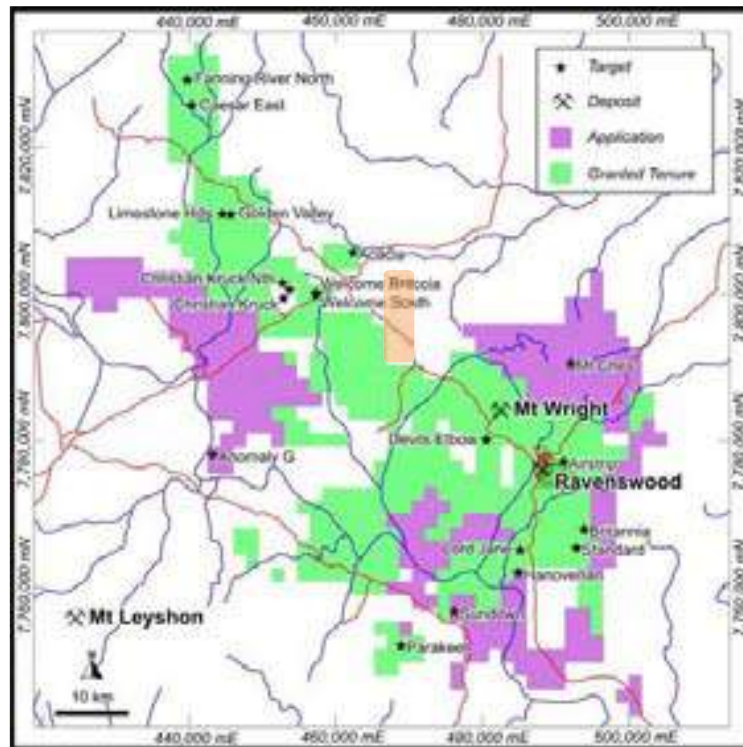


Figure 14 – Resolute Mining Tenement Holdings and New Tenement Applications
(from Resolute Mining, Ltd. Annual Report, 2011)

Area shaded in orange in the above figure shows the general location of the Wishbone II tenement.

7.4.1.1 Mount Wright Mine

Historical reports (Connah, 1956) indicate that the Mount Wright mineralization differs from other types in the Ravenswood district. Near the surface, so-called low-grade ore (4 to 5 dwt/tonne gold) occurs within a breccia pipe consisting of biotite granite but also fragments of fine-grained volcanics and dike rocks. The pipe has been hydrothermally altered (feldspars are strongly kaolinized and mafic mineralized have been obliterated). The breccia near the summit of Mount Wright consisted chiefly of rhyolite and “greisenized” granite fragments.

The mine was first opened in 1917 but the ensuing work produced only 1,500 fine ounces of gold and the mine was closed in 1942. Subsequent work indicated that a zone of significant gold values is restricted to an area of 20 to 35 m in diameter surrounding a core of unaltered granite. The general conclusion expressed in the mid-1950s was that the drilling has shown “beyond doubt that the zone of appreciable gold values is too small for large-scale exploitation.” Mount Wright was subsequently re-evaluated by deeper drilling and significant values and volumes of ore were

discovered (Pontual, S., 1994; A-Izzoddin, D., *et al.*, 1995; Furniss, R., 1998; Harvey, K.J., 1998). The mining history and production are illustrated in Figure 15.

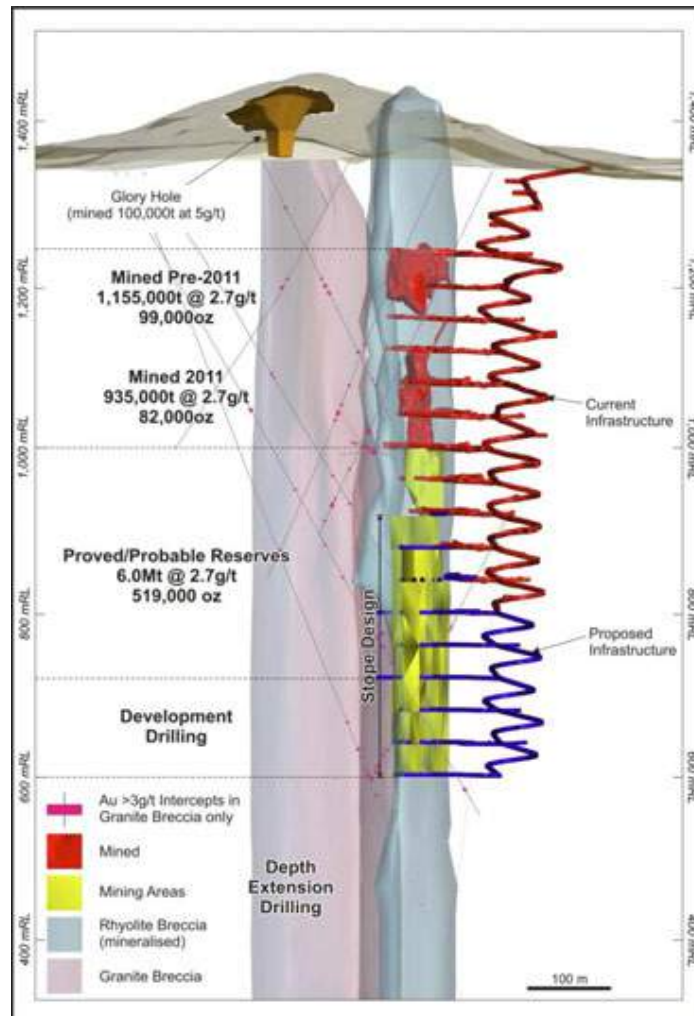


Figure 15 - Mount Wright Mining History & Production
(from [Resolute Mining Ltd.](#))

During 2011, Resolute personnel completed a new underground mine design and 5,515 m of infill drilling resulted in the conversion of previously reported resources to proven and probable reserves of 6.2 million tonnes @ 2.7g/t gold for 535,000 ounces. The Ravenswood operations continue to transition to solely the Mount Wright underground mine with the last of the Sarsfield low-grade stock piles from the Ravenswood deposits, which were expected to be processed in 2011. The set up for the sub-level shrinkage underground mining method to be employed at Mount Wright is nearly complete and is expected to be ready for production in 2012 (see Resolute Mining, Ltd news releases and Appendix VII - Field Photos and Appendix VIII of the Mount Wright and Ravenswood mining operations).

Further strong results from infill drilling were reported for 150 m below the current production level. Better results included 43 m @ 5.32 g/t gold, 28 m @ 8.06 g/t gold, 95 m @ 3.66 g/t gold and 106 m @ 3.33 g/t gold. They anticipate that a drilling program below 600 m will be completed in 2012 and an updated resource estimate will be finalized shortly thereafter.

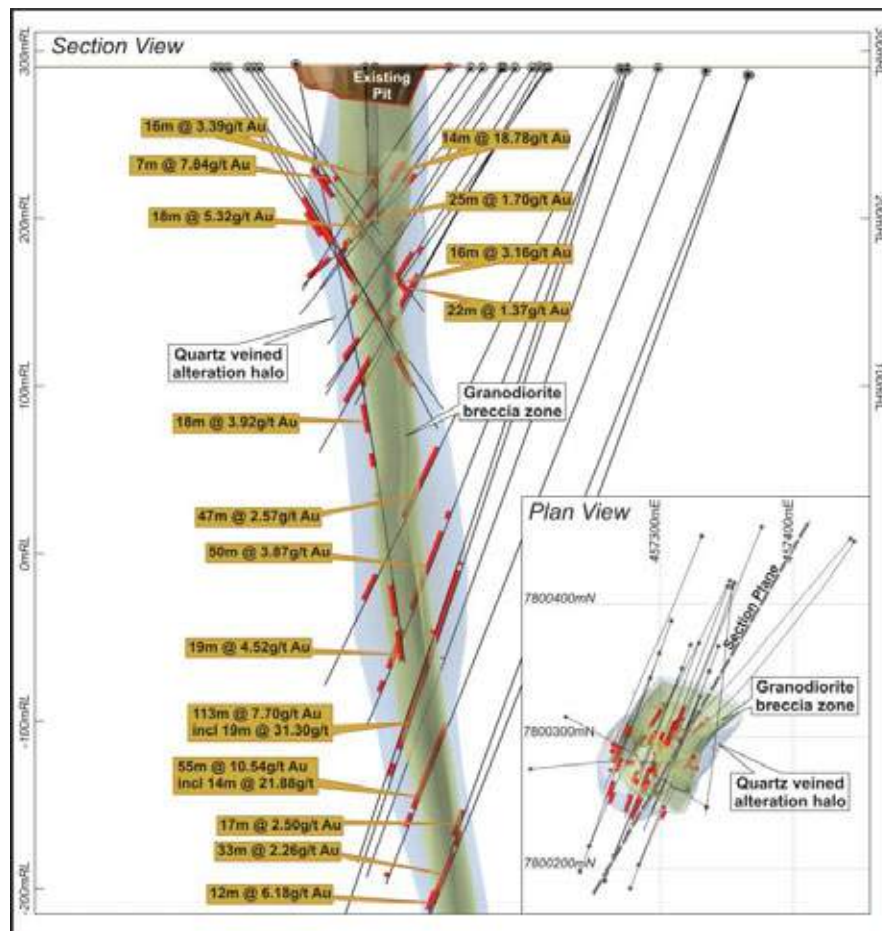
Carpentaria Gold has identified a number of Mount Wright-style targets in the region and the Welcome deposit was the first tested (see Figure 13 and 14). The immediate success of the Welcome project, and the number of other targets still to be tested, opens up a new dimension to this operation for Resolute Mining, Ltd., as well for those companies holding tenements along this trend, which includes the Wishbone II tenement.

7.4.1.2 The Welcome Discovery

The history of the Mount Wright development is similar to the re-development activities under way in and around the Welcome deposit and at Mount Success, and to the historical mines to the northwest (see Figures 13, 14 and 24).

The objective of the Welcome project was to assess its potential by first expanding and deepening of the old Welcome open pit, and then developing underground operations, which would provide a substantial cost benefit over open-pit operations. Mineralization was observed to be associated with zones of heavily altered granodiorite with quartz veining, principally occurring on the hanging wall and footwall of shear zones and associated faults within a breccia pipe. The ore body remains open down plunge with the deepest reported intersection of 53 m @ 2.02 g/t gold from a depth below 475 m (1,425 feet), see Figure 16.

Resolute Mines, Ltd. (2011) reports that the Welcome Breccia prospect produced some “exceptional first pass diamond drill intercepts” including 18 m @ 3.92g/t gold from 215 m, 19 m @ 4.52g/t from 359 m, 113 m @ 7.7g/t gold from 316 m and 50 m @ 3.87g/t gold from 298 m. Additional diamond drilling to test the vertical and lateral extents of this potential new deposit is continuing (see Figure 16). Several other Mount Wright-style targets in the district are ready for ground geophysical work and/or drilling, they report.



**Figure 16 - Cross Section of Drilling Results by Resolute Mining Ltd.
at the Welcome Deposit (from Resolute Mining Ltd.)**

7.4.2 Thalanga-West 45 Mines

Other types of mineralization are also candidates for occurring on the Wishbone II tenement. The Thalanga massive sulfide deposit is located in the Cambro-Ordovician Mount Windsor Volcanics some 110 km to the west-southwest of the subject tenement (see Figure 24). The Thalanga Mine is located at the foot of the eastern end of the Thalanga Range.

The range is a low, northwest-trending ridge of the Mount Windsor Formation volcanics surrounded by semi-consolidated Tertiary alluvial sediments known as the Campaspe Beds, which cover the uneven basement surface to a depth of up to 100 m. Surface exposure in the vicinity of the deposit is poor, and most of the geologic interpretation is based on observations from drilling and mine development. The conductive nature of the Campaspe Beds has been an impediment to the application of electrical geophysical exploration techniques in the area (Paulick, *et al.*, 2001).

Of interest to the subject EPM are the number of dikes of coarse quartz-feldspar porphyry, locally termed the quartz-eye unit that have intruded the Thalanga mine area as well as a similar unit in the eastern areas of the subject EPM. The general consensus is that the porphyry was extruded directly on the sea floor, capping parts of the massive sulfide of the Thalanga deposit. Quench fragmentation around the edge of the extruded porphyry built up an apron of quartz crystal-rich volcanoclastic materials, particularly around East Thalanga. The Thalanga hydrothermal system remained active after the emplacement of the quartz porphyry, resulting in the deposition of sulfides in the clastic facies of the quartz porphyry. In places, this material reaches ore grade (Herrmann and Hill, 2001).

Drilling activities in the Thalanga area, as in the early days of exploration in the Charters Towers area (Kreuzer, 2005), were conducted on a blind basis, that is, there were no surface indications of mineralization in the area drilled. In the former, a good geological basis was helpful in drilling along mineralized trends (see Figure 17). This figure illustrates two important features. The first is that drilling for a blind target (targets without local surface indications) can have favorable results, as in Figure 17A.

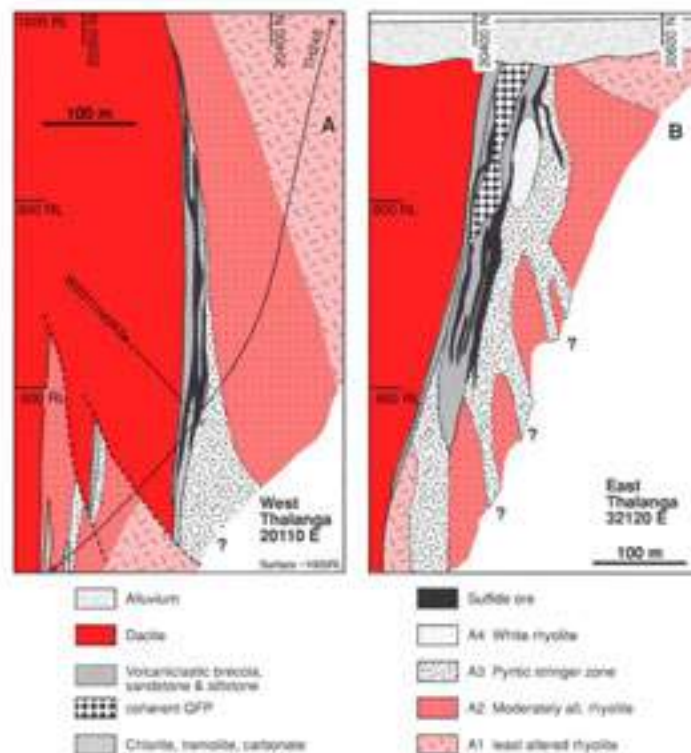


Figure 17A and B – Blind Drilling at the Thalanga Mines Area
 (from Paulick, et al., 2001)

The second feature is that mineralization can go unrecognized for years because it is covered by younger sediments at the surface, as in Figure 17B below. Blinded at the surface (A) and by alluvium (B) are illustrated in Figure 17. Drilling to test the subsurface contacts is generally conducted when at least some gold occurrence are evident at the surface, and to test the bedrock below alluvium when scattered anomalies are reported from alluvial deposits, has become a new approach to investigating such tenuous geological conditions. Selecting drill targets remain problematic in many districts, especially in the Charters Towers area to the west, and the same problems exist in the Mingela and Ravenswood areas in the immediate vicinity of the Wishbone II tenement.

The West 45 mineralization, located a few km to the northwest of the Thalanga Mine near the Flinders Highway, is hosted within clastic facies of the quartz-feldspar porphyry (also called quartz-eye) situated near the top of the Mount Windsor Formation and its presence appears to be a useful exploration guide (Berge, 1986; and Dong, *et al.*, 1995).

There are three sub-vertical strata-bound semi-massive sulfide lenses that lie 5 to 25 meters beneath the dacite-quartz eye contact. Maximum thickness and grade within the sulfide lenses occur at their intersection with footwall pyritic stringer zones. The footwall feeder zone, which forms an envelope of strong sericite-pyrite alteration trending northeast and dipping steeply to the north, cuts across both the Mount Windsor Formation rhyolites and the quartz-eye volcanoclastics. Within this envelope, subeconomic base-metal sulfide and pyrite veins dipping steeply northwest and southeast form a series of discontinuous ore shoots.

The Thalanga deposit is a volcanic-hosted polymetallic massive sulfide deposit. Outcropping gossans (usually dark brown or orange soils containing oxidized iron minerals) in the central part of the deposit led to its eventual discovery in 1975. Nearby deposits were essentially blind targets, and many were discovered by serendipity. Production commenced in May 1989 with open-pit mining of oxidized supergene ore from the central ore body, to a depth of 70 m below surface, and progressed in February 1991 to underground production of primary sulfide ore via two declines accessing the West and East Thalanga ore bodies.

The total resource at Thalanga was estimated at 5.75 million tons (Mt) at average grades of 1.8 percent copper, 2.5 percent lead, 8.2 percent zinc, 69 g/t silver, and 0.5 g/t gold. To 1993, production totaled 202,000 tonnes of zinc, 45,000 tonnes of lead, and 90,000 tonnes of copper with significant credits of silver and gold (Herrmann and Hill, 2001; and Paulick, *et al.*, 2011).

7.4.3 Pajingo-Cindy-Jandam Mines

Deposits of particular relevance to future exploration on the Wishbone II tenement is the Pajingo epithermal gold deposits located some 70 km southwest of the Wishbone II tenement. Discovered in 1983 by Duval Mining (then Battle Mountain Gold) in previously unexplored areas over a 15-year period, these mid-Carboniferous epithermal quartz vein deposits are hosted by intermediate (late Devonian to Carboniferous) high-level intrusives, lava, and other volcanoclastic rocks. The original deposit was developed by open-pit and underground mining and produced 366,500 ozs gold and 1,022,601 ozs silver (Bobis, *et al.*, 1995; and Parks and Robertson, 2003).

In 1991, not far from the Pajingo deposit, the Cindy vein was found by drilling beneath 5 to 15 meters of Tertiary sediments. This deposit produced 46,468 ozs gold and 25,066 ozs silver. Other veins were also discovered along strike. For example, reports on the Jandam deposit indicated in a mineral inventory (resources, reserves, plus mined) as of mid-June, 2001 of 6.6 million tons @ 13.5 g/t gold, 14 g/t silver, for a gold inventory of 2.9 million ozs of gold (see Parks and Robertson, 2003). That amounts to an in place value of \$2.9 billion at a gold price of \$1,000/oz.

7.4.4 Mount Leyshon Mine

Prospectors made discoveries in 1871. They began evaluating the outcrops to begin small-scale mining in the late 1880s, which continued sporadically through World Wars I and II producing almost 46,000 ozs of gold. Exploration by Pan Australian Mining, Ltd led to a large scale, open cut mine that operated from 1986 to 2002 (Orr and Orr, 2004).

Located some 60 km southwest from the Wishbone II EPM (see Figure 24), the Mount Leyshon orebody occurs with a north-east trending corridor of Permo-Carboniferous sub-volcanic rocks. The complex has a roughly circular form, with the diameter averaging about 1.6 km and elongated in a northeastern direction (see Figure 18).

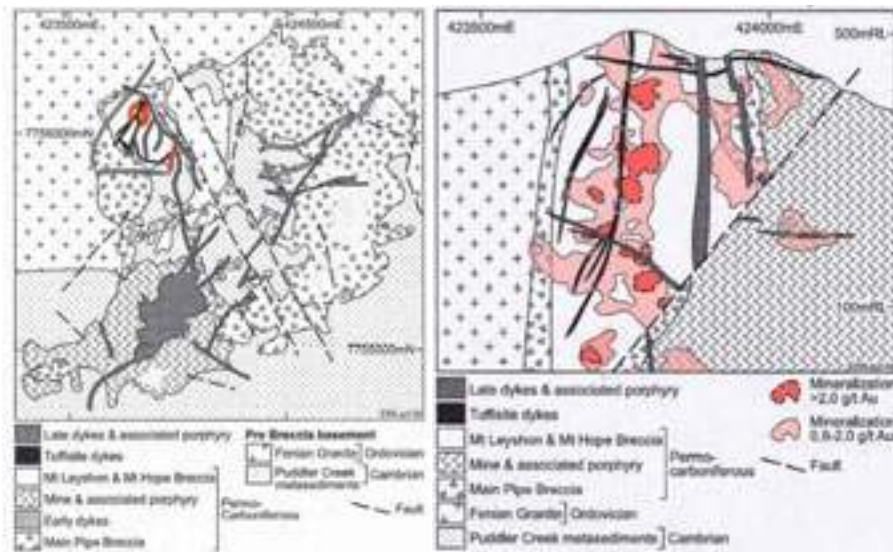


Figure 18A-B - Simplified Geology and Cross Section of the Mount Leyshon Mine
(Orr and Orr, 2004)

The Mount Leyshon Breccia hosts most of the gold ore. The host is pipe-like and is developed almost entirely within the large, but generally barren, Main Pipe Breccia on the western edge of the complex. Numerous late porphyry and tuffisite dikes cut across both the Mount Leyshon and Main Pipe Breccia.

Orr and Orr (2004) report that tropical weathering has almost completely oxidized the primary mineralization and associated host rocks to a maximum depth of 160 m below the summit of Mount Leyshon. The depth of oxidation decreases to only a few meters at the base of the hill, and averages 30-40 m across the ore zone. In this area gold is associated with the iron oxides, and with jarosite, alunite and kaolinite in cavities and veins.

The intense leaching has depleted base metals within the oxide zone without affecting the gold content or its distribution. However, they report that stream-sediment sampling, rock-chip sampling, and soil sampling of the C horizon (screened to <180 μ m) all produced favorable results that would have justified further exploration and drilling (Beams, 1990; and Beams and Jenkins, 1995).

Section 8.0 Geology

8.1 Regional Geology

Ravenswood Batholith, which is predominately comprised of early-mid Ordovician (490-463 Ma) hornblende- and/or biotite-bearing I-type granitoids of the Macrossan Igneous Province (Hutton, *et al.*, 1997) and I-type and lesser S-type granitoids of the late Silurian to early Devonian (418-382 Ma) Pama Igneous Province (Lisowiec, 2010), see Figure 19 for regional geology. A description of the rocks units occurring in and around the subject tenement is presented in the legend in Appendix V.

8.2 Local Geology

Major faults include the E-W trending Alex Hill Shear Zone (AHSZ). The AHSZ is interpreted to be a crustal-scale, locally mylonitic, sinistral, transcurrent shear zone, with a possible early reverse fault history (south block up) (Standing, 2006). The structure is best observed west of the Wishbone II tenement and shearing is only evident within the metamorphics and Ordovician granitoids (see Figures 13 and 19). Here the structure appears to be overprinted by a pair of enigmatic NNW trending lineaments that are possibly related to the Burdekin Lineament further west, where a strong locally mylonitic NW striking fabric has been observed within the Charters Towers Metamorphics (Hutton *et al.*, 1994). Of particular note is that NW trending structures occur within the Wishbone II tenement (see Figure 19). Minor NE faults are also present. Both are known to host mineralization.

The Alex Hill Shear Zone (AHSZ) has been suggested by Beams (1991) to be a favorable area for gold mineralization within the Ravenswood Granodiorite Complex and to the south of the main shear zone (see Figure 13). Follow up of stream-sediment gold anomalies has led to the discovery of several gold-bearing mineralized systems within the subject EPM based on indications from previous exploration at, for example, the Grass Hut prospect.

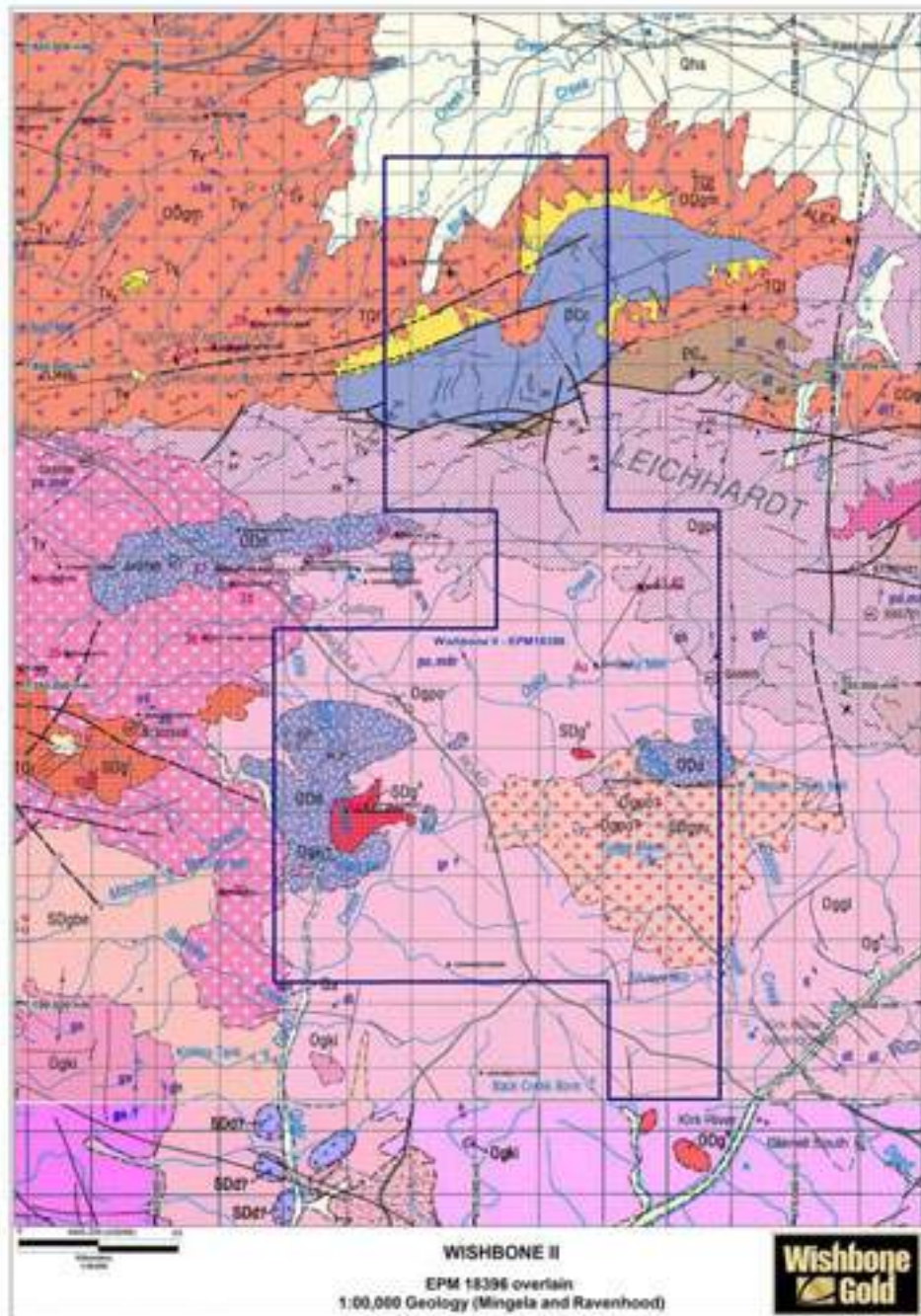


Figure 19
Geological Mapping of the 1990s
(Click to Enlarge Map)

Section 9.0 Deposit Types

In the northern portion of the subject tenement, an intrusion of Ordovician-Silurian Granitoid occurs that hosts a trend of deposits, namely near Cowhead Mountain (for gold), Cowhead Reef (for copper), Mount Sulphide (for silver and gold), and Mount Sulphide East (for gold and copper);

see Figures 6 and 13 for locations. These deposits lie just north of or associated with the Alex Hill Shear Zone. This zone separates the Granitoid intrusion to the north with an assemblage of Charters Towers Metamorphics, which are of Neoproterozoic–Cambrian in age. The rocks of the metamorphics consist of mica schist; quartzite; quartz-feldspar-biotite gneiss; hornblende schist; cordierite, andalusite and staurolite hornfels; chlorite schist; and marble.

A small pocket of sandstones and conglomerates belonging to the Collopy Formation of late Devonian age outcrops within the extensive Alex Hill Shear Zone within the northern section of the Wishbone II tenement area. A further intrusion of pink to greenish grey, medium to coarse-grained, porphyritic biotite granite known as the Pocket Dam Granite crops out throughout the north and northeastern portion of the tenement (Rienks, *et al.*, 1996). This intrusive hosts several small gold deposits including Oaky Creek, Bex, as well as an unnamed small copper occurrence (see Figure 19). Much of the central and southern extents of the tenement are occupied by the Glenell Granodiorite, Ordovician in age (see Rienks, *et al.*, 1996; and WBG EPM Application, 2009).

Several other significant intrusive rock units have been mapped throughout the southern and western extents of the subject area and host small gold and base metal deposits within and surrounding the tenement. These include the Brittany Granite which hosts the City of Melbourne (for gold); the Ordovician/Devonian-aged Ravenswood Batholith responsible for hosting the Mountain Maid (for gold), Mount Lyle (for gold), Grass Hut (for gold); as well as for the Yulga Tonalites in the Ravenswood area, which has not yet been confirmed (Rienks, *et al.*, 1996).

Section 10.0 Mineralization

Several key geological elements are present in the Mingela-Ravenswood-Mount Leyshon area:

- The numerous shows of polymetallic mineralization and widespread surface geochemical anomalies that remain to be followed up,
- The presence of a highly mineralized shear zone with several known intersecting mineralized faults and veins that remain to be followed up,
- The positive host-rock conditions within the Ravenswood Granodiorite Complex and known geochemical anomalies within the Kirk River Beds displaying known episodic mineralization, and

- The potential for small intrusive bodies associated with breccia pipes as indicated in the Mount Wright Mine, the Welcome discovery, the Mount Success and Golden Valley Mines, and at far Fanning and Mount Douglas deposits to the northwest, and at the Mount Leyshon Mine to the west of Wishbone II (see Figure 24).

10.1 Type of Mineralization

Based on our review of the information, two principal types of mineralization are likely present on the subject tenement for producing significant mineralization in the area by either epithermal and/or intrusion-related styles of mineralization. Figure 20 captures the variations to these models of mineralization by illustrating the extent of known gold occurrences (blue dots).

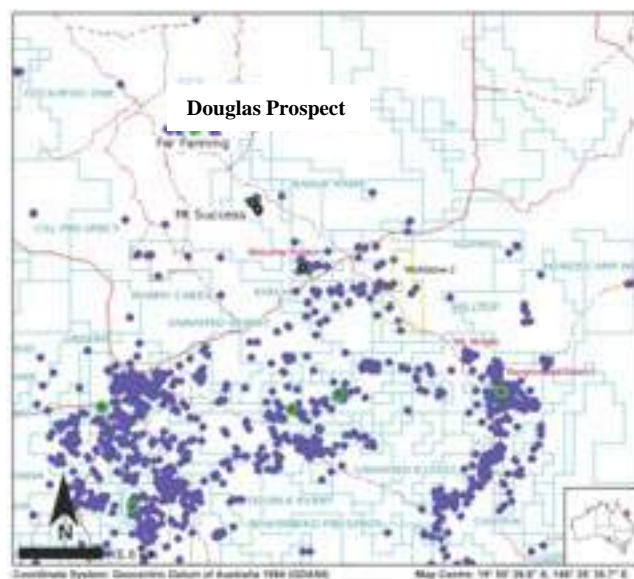


Figure 20 - Gold Distribution in Mingela and Charters Towers Districts

Again, the NW Trend is evident from Ravenswood in the south to the Far Fanning deposit and the new Douglas prospect in the northwest. These are typically erratically developed quartz veins (aka reefs) in fissures, particularly in granitoid hosts, or lenticular anastomosing quartz bodies in faults or shear zones.

Of particular historical interest other than the Welcome discovery is the Mt Success / Golden Valley area located 30 km to the northwest of Wishbone II. Both the Mt. Success and Golden Valley localities (approximately 2 km apart) are associated with Carboniferous-Permian rhyolite dacite breccia pipes and are located on the margin of the Ravenswood Batholith and the Fanning River Group of the Burdekin Basin. The majority of historical gold production from Mt. Success

(reported as: 2,013 tonnes @ 11.2 g/t for 797 ozs gold) was extracted from the breccia pipe (Lisowiec, 2010).

Based on our review of the historical activities and on the more recent exploration programs conducted during the 2000s, the most significant, known mineralized trend with records of gold production within the subject tenement is apparently related to small isolated mesothermal quartz sulphide pulses filling fissures above and laterally in the subsurface in and around the Wishbone II tenement, but there are other types of mineralization that may also be present on the subject EPM, such as breccia-related mineralization.

The subject tenement area clearly has the potential to host mesothermal (Ravenswood style) precious metal mineralization and associated sub-volcanic breccia complex mineralization (Mont Leyshon- and Mount Wright-style deposits) (James, 1997). The gold model applied in this area is the classic Charters Towers style multiple mesothermal quartz sulphide lodes filling fissures within phases of the Ravenswood Granodiorite Complex (see Figure 21). However, a second style of mineralization targeted is the hydrothermally altered breccia affinity found at the Welcome deposit, at Mount Wright, and elsewhere.

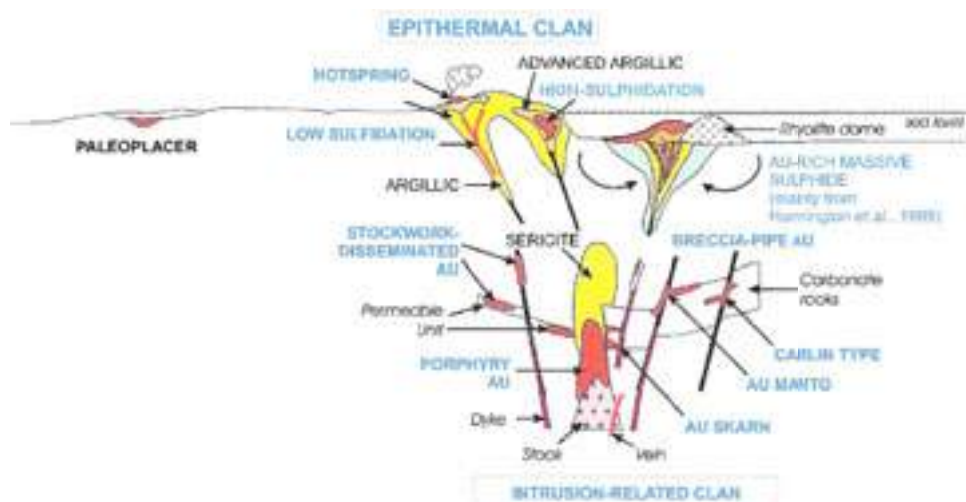


Figure 21 – Epithermal and Intrusion-Related Mineralization
(Robert, *et al.*, 2007)

10.2 Trends of Mineralization

The areas associated with the Ravenswood-Mount Success Trend has been intensively explored on the surface but only superficially drilled to any depth. Historical records on the Charters Towers area indicate that few surface indications were present and that significant mineralization was found

by serendipity via drilling (Scott and van Eck, 2003; Morrison and Beams, 1995). The subject EPM has many more geological prospects than Charter Towers in the early days, and the prospects illustrated in Figure 20 and in the geochemical and geophysical data available in the historical reports contribute to the value of the subject tenement.

All three nearby deposits, and small mines, illustrate a similar model of gold mineralization that may apply to the subject tenement. Both breccia-pipe development at a number of sites, plus late-stage quartz-vein development in or surrounding a breccia pipe emanating from the interior of an intrusive body, appears to be present at a number locations along the NW Trend, within which the Wishbone II area is clearly involved.

Along the NW Trend (Figure 13, 20, and 24), quartz in various zones of mineralization is massive and consists of tightly interlocked euhedra; it is sheared, brecciated, cut by veinlets, and infilled with a further generation of vug-forming quartz in ore shoots. Mineralization is typically restricted to the cross-cutting generations of quartz and is rarely in the primary quartz or the wall rock. Breccias are the primary hosts in this trend. The trend is likely based on faulting trends (to the northwest). The associated northeast trend is apparent as lineaments on satellite photos and has been explored much less than areas associated with the northwest trend.

Section 11.0 Exploration

11.1 Previous Surveys and Investigations

Much of the previous exploration in the Mingela Area has been focused primarily on known gold and base metal prospects including Christian Kruck, Welcome, Evening Star, and Sulphide Mountain (Figure 13). The highly prospective Christian Kruck occurrence is located along the Alex Hill Shear Zone approximately 13 kilometres west-south-west of the occurrences near the Wishbone II tenement (Cowhead Mountain, Cowhead Reef, Mount Sulphide, and Mount Sulphide East; see Metals, 1986). Gold, silver and copper occurrences and small mines along the AHSZ have been strongly targeted for follow-up work via numerous exploration programs over the years.

Metals Exploration Ltd (1986) investigated the gold deposits occurring within the western half of the tenement and extending approximately 8 km to the west along the Alex Hill Shear Zone.

The gold deposits are typically mesothermal multiple quartz sulphide lodes occupying fissures within phases of the granodiorite complex (Metals, 1986). Apart from enrichment of some ore shoots at fault intersection, the ore bodies do not appear to have been influenced by changes in the character of the host rock. In addition to gold, the white-quartz zones contain a variety of base-metal sulphides, including pyrite, galena, arsenopyrite, chalcopyrite, stibnite, sphalerite and tetrahedrite (Metals, 1986). Surrounding this mineralization are zones of bleaching and hydrothermal alteration (Metals, 1986). The quartz veins are surrounded by auriferous wall-rock alteration zones which may be up to several meters wide. The alteration assemblage comprises muscovite-phengite-albite-calcite-ankerite-leucoxene-pyrite-quartz. This zone varies depending on the degree of fluid access and fluid-wall rock interaction (Metals, 1986), which, together, present useful guides to exploration.

Dalrymple Resources personnel speculated that the subject tenement area is favorable for hosting gold mineralization as either shear-related mineralization associated with the several major shears that have been identified in the area, or as fracture-controlled vein mineralization within the Ravenswood Batholith granitoids (Beams, 1991). They noted that the Alex Hill Shear Zone is intersected by several north-east trending faults, one of which includes the gold mineralization at Grass Hut prospect on the western edge of the subject tenement. The Welcome deposit corridor also borders the Alex Hill Shear Zone within the vicinity of the subject tenement.

Dalrymple Resources held the majority of its tenure directly to the east of the subject tenement, and targeted the Alex Hill Shear Zone as a source of gold mineralization (Beams, 1991). The fact that gold has been mined within the Wishbone II tenement along the Alex Hill Shear Zone suggests that the general area is highly favourable within the Ravenswood Granodiorite Complex to the south. The 1988 announcement by Gold Mines of Kalgoorlie Ltd (G.M.K) of an indicated open pit resource of 0.63 million tonnes grading 3.1 g/t gold at Althea/Christian Kruck, and the recently discovered Welcome deposit just to the west of the Wishbone II tenement confirms the favourability of this area (see Figure 13).

Although many reports of gold have been made in the general, the previous surface work generally cites the lack of available tonnage for dropping the EPM over the years. The results of this work often did not justify further expenditures for geophysics or drilling at the time.

More recently, however, geophysical methods have played a growing role in the evaluation of prospects throughout Australia and the world; aeromagnetics and radiometrics have been utilized for drilling target selection, and good quality aeromagnetics is available through the Aerodata multiclient survey. IP and other electrical geophysical methods have not been utilized to any great extent in the area, in contrast to their extensive use at Pajingo where resistivity and IP surveys have tracked siliceous zones under Tertiary cover.

Previous exploration for porphyry copper in the 1970s utilized earlier types of IP at Mount Wyatt with some success. The recent use of advanced IP and other methods at the Welcome area and at Mount Success, and elsewhere testifies to the growing usefulness of geophysics. The magnetics and gravity mapping made available by the Queensland Government even help to show where potentially prospective areas may be located (see Appendix VI), although more detailed surveys would refine the drill-site selections in these areas. Both the northern area and central area of the tenement are clearly anomalous. Terra Search has developed advanced methods to interpret the existing geophysical data (see Appendix VI).

The limited outcrop in the subject EPM suggests that geological mapping can be effective to some extent in delineating favorable geological and structural features, although none of the work conducted to date has been successful in locating significant mineralization at or near the surface on the Wishbone II tenement. This fact should be used to guide future exploration, i.e., geophysics (ground magnetics and IP) should be employed after the main areas of historical gold occurrences have been plotted to guide future ground geophysical surveys. This approach could also be used to examine the base of the Collopy Formation for the source of widespread mineralization reported by many who worked in the area (see Beams, 1991)

WBG management and the their consultants are the beneficial owners of the past 30 years of exploration results and expertise carried out in the region, including the Wishbone II EPM, and has access to the complete open-file exploration database. Terra Search has access to numerous additional technical reports and data as well as the exploration expertise and support built up over twenty years exploring within North Queensland and more specifically in the Mingela District.

11.2 Current Concepts

During the past decade, there has been renewed emphasis on the diversity in deposit types within provinces containing orogenic gold deposits (e.g., Robert, *et al.*, 1997 and 2007), with emphasis on intrusion-related gold deposits. Sillitoe (1991) grouped these deposits into five distinct classes:

- Class 1:** Stockworks and disseminated ores in porphyritic and nonporphyritic intrusions; (e.g., representative deposits: Lepanto, OK Tedi, Boddington in the former and the Zortman-Landusky, Salave, Gilt Edge, Kori Kollo deposits as representatives of the latter type of intrusion);
- Class 2:** Skarns and replacement ores; (e.g., Fortitude, McCoy, Nickel Plate, Red Dome in skarn deposits and Barney's Canyon, Ketza River, Yanicocha deposits in carbonate rocks in replacement ores);
- Class 3:** Stockworks, disseminated ores, and replacement bodies in country rocks to intrusions (e.g., Porgera, Muruntau, Mount Morgan, Quesnel River deposits);
- Class 4:** Breccia pipes in country rocks (e.g., Montana Tunnels-Golden Sunlight, Kidston, and Chadbourne deposits, and **Mount Wright and the Welcome Deposits, NE Qld.**); and
- Class 5:** Mesothermal and low-sulfide, epithermal veins in intrusions and country rocks (e.g., Charters Towers, Jiaodong Peninsula, Majara, and **Ravenswood and Christian Kruck Deposits, NE Qld.**).

The classes obviously reflect many different types of gold deposits that indicate a relatively local zonation within and surrounding a contributing pluton. With some exceptions (e.g., Charters Towers being one exception), there is little debate that most of these gold deposits are genetically associated with a well-defined igneous body and are, therefore, properly classified as intrusion-related deposits (Sillitoe and Thompson, 1998).

However, Class 5 of intrusion-related gold vein deposits may have many characteristics identical to orogenic gold deposits. Of the five geochemical associations that they identify within this class of vein-type deposits, only the deposits with the gold-tellurium-lead-zinc-copper (e.g., Charters Towers) and gold-arsenic-bismuth-antimony associations have features resembling, and can be confused with, orogenic gold deposits, which if used as an exploration guide can result in wasted exploration funds over the life of the project.

If Class 4 of breccia pipes in country rock (in an intrusive/volcanic setting) is added to the guides for exploring in the Wishbone II area being located along the NW Trend, as well as being intersected by the NE Trend (in the vicinity of the Grass Hut Mine and associated prospects (see Figures 13 and 19) within the subject tenement), the chances for success may be improved substantially. This area also exhibits favorable magnetics (See Appendix VI).

11.3 Distinction from Orogenic Gold Deposits

In perhaps the clearest refinement of their defining characteristics, Lang *et al.* (2000), utilizing the studies of Sillitoe (1991) and others, have summarized the major characteristics of intrusion-related gold deposits, illustrated in Figure 21 and in Figure 22.

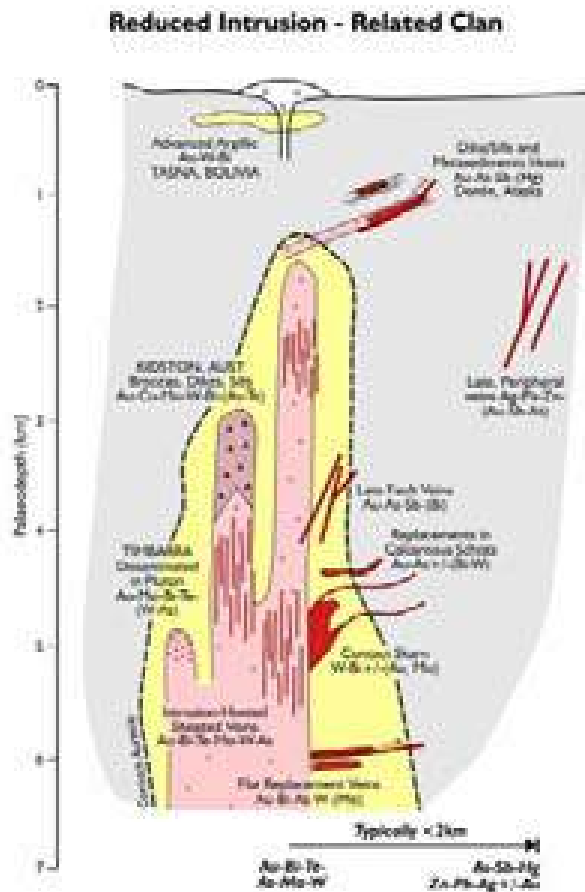


Figure 22 – Modeling of Intrusion-Related Mineralization
(Robert, *et al.*, 2007)

According to Sillitoe, intrusion-related gold mineralization has the following characteristics:

- 1) Metaluminous, subalkalic intrusions of intermediate to felsic composition, that spans the boundary between ilmenite and magnetite series;
- 2) CO₂-bearing hydrothermal fluids;
- 3) A metal assemblage that variably includes gold with anomalous bismuth, tungsten, arsenic, molybdenum, tellurium, and/or antimony, and typically has non-economic base-metal concentrations;
- 4) Comparatively restricted zones of hydrothermal alteration within granitoids; and
- 5) A continental tectonic setting well inboard of inferred or recognized convergent plate boundaries.

As an example of the complexity involved, the deposits of the Pine Creek, Tanami, and Telfer Districts in the Northern Territory are not actually hosted in the associated granitoids but in the associated country rock. In addition, the Charters Towers goldfield southwest some 50 km from the subject EPM has been described as both an epithermal to shallow magmatic-hydrothermal deposit and as being of orogenic origin, but the latter was excluded on the basis of the higher salinity and relatively higher pressures and greater depths (relative to epithermal deposits) inferred from ore-stage fluid inclusions (Goldfarb *et al.*, 2005; and Kreuzer, 2005).

11.4 Risks Involved

It is important to emphasize that lodes of the major centers of gold mineralization, such as at Charters Towers, have been mined down dip for more than 900 meters vertically. Drilling has intersected mineralization grading over 20 g/t gold at depths of over 1,200 meters. Although the host rocks for the mineralization have different, local names when compared to those in the subject area (separated by 155 km), the date of mineralization is the same. Exploring for deep zones is cash-intensive and of high risk (see Morrison, *et al.*, 2004; and Snowden, *et al.*, 2002), but the rewards can be profitable, as confirmed by the number of companies that are currently active in the Charters Towers area and elsewhere in Queensland. This is usually confirmed by the number of technical publications that provide exploration guidance for the Charters Towers area appearing over the past 10 to 15 years, such as: Peters, 1987a and b; Peters and Golding, 1989; Hutton, *et al.*, 1997; Kreuzer, 2003 and 2005; Towsey, *et al.*, 2002; Towsey, *et al.*, 2004; among others cited previously.

The degree of geological risk involved in any particular project depends to a large extent on the caliber and quantity of applicable publications that are available to guide exploration. Because the Wishbone II tenement is located along a significant trend of mineralization, this improves the odds of discovering significant gold and other metals. The tenement area has not been investigated to any extent, except superficially. The number of publications available to guide advanced exploration programs is substantial. For example, Black and Richards, 1972; Clark, 1974; Graf, 1977; Cox, 1981; Levington, 1981; Berge, 1986; Eingaudi, 1987; Dowling and Morrison, 1989; Mulholland, 1990; Wood, *et al.*, 1990; Beams and Jenkins, 1995; Beams, 1995; Dong, *et al.*, 1995; Orr, 1995; Lang, 1997; Robert, *et al.*, 1997; Harvey, 1998; Perkins and Kennedy, 1998; Wall, 2000; Goldfarb, *et al.*, 2001; Large, *et al.*, 2001; Hart, *et al.*, 2002; Orr and Orr, 2004; Dominy and Johansen, 2005; Dominy and Petersen, 2005; Goldfarb, *et al.*, 2005; Hart, 2005; Pearce, *et al.*, 2006; Robert, *et al.*, 2007; Taylor, 2007; Anon, 2008; Lam, 2010; and Allan, *et al.*, 2011, among others in addition to those cited previously.

Section 12.0 Drilling Activities

The exploration program at the Wishbone II EPM is still at a relatively early stage. No drilling has been conducted on the EPM to date by the current EPM holder. Drilling has been conducted off site along the Grass Hut trend and at the workings of the old mine, City of Melbourne (Bruce, 1988). At the former, 11 holes were drilled at 60° with the most significant intersection reported 9 to 15 m averaging 7.7 g/t gold. Drilling at C of M was inconclusive because of limited drilling.

Section 13.0 Sampling Method and Approach

The exploration program at the Wishbone II EPM is still at a relatively early stage. No sampling has been conducted on the EPM to date by the current EPM holder. Analyses and other data produced from earlier exploration programs or mining should be considered as of historical interest only. Mining production records from the Wishbone II mines are likely to be accurate and reliable only to a limited extent since there is no current way to confirm such reporting on the methods of sample preparation employed at the time, or on the quality of the laboratory or methods employed to determine gold content, or on the security and veracity of the sampling results reported in the historical records.

Section 14.0 Sample Preparation, Analyses, and Security

As indicated in Section 13.0 above, the exploration program at the Wishbone II EPM is still at a relatively early stage. No sampling or drilling has been conducted on the EPM to date by the current EPM holder.

Analyses and other data produced from earlier programs or mining should be considered as of historical interest only. Mining production records from the Wishbone II mines are likely to be accurate and reliable only to a limited extent since there is no current way to confirm such reporting on the methods of sample preparation employed at the time, or on the quality of the laboratory or methods employed to determine gold content, or on the security and veracity of the sampling results reported in the historical records.

Section 15.0 Sample Data Verification

As indicated in Section 14.0 above, the exploration program at the Wishbone II EPM is still at a relatively early stage. No sampling or drilling has been conducted on the EPM to date by the EPM holder. Analyses and other data produced from earlier programs or mining should be considered as of historical interest only. Mining production records from the Wishbone II mines are likely to be accurate and reliable only to a limited extent since there is no current way to confirm such reporting.

Section 16.0 Adjacent Properties (Tenements)

Four tenements (EPMs) are immediately adjacent to and surround the Wishbone II EPM, their status of which are all in the Application stage, see Table 5 and Figure 23.

Table 5
Current Tenements Adjacent to Wishbone II EPM
(See Figure 23 for Locations)

EPMA#	HOLDER	STATUS*
18642	Liontown Resources, Ltd	Application
18675	Liontown Resources, Ltd	Application
18243	Fairfield Copper-Gold, Ltd	Application
18730	Liontown Resources Ltd	Application

* As of January 15, 2012

In addition, a new tenement application has been officially lodged as of April 6, 2012 by WBG just north and east of Wishbone II (see Figure 23 - expanded view for location outlined in yellow). The new tenement, of some 3,000 ha in area, should be granted in a few months to two years. The new tenement is primarily a geophysical prospect since it is covered almost totally by alluvium with outcrops only occurring in the northwestern area of the tenement.

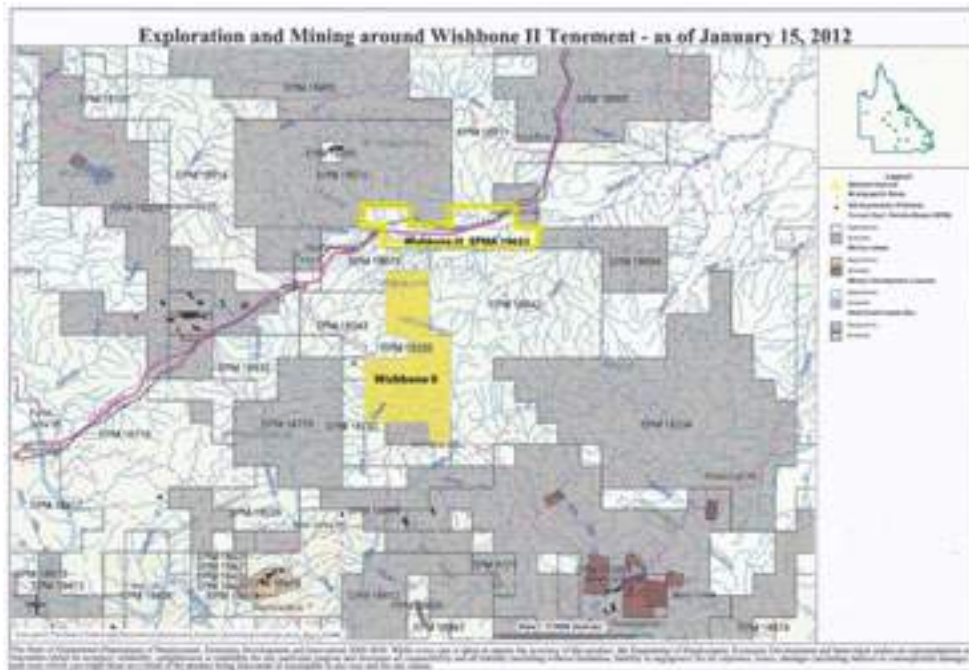


Figure 23 - EPMs Adjacent to and around Wishbone II Tenement
 (Also see Figure 14 for Identifying above Carpentaria Holdings). Left Click to Expand.

There has been no drilling on the property to date but it lies along structural trends considered to be prospective for gold and base-metal mineralization.

Section 17.0 Mineral Processing and Metallurgical Testing

No metallurgical testing on mineralization has been conducted on the Wishbone II EPM because exploration is still at a relatively early stage.

Section 18.0 Mineral Resource and Mineral Reserve Estimates

The exploration program at the Wishbone II EPM is still at a relatively early stage. No mineral resource and mineral reserve estimates can be conducted until significant mineralization has been

encountered, drilled and cored.

Section 19.0 Other Relevant Data and Information

Principal deposits in the Mingela and Charters Towers Districts are illustrated in Figure 24. This illustrates the widely spaced natures of the major deposits of gold and other metals in the general area. This figure also shows the NW Trend in the Mingela District.

There are no other relevant data or information that the authors are aware of that should be included in this report. I2M has endeavored to locate and review all relevant and appropriate documents as listed in Section 22 - References that would provide information on the relative exploration potential of the subject tenement, but we do not assert that we have considered all such information that may be in existence. Therefore, we reserve the right to revise or alter our opinions should new information become available that would materially impact our views on the subject EPM.

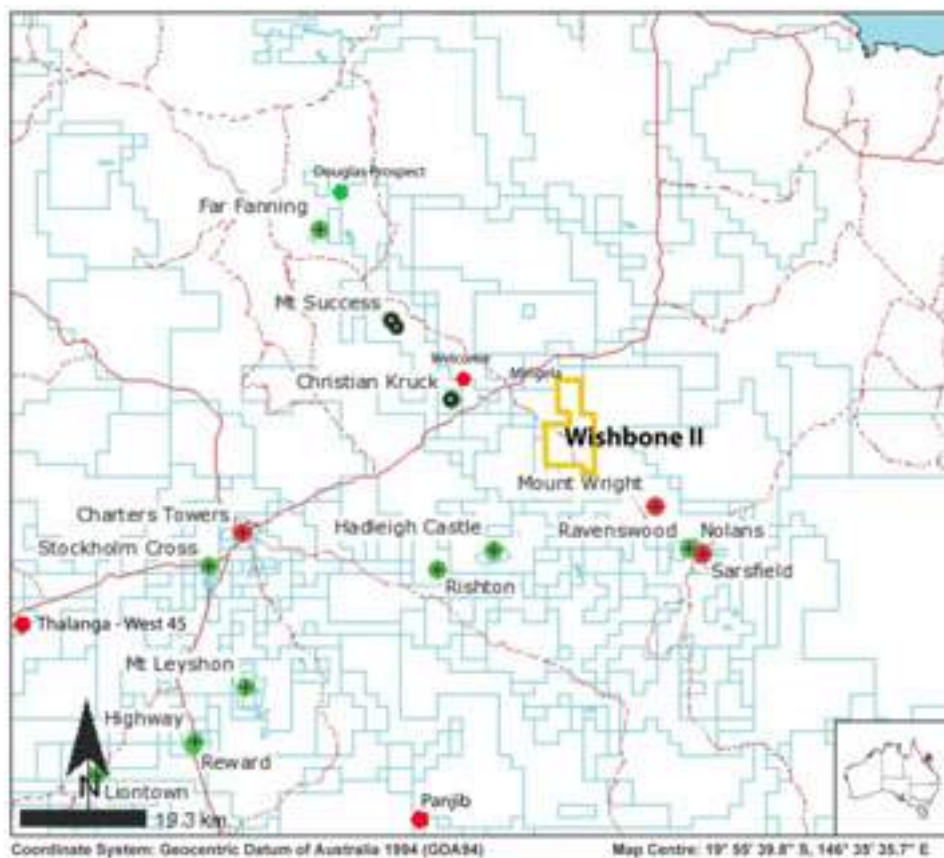


Figure 24 - Distribution of the Major Deposits in the Mingela and Charters Towers Districts

Section 20.0 Interpretations and Conclusions

After reviewing the above company activities and associated reports on the tenement area in light of the histories of development at Mount Wright, Welcome, Mount Leyshon deposits, and other major deposits, we have concluded that only preliminary studies have been made in the general area of current interest over the past decades. In the past, if obvious outcrops did not show significant alteration and associated favorable geochemical sampling results, the tenements were subsequently relinquished.

No systematic local mapping and little drilling has been conducted that would support the valuation of the models of mineralization at hand. With the development of advanced ground magnetics and IP surveying and associated data modeling, coupled with sophisticated software, exploration of a higher level and sophistication than previous efforts could well result in more effective targeting of sites for drilling and for understanding the geological relationships associated with the known mineralization reported by surface sampling over the years. This would clearly improve the chance of discovering a significant ore body of economic interest.

Based on the available reports and associated information, we have concluded that the Wishbone II EPM is a high-quality exploration target meriting serious attention by the WBG management. Over the last decade, commodity prices have driven exploration more than ever before. With the current gold price well over \$1,000 per ounce (see Figure 25), well-funded exploration programs incorporating new geological and geophysical methods and systems have become available to companies now to drive exploration in more aggressive programs conducted over a number of years.

Past exploration did not permit detailed assessment and, in many cases, only superficial assessments could be made with the limited funding available. Since the 1980s, most of the shallow deposits exhibiting gossanous manifestations at the surface have been found, the deeper, albeit blind deposits with few indications at the surface, have become legitimate exploration targets. With improved commodity prices bringing better funding to exploration programs, this allows numerous opportunities to evaluate mineral properties in greater detail than before and thereby increase the likelihood of discovering new deposits that have been overlooked.

The Wishbone II EPM is one example where, based on our review of the information available, we have concluded that previous exploration programs have not covered the property in sufficient detail to determine its potential, leaving a number of exploration leads for the WBG management to now pursue. These target areas encompass inactive gold workings as well as those targets that were identified by previous companies but were not followed up.



Figure 25 - Gold Price Trends since 1960, in terms of 2010 US\$

20.1 The Wishbone Trends

There are numerous prospects on the subject property, so many that the first task would be to identify the most favorable prospects for more detailed examination. These areas would be targeted for field surveys followed by ground magnetics, IP surveys or other geophysical surveys. The number of legitimate prospects and their extensions suggest the existence of a large-scale mineralized system.

The following are the most obvious areas of special interest that became apparent during our brief evaluation:

20.1.1 The Northern Area

This area focuses on the northern contact of the Alex Hill Shear Zone, incorporating what is known of the style of mineralization the Welcome and Christian Kruck deposits as guides to identifying mineralization in the Northern Area. The magnetics modeling shown in Figure 26 supports this view.

20.1.2 The Central Area

This area focuses on the southern contact of the Alex Hill Shear Zone. This area is a prime candidate for detailed magnetic and IP surveys. The preliminary magnetics and gravity surveys presented in Appendix VI provide indications that conditions merit detailed surveys in the area (see Figure 26).

20.1.3 The Southern Area

This area exhibits a large magnetic low adjacent to a regional E-W trending, deep-seated fault zone, which indicates an area of alteration within the country rock. Gold occurrences have been reported in this area. The area highlighted in Figure 26 suggests that a junction of trends is present of northeast-trending faults with the major NW Trend.

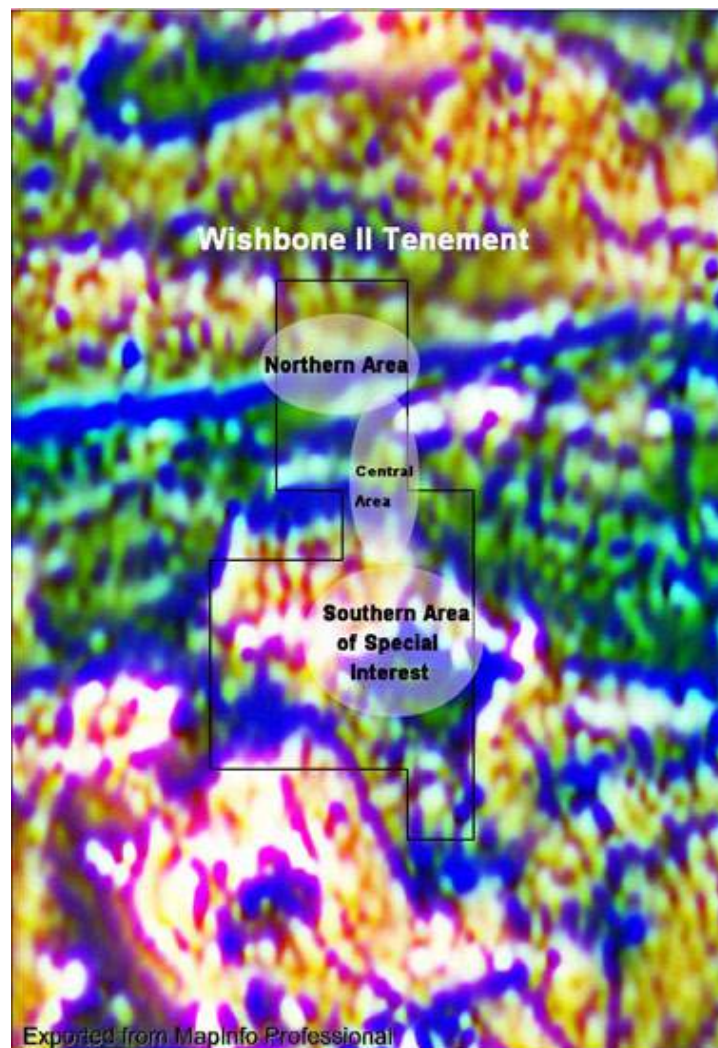


Figure 26 - Areas of Special Interest: Northern, Central, and Southern Areas.
(Based on Geophysical (Magnetic) Anomalies-Terra Search and after Dalgarno, 1967)
(See associated geophysical maps in Appendix VI and Field Photos in Appendix VII).

The Mingela District, and particularly the Wishbone II EPM, is highly prospective and warrants further exploration for vein-style and porphyry-related breccia-hosted deposits. This is based on the view that:

- 1) earlier exploration has resulted in determining where not to explore for economically significant ore deposits, which serves to increase the likelihood of discovering economic mineralized zones during the current exploration program, and
- 2) exploration employing recently developed geophysical tools and methods has only begun and which will be deployed in the priority areas of the subject EPM.

Section 21.0 Recommendations

21.1 Exploration Strategy

The general exploration strategy that should be applied is to use all available data and information from the historical record in the formation of the exploration plans. Areas within the subject tenement should be assigned priorities and then systematically pursued while appropriately documenting the resulting data and information for possible use in nearby areas. When Carpentaria Gold personnel re-evaluated these historical sites, they likely found that they could justify geophysical surveys. These activities provided legitimate drilling targets, which resulted in the discovery of the Welcome deposit and the rediscovery of the Mount Wright deposit by Carpentaria Gold and their parent company Resolute Mining, Ltd.

We recommend following this same procedure together with the models developed by Beams, *et al.*, 1995, see Figure 27 and associated reports cited in Section 22.0 - References.

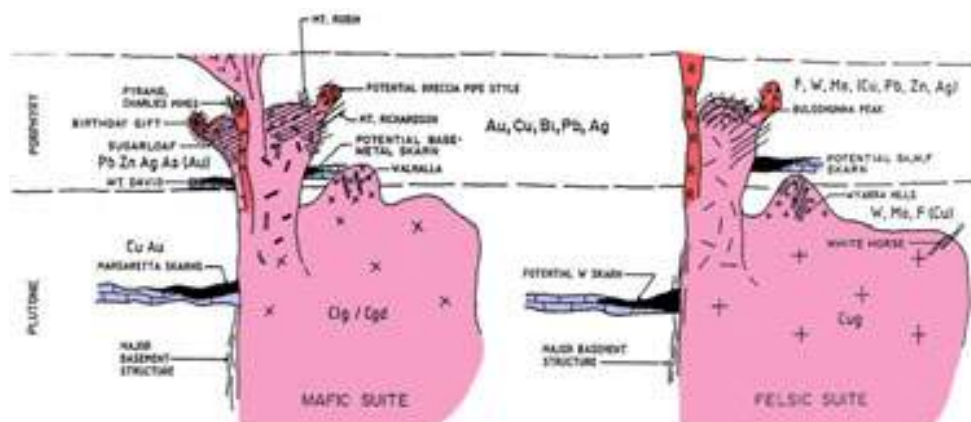


Figure 27 - Primary Models of Mineralization for the Wishbone II EPM
(Beams, *et al.*, 1995)

We recommend that:

- 1) surface geochemical surveys be limited to particular target areas identified after the 10 to 20 reports of previous company activities have been re-examined in detail and the target areas prioritized, and
- 2) ground geophysics should be applied over priority areas of the EPM. Electromagnetic (EM) surveys, including Lamontagne's UTEM and Crone's Pulse EM methods, should be applied in the search for moderately to strongly conductive assemblages of massive sulfides as conducted by Carpentaria Gold on the Welcome deposit. The depth penetration of these surveys varies between 200 and 400 meters, depending on the size and concentration of the sulfides involved in breccia pipes or shear zones.
- 3) reverse circulation and diamond coring of appropriate targets should then be followed up by borehole geophysics (either downhole EM or IP) to further target either mineralized intersections or near-hole geophysical anomalies. This makes full use of drilling beyond obtaining core samples. Investigating the Wishbone II Trend may require a number of drill sites along this trend to test for possible blind targets.

Detailed ground reconnaissance in designated priority areas conducting after stripping shallow cover (costeaning) altered zones should be investigated geologically in detail with the aid of a hand-held magnetometer surveys as field tools along with XRF detectors, such as the Gems System GSM-19 Overgoldser Magnetometer with internal GPS or equivalent. The unit is sensitive to 0.022 nT/ $\sqrt{\text{Hz}}$, which would allow some depth perception of magnetically mineralized zones. These should be used by well-trained geological professionals during field reconnaissance.

Also, the local exploration expertise and previous history working on these areas by the WBG's principal consultant, Terra Search, provides WBG with a competitive advantage in exploration within the Mingela District. Terra Search, a fully independent, privately-owned mineral exploration services company lead by well-known senior personnel, has operated throughout Australia since May 1987. Terra Search personnel operate out of offices in Townsville with a field depot in Charters Towers, which is within a 2-hour drive to the subject EPM. Terra Search has the

equipment and demonstrated technical expertise to manage the exploration program. Field crews are experienced in working in the more remote areas of northern Queensland.

Since Charters Towers is a hub for exploration in the general area, commonly needed equipment, supplies, and emergency assistance is less than 60 km from the subject EPM, mostly by way of the paved Flinders Highway. Smaller communities, such as Mingela, offering basic needs are located along the highway as well. Other needs are generally met in Townsville located further northeast along the Flinders Highway at a distance of less than 70 km.

21.2 Development Strategy

The target of the exploration is to identify and develop gold and base-metal deposits of sufficient size and ore grade to be of economic interest to the WBG Management. The typical gold deposits in Canada and elsewhere in the world have been classified by tonnage and gold grade based on moderately high gold prices (Dubé and Gosselin, 2007). Now, although most gold deposits developed by the major gold companies begin at a minimum reserve base of 10 million tonnes (carrying economic ore grades, of course), smaller deposits are now being considered for development because the price of gold is high and is expected to remain so for decades ahead (see Figure 25).

As indicated at the Pajingo epithermal deposit, and at the Mount Wright and Mount Leyshon breccia pipe gold deposits, once the geological key to the gold mineralization has been revealed, this often results in additional mineralized zones being discovered that adds to the overall tonnage and eventually to the total gold produced. Based on our experience in exploration and development of gold prospects, we encourage WBG management to provide the funds for the appropriate field work, followed by geophysical surveys and, should they produce favorable target zones, to drill all priority areas identified within the Wishbone II tenement.

We have concluded that the 2nd Phase of world-wide exploration involving only field work and surface sampling for precious and base metals ended 10 years ago. Since then, exploration has transitioned into the 3rd Phase of exploration, where, supported by higher commodity prices, more emphasis is being placed on deploying advanced geophysical methods and on drilling to greater depths than previous considered.

We have prepared an estimated budget for the first two years of the exploration program on the subject tenement (see Table 6). Drilling could be anticipated during Year 3 of the program.

The budget presented is more aggressive than the annual expenditures proposed by WBG management in their EPM application documents on the basis that two field teams and other functions could be performing concurrent field tasks on separate priority areas within the subject tenement. This would allow exploration to move along at a faster pace than with only one field team.

Table 6
Estimated 2-Year Program Costs: Wishbone II EPM Exploration

TASK CATEGORY	YEAR 1	YEAR 2
Geological Reconnaissance and Mapping	\$25,000.	\$50,000.
Geophysics (Air & Ground Magnetics & IP)	35,000.	100,000.
Preliminary Drilling Planning	-	-
Geological Supervision & Yearly Report	50,000.	65,000.
Drilling & Field Supplies	-	-
Laboratory & Assays	30,000.	35,000.
Backhoe & Bulldozer & Roadwork	<u>25,000.</u>	<u>10,000.</u>
SubTotal:	\$165,000.	\$260,000.
Contingency @ 10%	<u>16,500.</u>	<u>26,000.</u>
Total:	\$181,500.	\$286,000.

Coordination of historical data with new data will become an important data-keeping function of WBG technical management personnel and their consultants.

Access roads will likely need to be constructed in unexplored areas; field camps will need to be stocked with supplies and water at strategic points in the various priority areas, not only to provide support to the field crews, but also to provide the appropriate support for any emergencies that may occur in the field. Handheld-radio units, GPS and locator beacons should be standard equipment for the field crews.

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Section 23.0 Certificates of Competent Persons

Michael D. Campbell, P.G., P.H.
Vice President and Chief Geologist/Hydrogeologist
I2M Associates, LLC

I, Michael D. Campbell, do hereby certify that:

1. I am Vice President and Chief Geologist/Hydrogeologist in the firm of I2M Associates, LLC, based in Seattle, Washington and residing at 1810 Elmen Street, Houston, Texas 77019, see: <http://www.i2massociates.com/michael-d-campbell-pg-ph-curriculum-vitae>
2. I graduated with a Bachelor of Arts in Geology in 1966 from The Ohio State University in Columbus, Ohio, and with a Master of Arts in Geology from Rice University in Houston, Texas in 1976 and have practiced my profession continuously since 1966.
3. I have worked as a geologist and hydrogeologist for my full working career. After graduation, I worked for Continental Oil Company (Australia), Sydney, N.S.W., as Staff Geologist/Hydrogeologist, Minerals and Mining Division (from 1966 to 1969). I was responsible for conducting, coordinating, and implementing prospect evaluations, mapping and sampling programs, well-site operations, and ground-water supply investigations in various parts of Australia, Micronesia (Caroline Islands) and the South Pacific (Coral Sea) for exploration on: phosphate (NW Queensland, west of Mt. Isa, and Northern Territory, phosphate discovery was made in Alroy Station area), potash (Carnarvon Basin), sulfur, coal, precious and base metals, and uranium. Joint-venture programs with Japanese and Korean companies required extensive travel between Australia and Japan and Southeast Asia. I also investigated uranium prospects on the Nullibar Plains of South Australia. I was granted Resident Status in Australia from 1966 to 1969 to work on phosphate and other minerals in Queensland, the Northern Territory and on potash in Western Australia and elsewhere in South East Asia.

After completing the assignment, I was transferred back to the U.S. to work on Conoco's uranium projects in the western U.S. In 1970, I joined Teton Exploration, Div. of United Nuclear Corporation in Casper, Wyoming and served as District Geologist for uranium exploration. From 1972 to the present, I have worked for various engineering and environmental companies involved in natural resource development and mining and on managing and executing environmental projects for industry. In the early 1980s, I served as a senior consultant to an international venture to explore for, acquire, and development gold and silver properties in the U.S. One such property was permitted and placed into production. An especially high-quality gold dore' was produced over a three-year period.

4. I am a licensed Professional Geologist in: Texas, Washington (and as a Professional Hydrogeologist), Alaska, Mississippi, and Wyoming, and I hold national certifications by the American Institute of Professional Geologists and American Institute of Hydrology. I am a Registered Member of the Society of Mining Engineers of AIME (a

member since 1975), a Fellow of the Society of Economic Geologists, a Fellow in the Geological Society of America, a founding member of the Energy Minerals Division (EMD) of American Association of Petroleum Geologists (AAPG) - currently serving as Chair of the EMD Uranium (Nuclear Minerals) Committee since 2004, and was elected EMD President (Term: 2010-2011). I have been active in numerous other professional associations and societies, as time permitted, such as the National Ground Water Association (AGWSE), and other professional societies. I have produced numerous presentations and publications (see resume for additional details, Section 25.0 – Appendix IX).

5. I have read the definition of “Competent Person” as defined in the London Stock Exchange AIM Rules for Companies Guidance Notes for Mining, Oil & Gas Companies, June, 2009, and I certify that by reason of my education, affiliation with a number of relevant professional organizations, and by my past relevant work experience in Australia and elsewhere, I fulfill the requirements to be a “Competent Person” under the AIM Rules for Companies. This report has been prepared in essential compliance with the AIM Note (2009) Appendix 1 and 2. Furthermore, the information in this report that relates to exploration results is based on information compiled by myself and others. I am a member in good standing of the above professional societies and associations and am a full-time employee of I2M Associates, LLC, based in Seattle and Houston.

I have sufficient experience relevant to the styles of mineralization and types of deposits under consideration and the activities which I have undertaken to qualify as a Competent Person as defined by the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. I fully consent to the inclusion of my name in this report and to the issuance of this report in the form and context in which it appears.

As of the date of this certificate, to the best of my knowledge, information and understanding, this technical report contains all the scientific and technical information that is required to be disclosed to make the technical report not misleading.

6. I made a personal inspection of the Wishbone II Project in Queensland during the week of March 26, 2012.
7. I have not had any prior involvement with the Wishbone Gold Pty Ltd. or other holdings by the company involved in this project. Therefore, I am independent of Wishbone Gold Pty Ltd. and any and all of its predecessors.
8. As of the date of this certificate, to the best of my knowledge, information and understanding, this CP Report contains all the scientific and technical information that is required to be disclosed to make this document not misleading.
9. I consent to the filing of this CPR with any stock exchange and other regulatory authorities and any publication by them for regulatory purposes, including electronic publication in the public company files or on their websites accessible by the public of this CP Report.

Mr. Jeffrey D. King, P.G.
President and Senior Project Manager
I2M Associates, LLC

I, Jeffrey D. King, do hereby certify that:

1. I am President and Senior Program Manager in the firm of I2M Associates, LLC, based in Seattle, Washington, and residing at 8424 E. Meadow Lake Drive, Seattle (Snohomish), WA 98290. See: <http://i2massociates.com/jeffrey-d-king-pg>
2. I graduated with a Bachelor of Arts in Geology in 1979 from Western Washington University in Bellingham, Washington and have practiced my profession continuously from that time.
3. I have worked as a geologist and/or project/operations manager for my full working career. In 1979, I joined Bethlehem Copper (later Cominco) of Vancouver, Canada as a Staff Geologist. I was responsible for conducting, and implementing prospect evaluations, mapping and sampling programs, and well-site operations in the North Cascades of Washington State and central/eastern Nevada. In 1980, I joined the consulting firm of Watts, Griffis and McQuat of Toronto (WGM), Canada as a Senior Exploration Geologist where I was responsible for field operations for WGM's national exploration program searching for rare-earth and other minerals. Also during that time I aided WGM's senior staff on large-scale property evaluations for multiple large clients. In 1982, I was engaged by MolyCorp to work on their regional exploration program for rare-earth minerals and in 1983 I was engaged by Campbell, Foss and Buchanan, Inc. to conduct gold exploration and mine development as well as gold-placer evaluations in the lower states and in Alaska. In 1984, I joined an international venture as Mine Manager at a gold/silver mine in east/central Nevada. In 1986, I was promoted to Vice President of Operations. Since 1988, I have been affiliated with M. D. Campbell and Associates, L.P. as a Senior Program Manager. In early 2010, I formed I2M Associates, LLC and currently serve as President and Senior Program Manager. I have completed numerous mine evaluation and environmental projects over more than 25 years.
4. I am a licensed Professional Geologist in Washington State and a Member of the Society of Mining, Metallurgy, and Exploration (SME) of AIME, (see Resume for additional details, Section 26.0 – Appendix IX).
5. I have read the definition of "Competent Person" as defined in the AIM Rules for Companies Guidance Notes for Mining, Oil & Gas Companies, and I certify that by reason of my education, affiliation with a number of relevant professional organizations, and by my past relevant work experience in Australia and elsewhere, I fulfil the requirements to be a "Competent Person" under the AIM Rules for Companies.
6. I was involved in the preparation and review of the contents and coverage of this CPR and hence serving as co-Author of this CPR.
7. I have not had any prior involvement with the Wishbone Gold Pty Ltd., the company

involved in this project. Therefore, I am independent of Wishbone Gold Pty Ltd. and any and all of its predecessors.

8. As of the date of this certificate, to the best of my knowledge, information and understanding, this CPR contains all the scientific and technical information that is required to be disclosed to make this CPR not misleading.
9. I consent to the filing of this CPR with any stock exchange and other regulatory Authorities and any publication by them for regulatory purposes, including electronic publication in the public company files or on their websites accessible by the public of the technical report.

Signed in Houston, Texas this 10th day of July, 2012. We reserve the right to revise this CP Report in the future as new information becomes available or as we deem appropriate.

Sincerely,

I2M Associates, LLC



Michael D. Campbell, P.G., P.H.
Vice President & Chief Geologist



Jeffrey D. King, P.G.
President and Senior Program Manager



Section 24.0 Illustrations (Expanded Views)

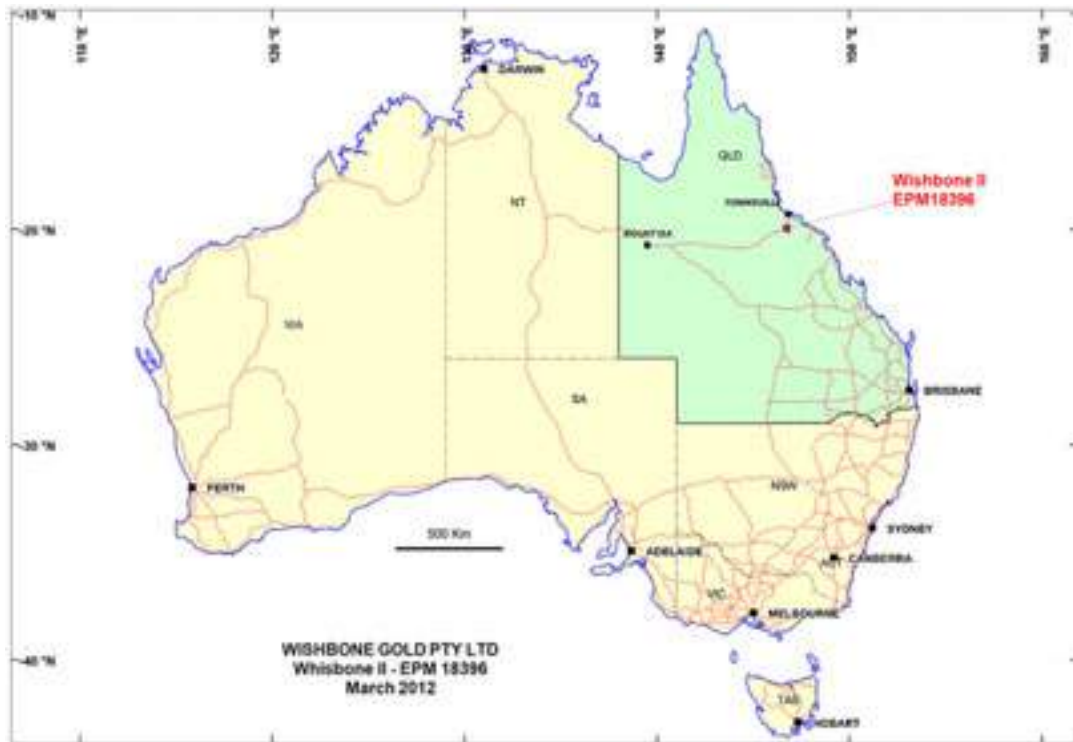


Figure 1 – General Location of Wishbone II Tenement
(From Terra Search)



Figure 2
General Location of the Wishbone II Tenement
 (Google Earth Map)

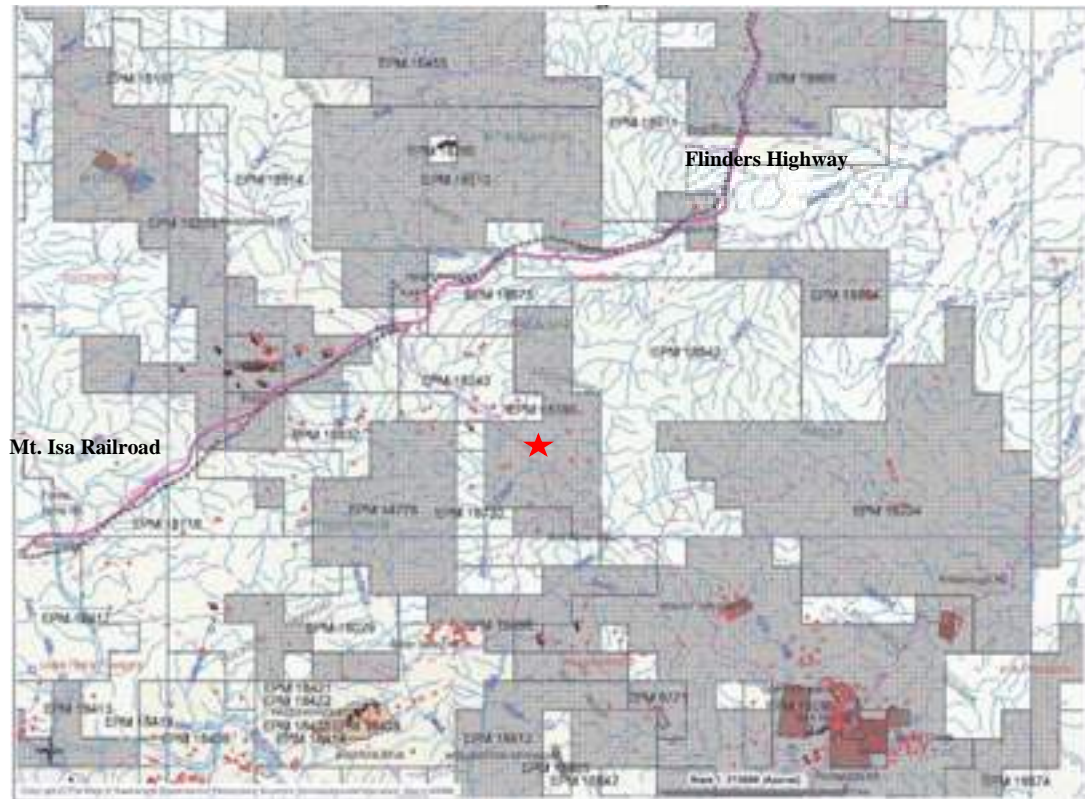


Figure 3 - Wishbone II & Surrounding Tenements

Source: QDEX Tenement Database (As of March 8, 2011)



Figure 4 – Aerial View of the Wishbone II Area
(Google Earth Map)



Figure 5 – Site Visit Personnel on the Wishbone II Tenement
(left to right: Mr. Poulden, CEO, Wishbone Gold Pty Ltd., Mr. Campbell, I2M Associates, and Dr. Beams, Terra Search))

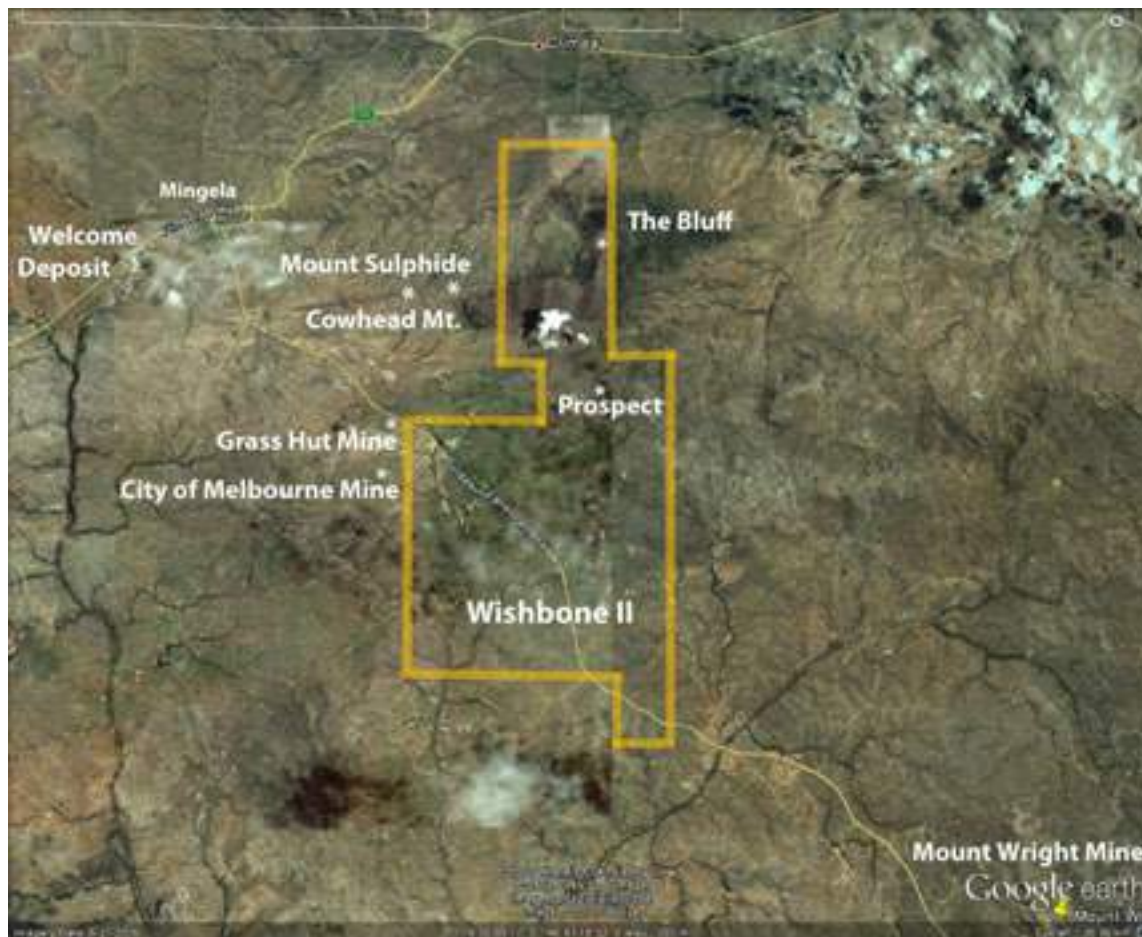


Figure 6 - Aerial View Showing General Locations of Historical and Current Mining Operations.
(Google Earth Map)



Figure 7 - Segment of The Bluff Topographic Feature occurring in the Northern Area of Wishbone II Tenement

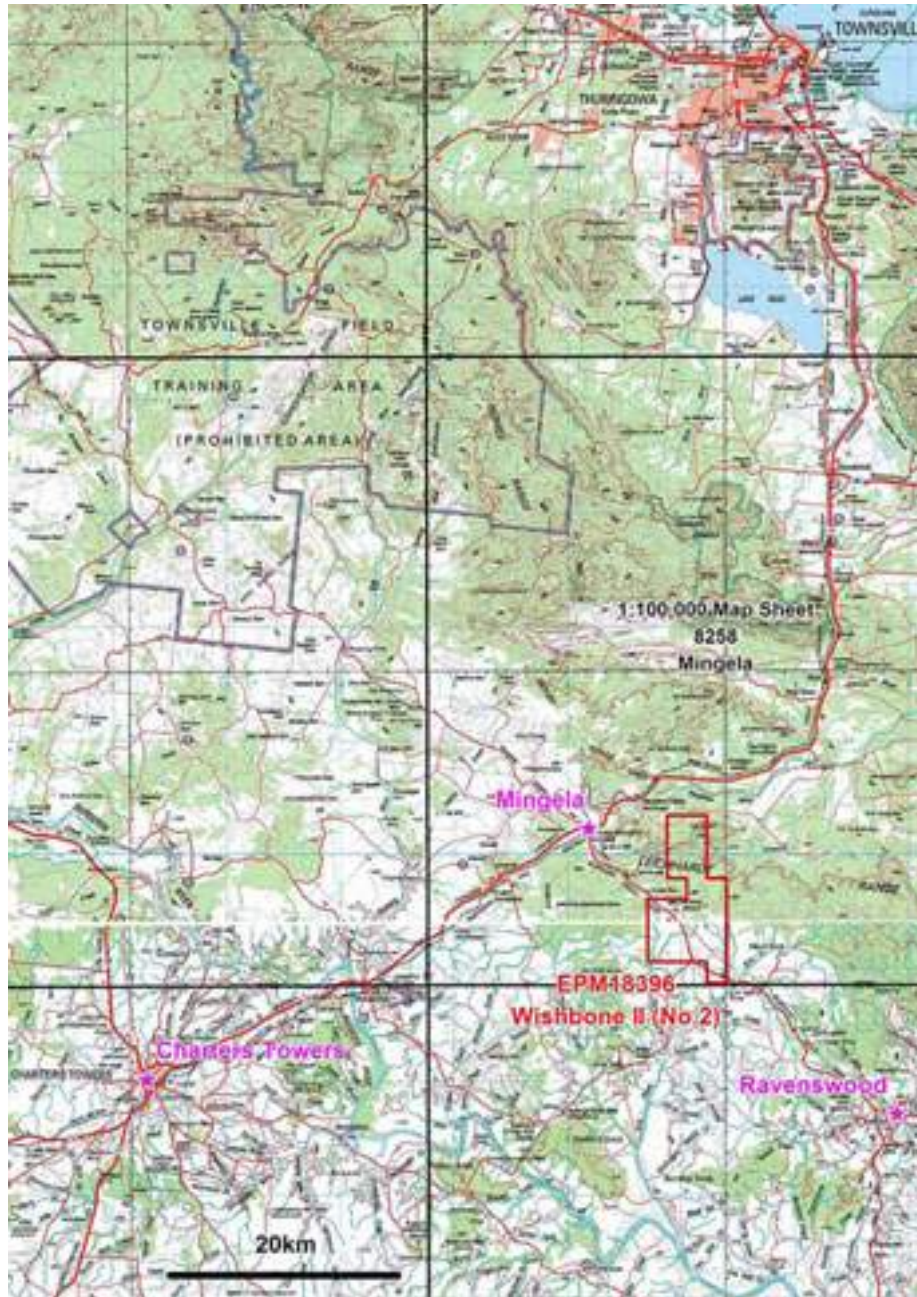


Figure 8 - Section of Topographic Sheet (100,000 sheet), showing the Wishbone II Tenement and Infrastructure (roads, tracks, railroad, and creeks).

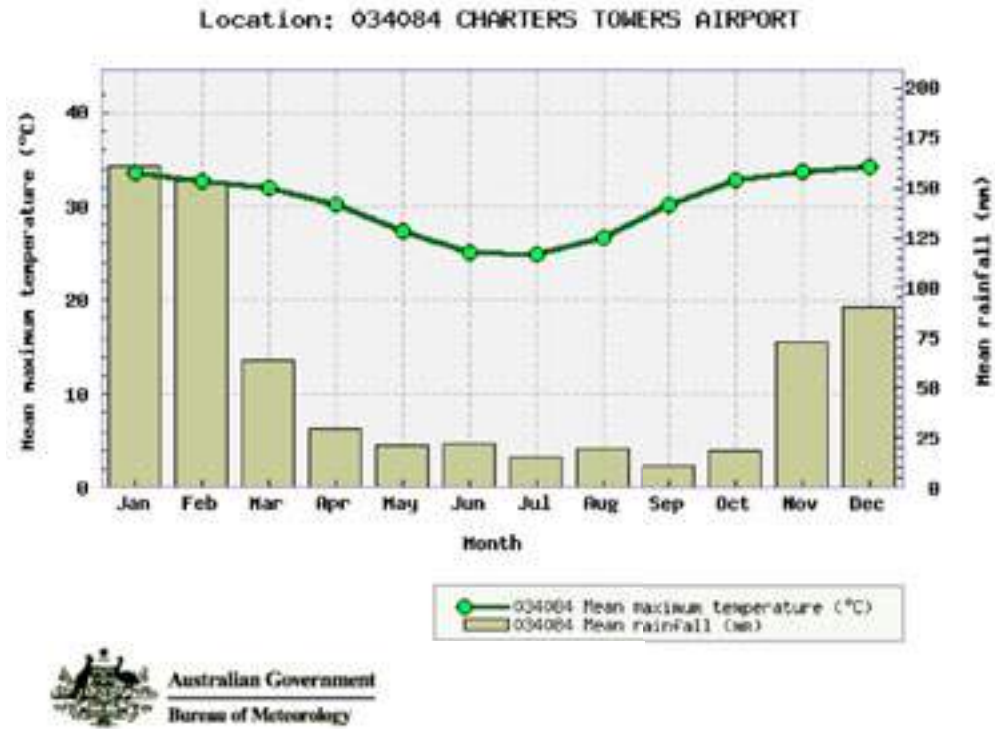


Figure 9 - Mean Maximum Monthly Temperatures and Rainfall

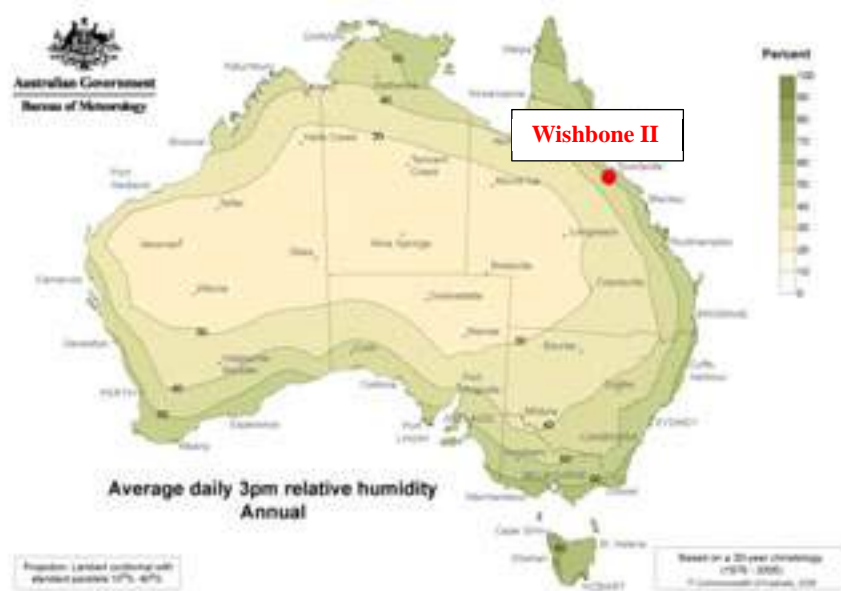
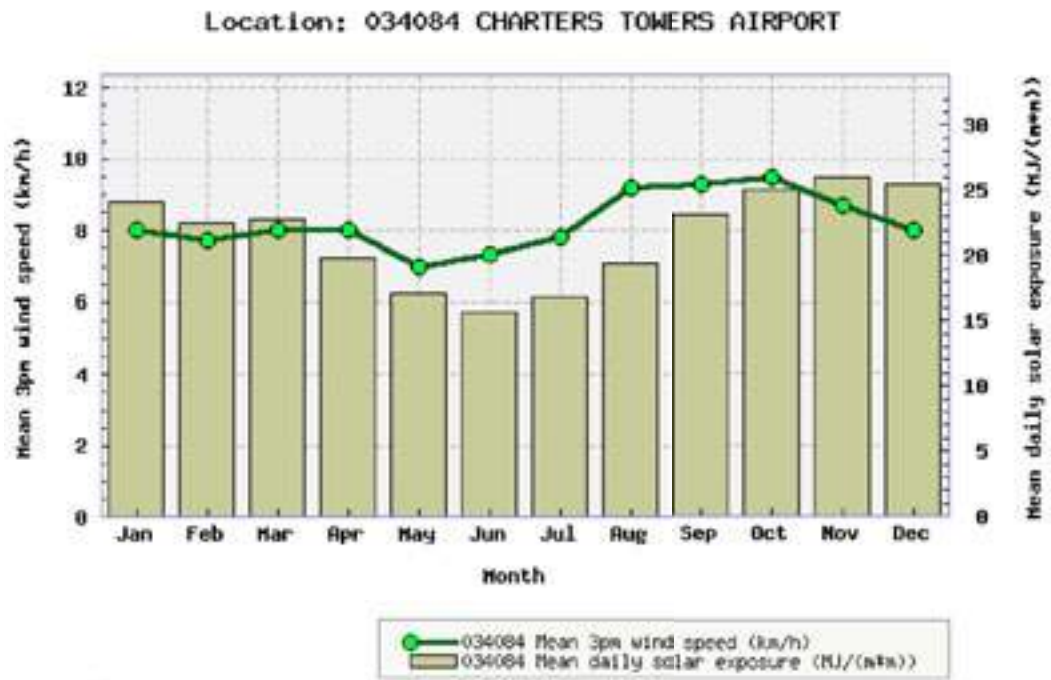


Figure 10 - Average Daily Relative Humidity (@ 3:00 PM)



Australian Government
Bureau of Meteorology

Figure 11 - Mean Monthly Wind Speed (@ 3:00 PM) and Mean Daily Solar Exposure



Figure 12 - Field Photo of the Bluff Area Showing Prospects
(Beams, 1990)



Figure 13 – Shear Zones between Wishbone II and the Welcome Deposit
(Goggle Earth)

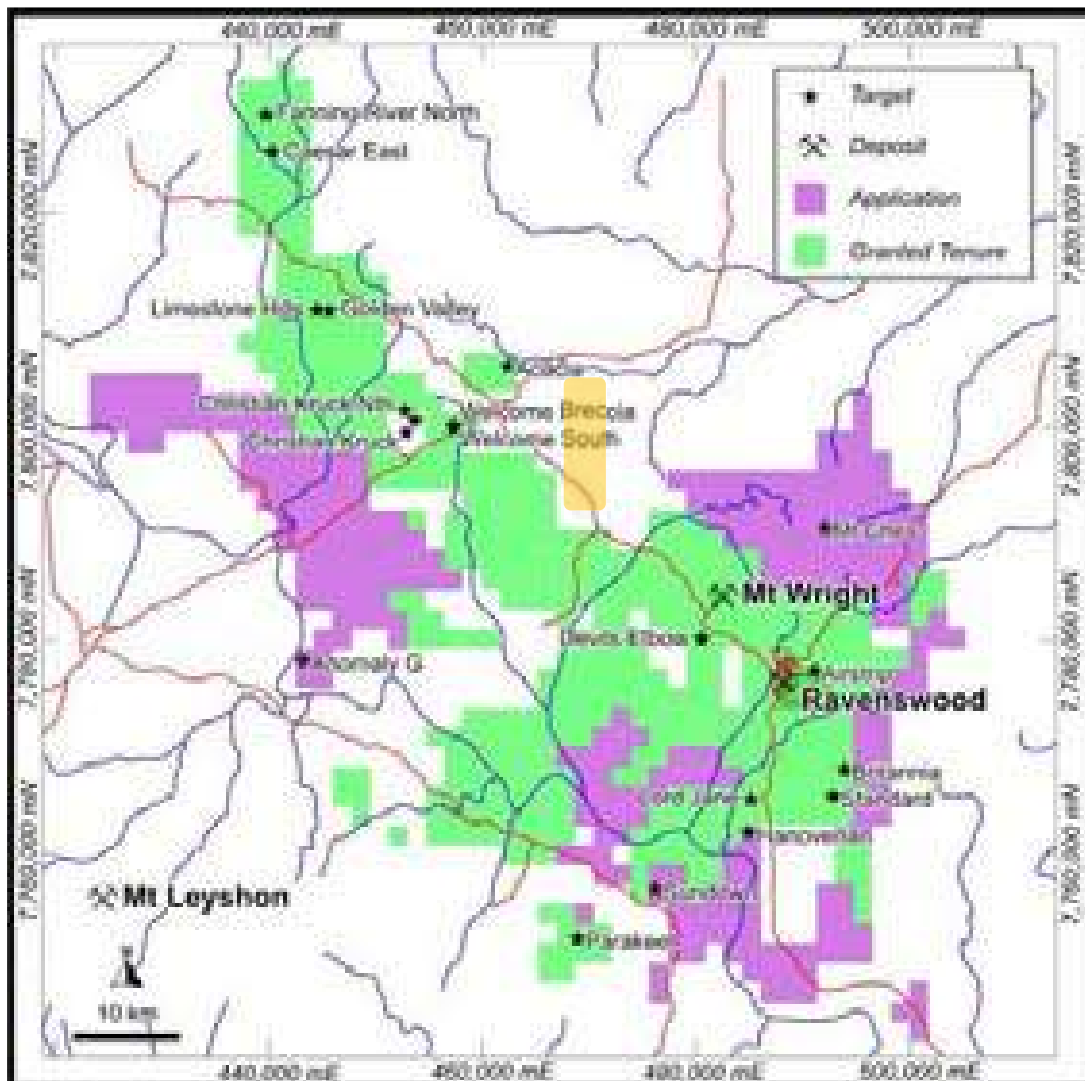


Figure 14 - Resolute Mining Tenement Holdings and New Tenement Applications
 (from Resolute Mining, Ltd.)

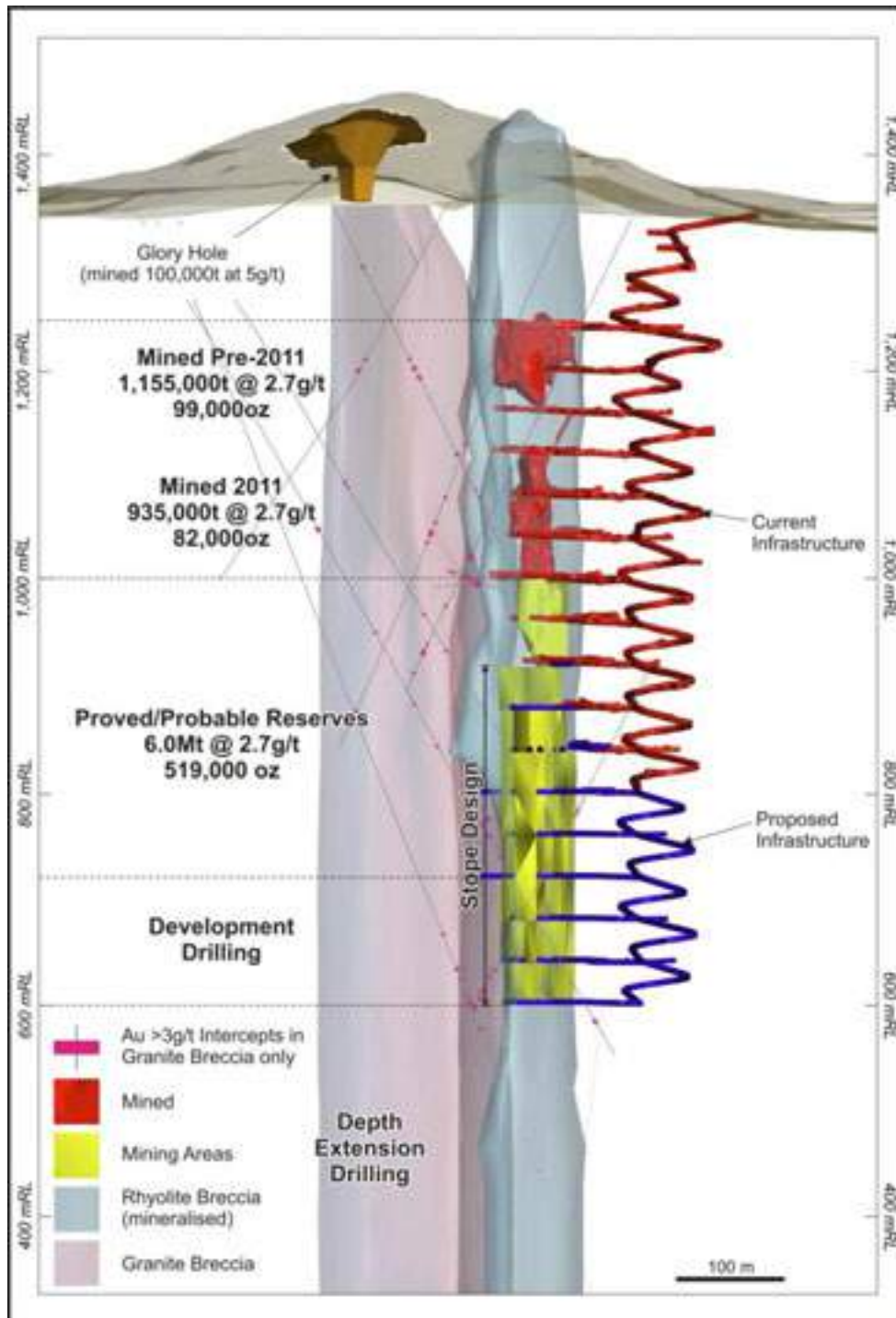


Figure 15 - Mount Wright Mining History & Production
(from Resolute Mines, Ltd.)

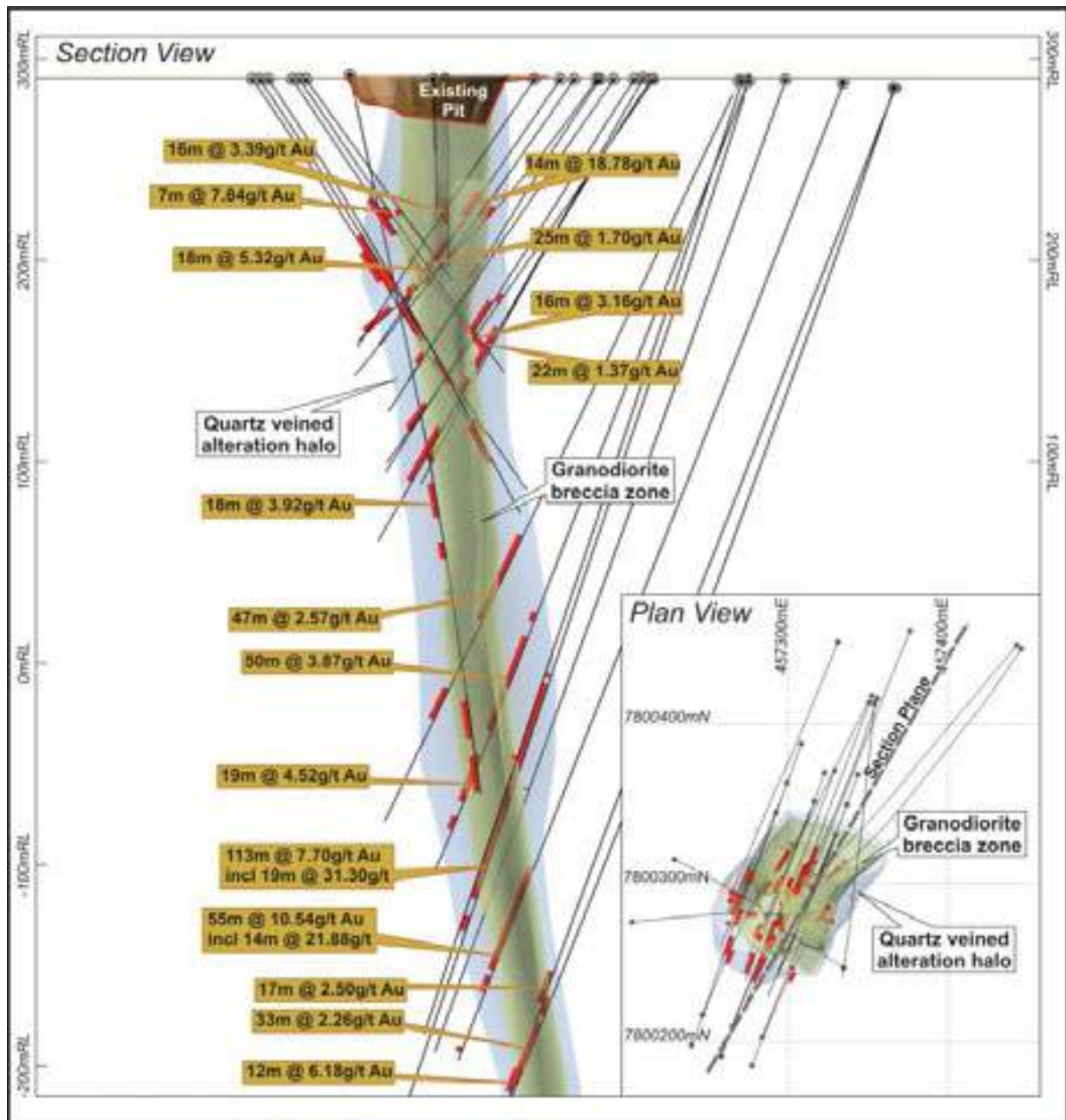
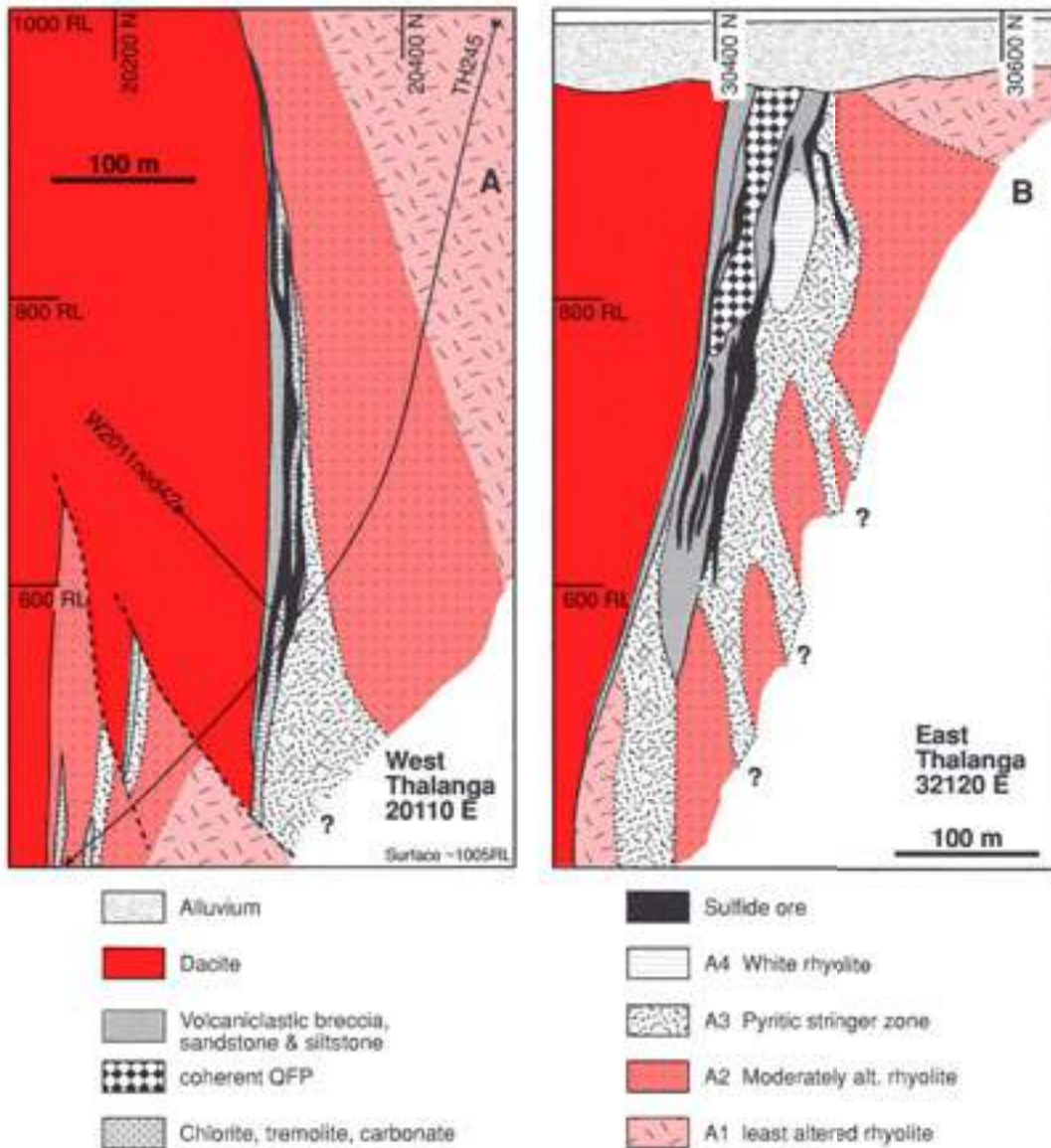
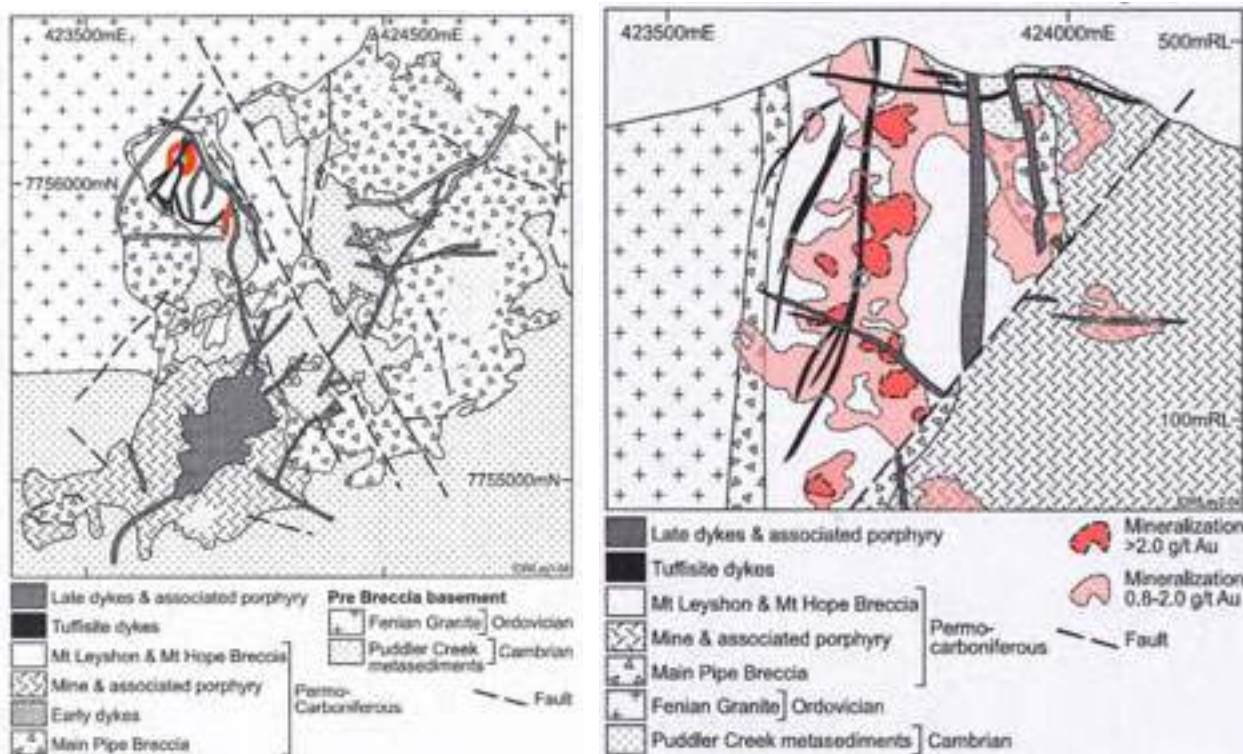


Figure 16 - Cross Section of Drilling Results by Resolute Mining, Ltd. at the Welcome Deposit.
(from Resolute Mines, Ltd.)





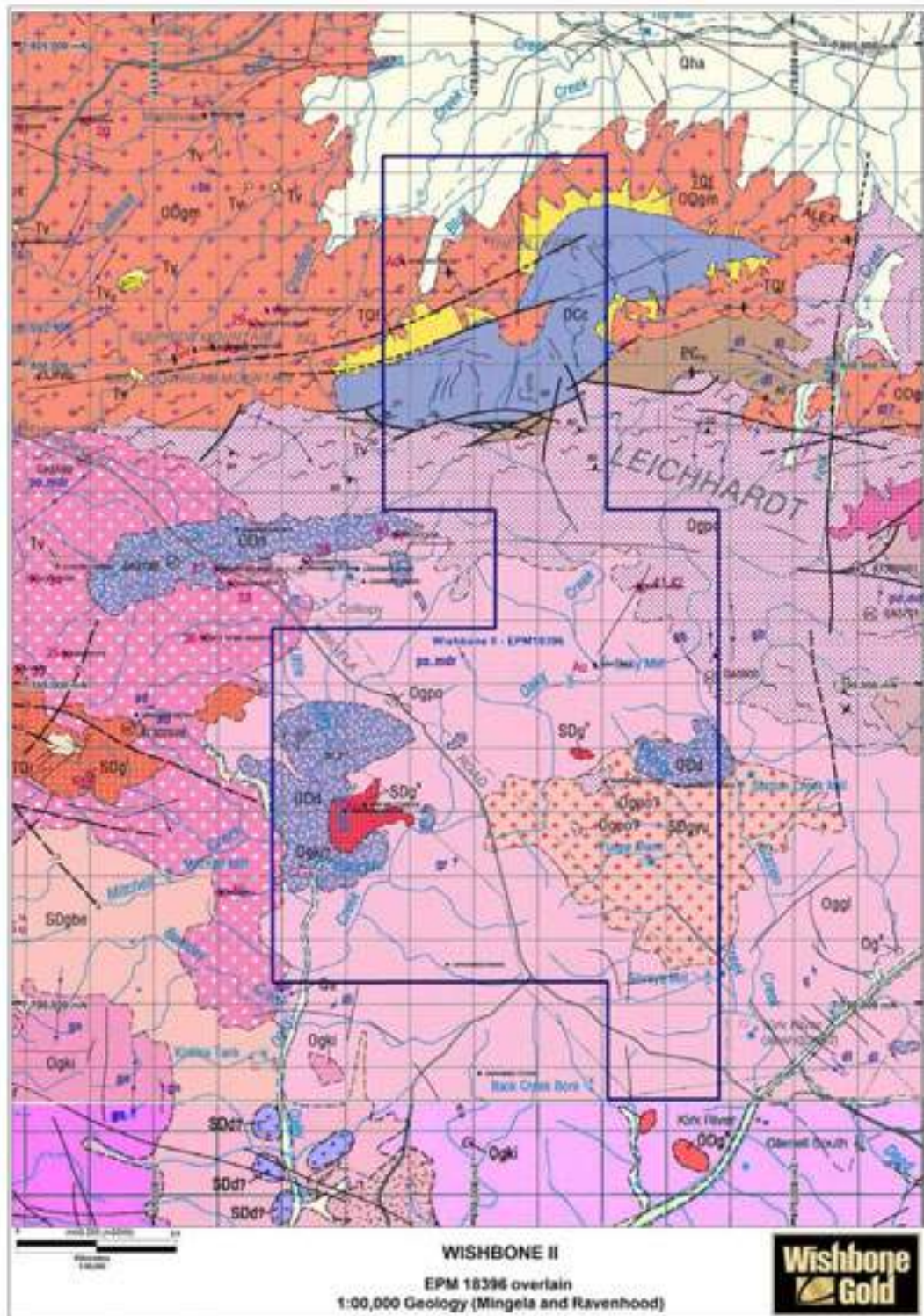


Figure 19
Geological Mapping of the 1990s

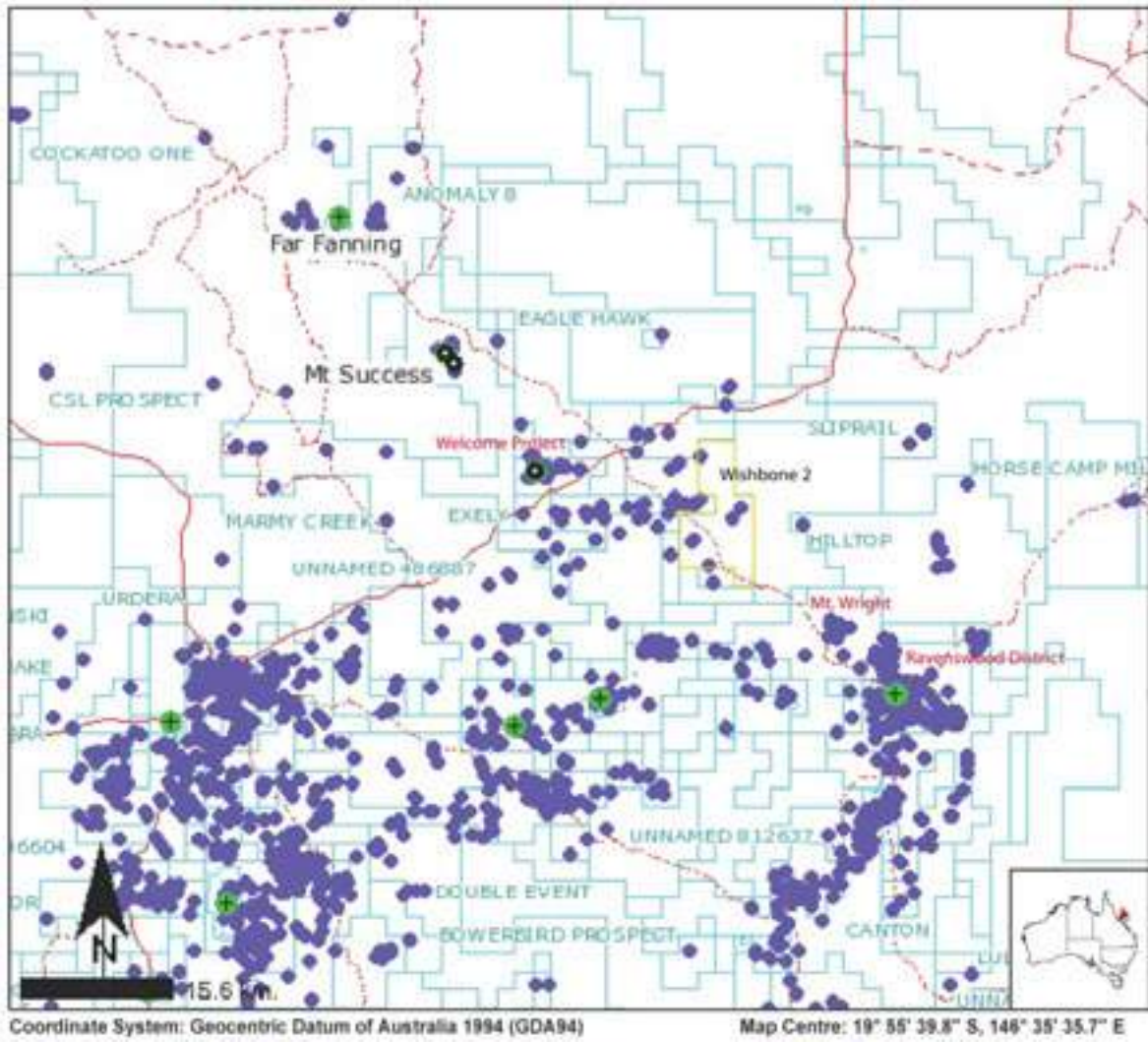


Figure 20 - Gold Distribution in Mingela and Charters Towers Districts

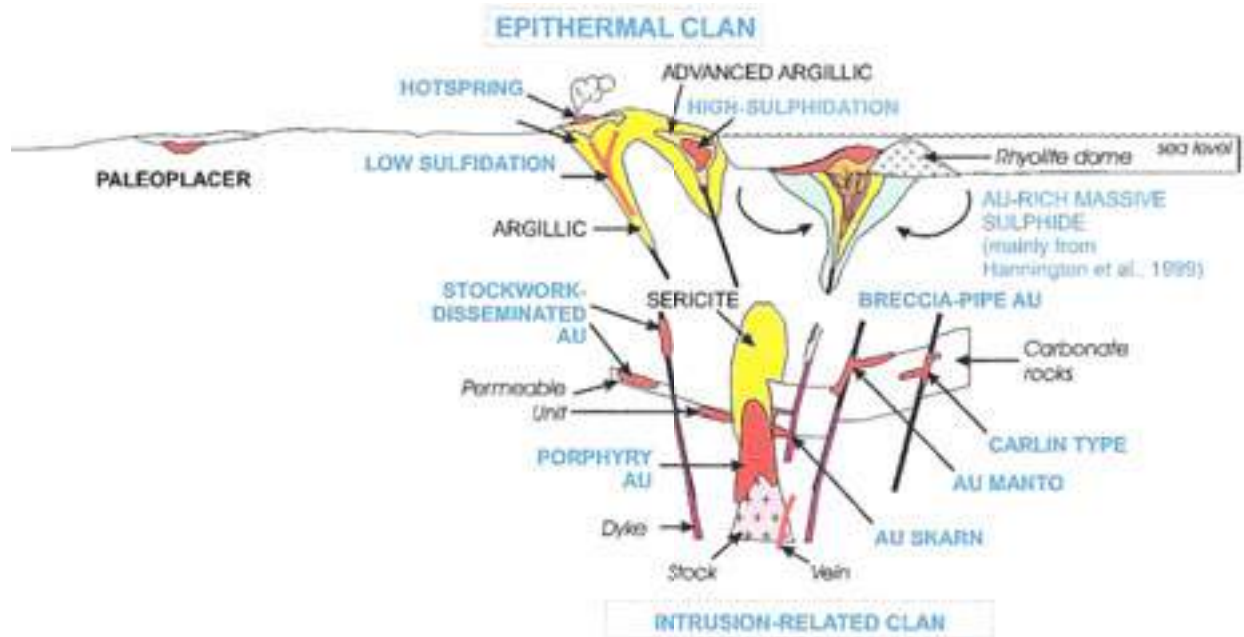


Figure 21 – Epithermal and Intrusion-Related Mineralization
(Robert, *et al.*, 2007)

Reduced Intrusion - Related Clan

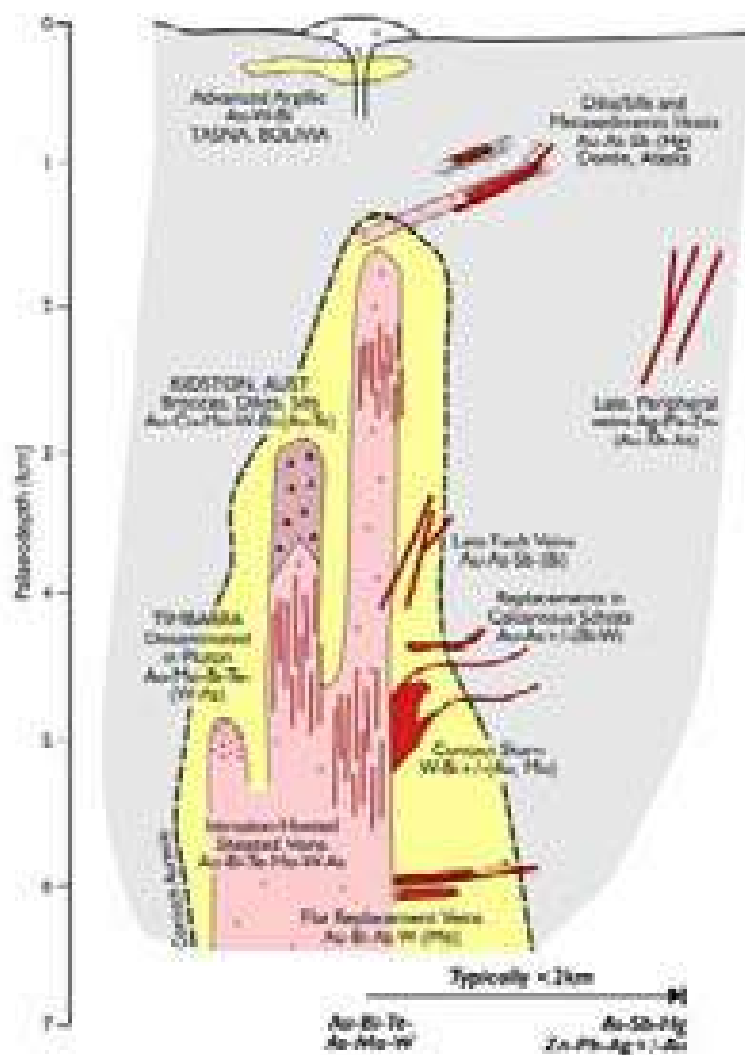


Figure 22 – Modeling of Intrusion-Related Mineralization
 (Robert, *et al.*, 2007)

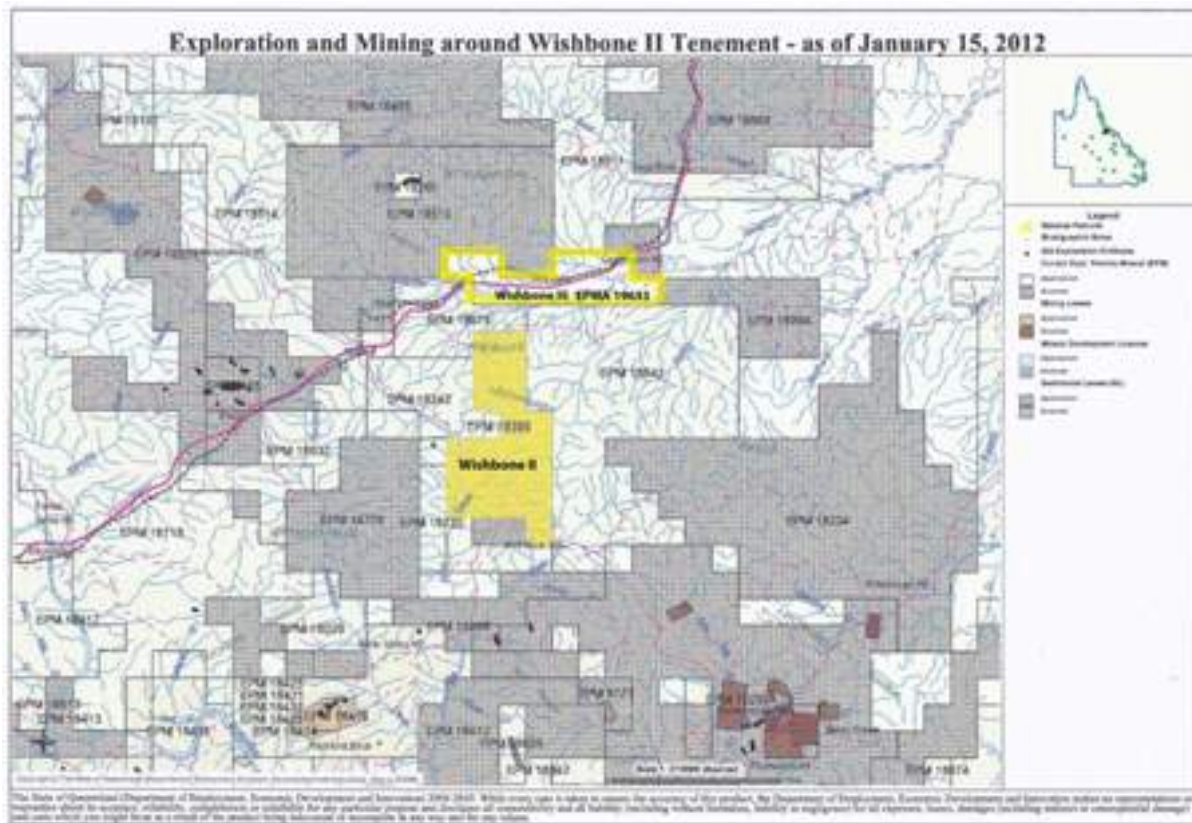


Figure 23 - EPMs Adjacent to and around Wishbone II Tenement
 (Also see Figure 14 for Identifying above Carpentaria Holdings). Left Click to Expand.

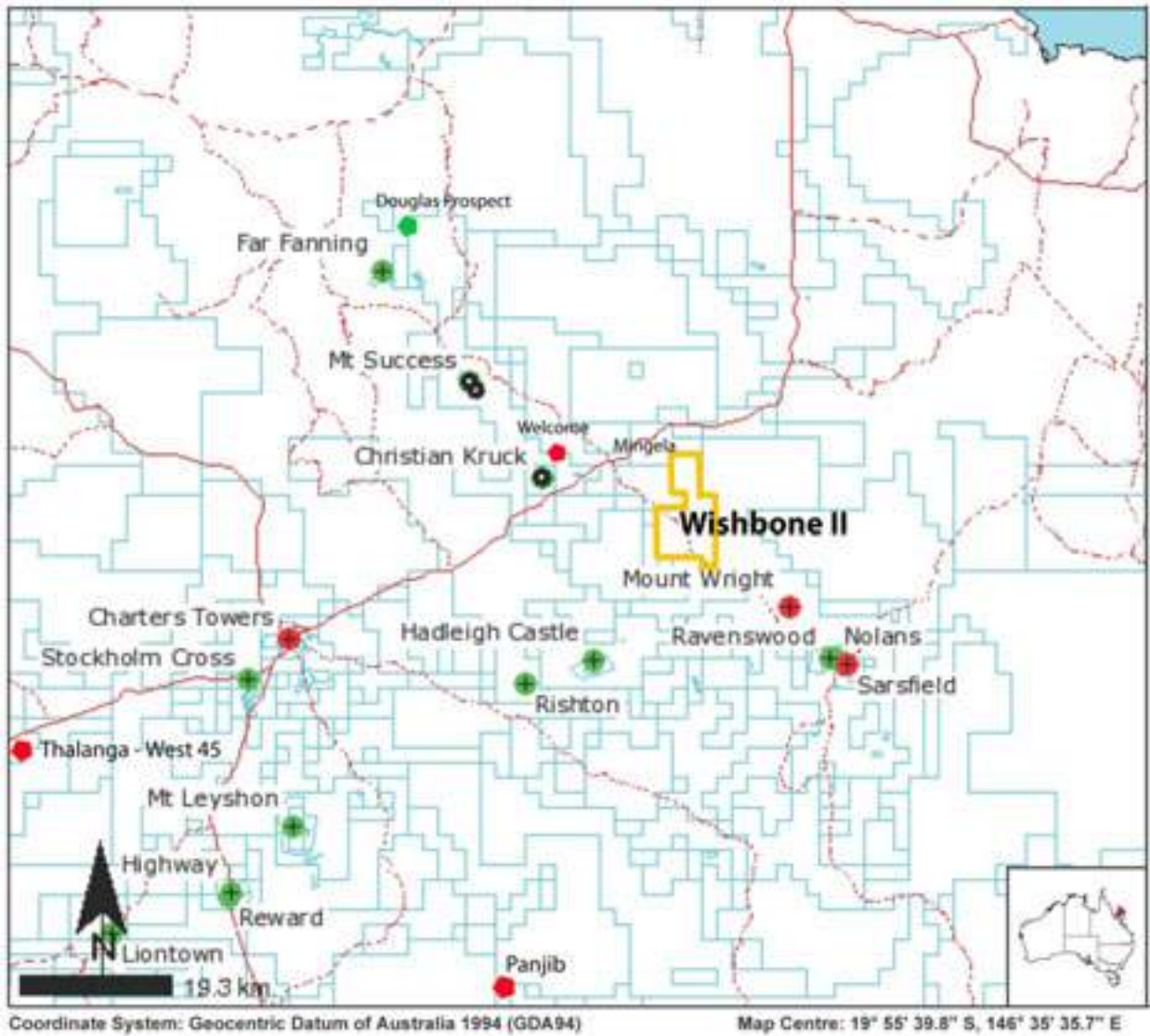


Figure 24 - Distribution of the Major Deposits in the Mingela and Charters Towers Districts

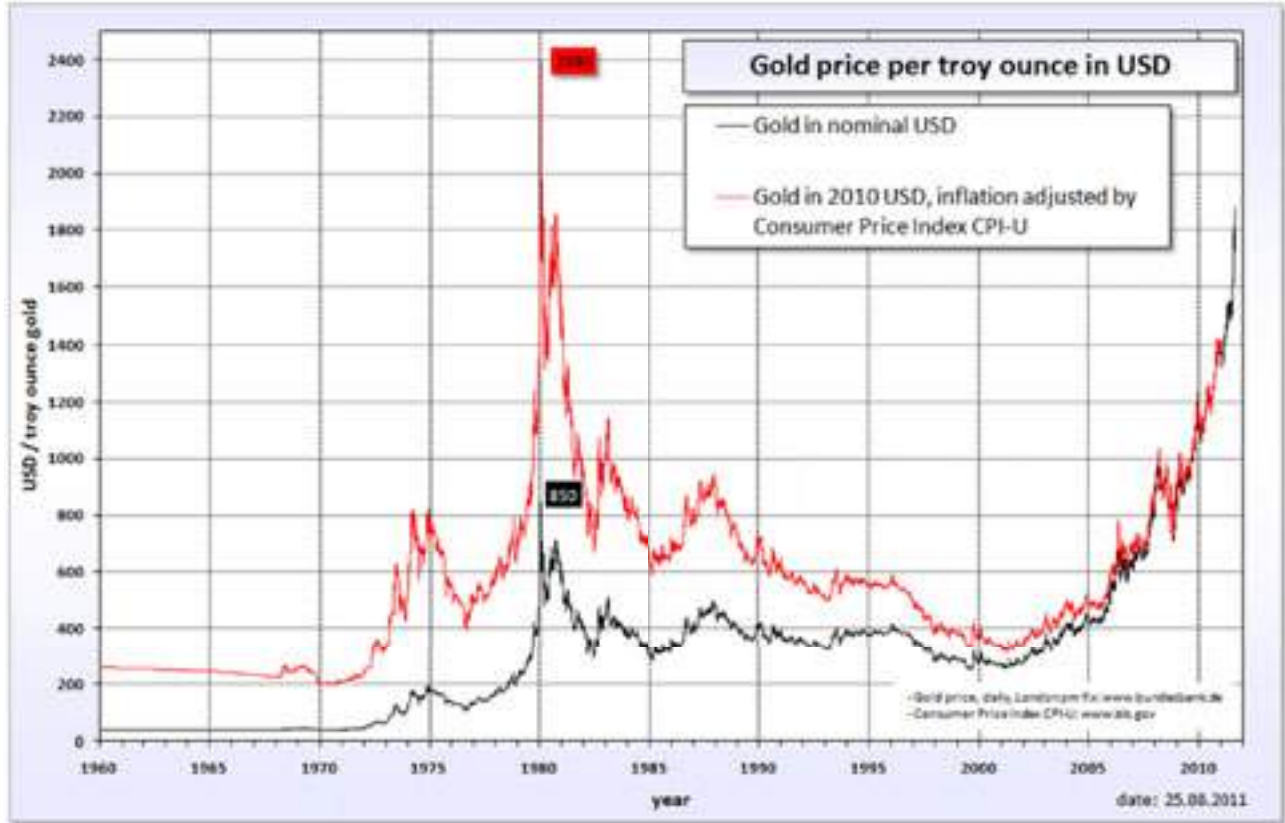


Figure 25 - Gold Price Trends since 1960, in terms of 2010 US\$

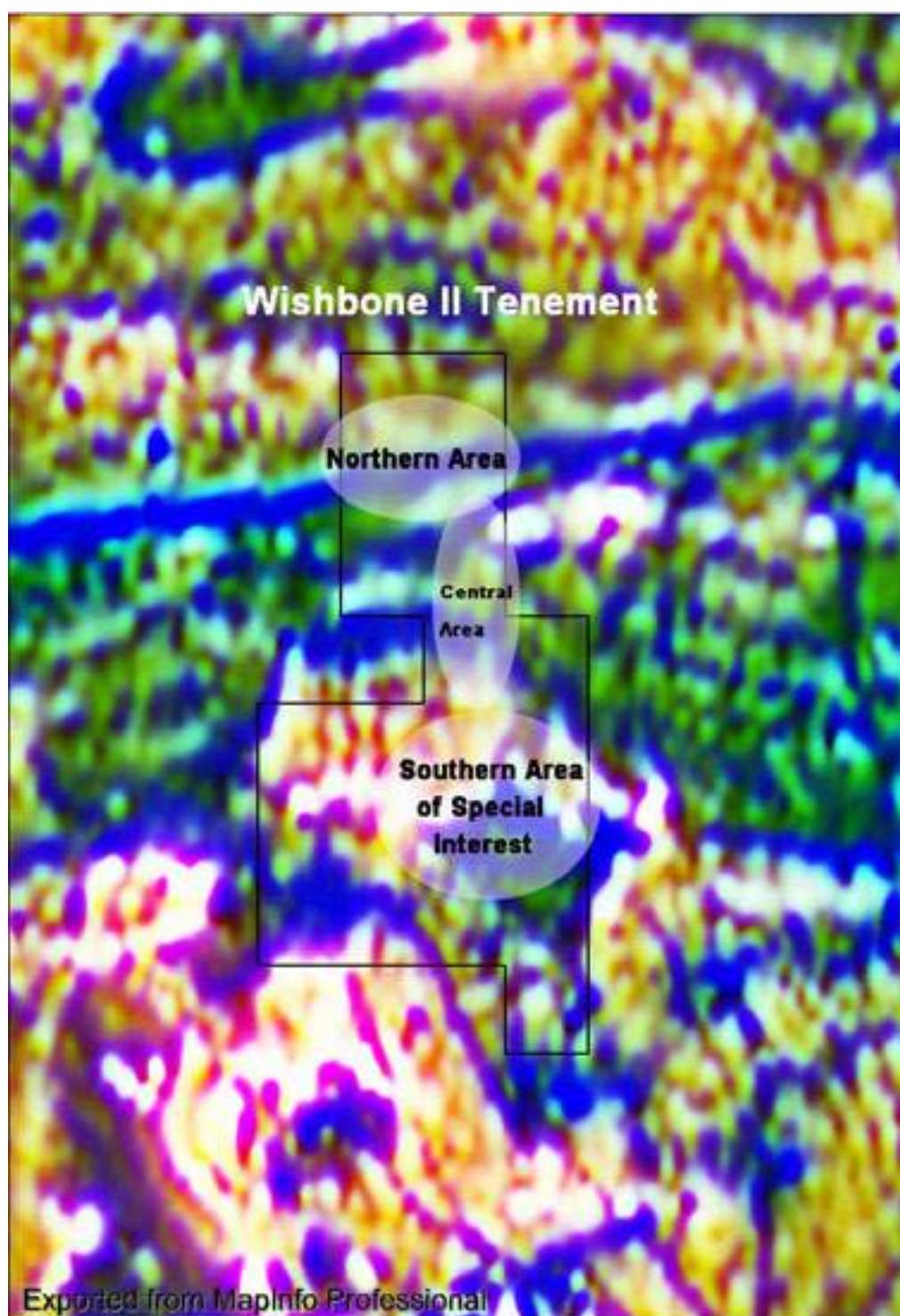


Figure 26 - Areas of Special Interest: Northern, Central, and Southern Areas.
(Based on Geophysical Anomalies-Terra Search and after Dalgarno, 1967, etc.)
(See associated geophysical maps in Appendix VI and Field Photos in Appendix VII).

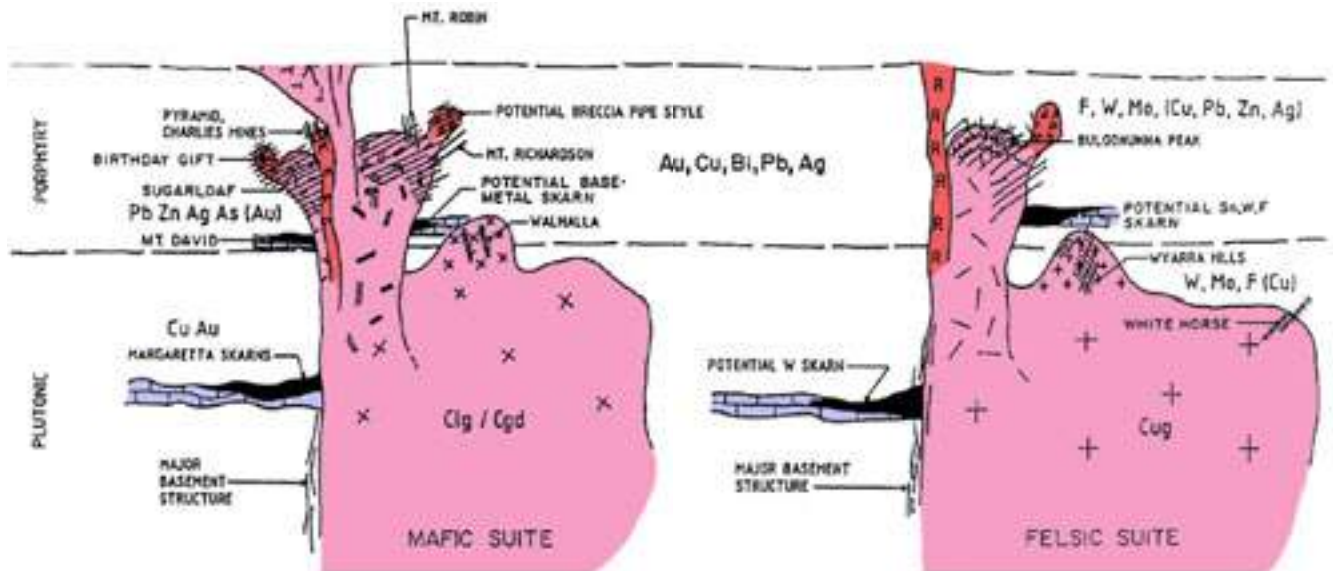


Figure 27 - Primary Models of Mineralization for the Wishbone 2 EPM
(After Beams, *et al.*, 1995)

Section 25.0 Appendices

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Bruce Handley, P.G.	Online: http://i2massociates.com/bruce-handley-pg-curriculum-vitae

Appendix I – List of Standard Technical Abbreviations



Above mean sea level	amsl
Ampere	A
Annum (year)	a
Billion years ago	Ga
Centimeter	cm
Cubic centimeter	cm ³
Cubic feet per second	ft ³ /s or cfs
Cubic foot	ft ³
Cubic meter	m ³
Day	d
Days per week	d/wk
Degree	°
Degrees Celsius	°C
Dry metric ton	dmt
Foot	ft
Gallons per minute (US).....	gpm
Gram	g
Grams per liter	g/L
Grams per tonne	g/t
Greater than	>
Hectare (10,000 m ²)	ha
Horsepower	hp
Hour	h (<i>not</i> hr)
Hours per day	h/d
Hours per week	h/wk
Hours per year	h/a
Kilo (thousand)	k
Kilogram	kg
Kilograms per cubic meter	kg/m ³
Kilograms per hour	kg/h
Kilograms per square meter	kg/m ²
Kilojoule	kJ
Kilometer	km
Kilometres per hour	km/h
Kilonewton	kN
Kilopascal	kPa
Kilovolt	kV
Kilovolt-ampere	kVA
Kilovolts	kV
Kilowatt	kW
Kilowatt hour.....	kWh
Kilowatt hours per tonne (metric ton)	kWh/t
Kilowatt hours per year	kWh/a
Less than	<
Liter	L
Liters per minute	L/m
Megabytes per second	Mb/s



Houston Seattle

Megapascal	MPa
Megavolt-ampere	MVA
Megawatt	MW
Meter	m
Meters above sea level	masl
Meters per minute	m/min
Meters per second	m/s
Micrometer (micron)	µm
Milliamperes	mA
Milligram	mg
Milligrams per litre	mg/L
Milliliter	mL
Millimeter	mm
Million	M
Million tonnes	Mt
Minute (plane angle)	'
Minute (time).....	min
Month	mo
Ounce	oz
Parts per billion	ppb
Parts per million	ppm
Percent	%
Percent moisture (relative humidity)	% RH
Phase (electrical)	Ph
Pound(s)	lb
Second (plane angle)	"
Second (time)	s
Specific gravity	SG
Square centimeter	cm ²
Square foot	ft ²
Square kilometer	km ²
Square meter	m ²
Thousand tonnes	kt
Tonne (1,000 kg)	t
Tonnes per day	t/d
Tonnes per hour	t/h
Tonnes per year	t/a
Volt	V
Week	wk
Wet metric ton	wmt

Appendix II - Glossary of Technical Terms

After Towsey, 2005

Glossary of Technical Terms

acid(ic)	In geology, a chemical classification of igneous rocks containing more than 66% silica. In chemistry, having a pH <7.
adamellite	(another term for quartz monzonite) is an intrusive igneous rock that has an approximately equal proportion of orthoclase and plagioclase feldspars with 5-20% quartz.
aeromagnetics	airborne geophysical survey measuring variations in the Earth's magnetic field
age	time unit of the geological time scale. A fourth-order unit, being a sub-division of Epoch, and occasionally sub-divided.
albite	sodium-rich feldspar. Common rock-forming mineral.
alteration	(zone/envelopes) change in mineralogical composition of a rock commonly brought about by reactions with hydrothermal solutions.
andalusite	an aluminum nesosilicate mineral with the chemical formula Al_2SiO_5 . Andalusite is a common regional metamorphic mineral that forms under low pressure and moderate to high temperatures.
anomalous	a departure from the expected norm. In mineral exploration, this term is generally applied to either geochemical or geophysical data (values higher or lower than the norm).
anomaly	in mining terms, refers to geochemical or geophysical data that are values higher or lower than the norm.
arenite	a sedimentary clastic rock with sand grain size between 0.0625 mm (0.00246 in) and 2 mm (0.08 in) and containing less than 15% matrix.
arsenopyrite	an iron arsenic sulfide (FeAsS), it can be associated with significant amounts of gold. Consequently it serves as an indicator of gold-bearing quartz veins (reefs). Many arsenopyrite-gold ores are refractory, i.e. the gold is not easily liberated from the mineral matrix.
assay	chemical analysis. Strictly refers to analysis of precious metals by the fire-assay method with a gravimetric finish. Commonly used to mean any chemical analysis.
auriferous	containing gold (from Latin aurum meaning gold)

base metal	generally a metal inferior in value to the precious metals, mainly copper, lead zinc, nickel, tin and aluminum.
basic	igneous rocks, low in silica and rich in mafic minerals
basement	crustal layer of rocks beneath the overlying sedimentary strata
batholith	a large mass of consolidated intrusive igneous material (usually of granitic composition) (see also pluton).
bedding	arrangement of individual rock layers or beds.
bedrock	solid rock underlying soil, alluvium etc.
belt	a zone or band of a particular kind of rock strata exposed on the surface
biotite	black mica. Common rock-forming mineral, often associated with metamorphism or alteration.
block faulting	a type of normal faulting where the crust is divided into structural or fault blocks of different orientation and elevation
block model	the term applied to the final output of a computer based process to reflect the likely configuration of the mineralization and the surrounding material based on three-dimensional blocks.
boiling zone	zone at some vertical depth at which the rock pressure is low enough to allow fluids to boil. Important in epithermal deposits, as this creates a marked change in pressure and temperature, which can change the ore fluid composition and cause minerals to precipitate.
breakeven	in ore reserve estimation, the gold grade at which the mining cost equals the value of the extractable gold. At breakeven grades, the operation makes neither a profit nor a loss. Breakeven can be calculated at various cost levels, such as an operating breakeven (the grade required to continue operations) or total cost breakeven (which takes into account overheads such as depreciation, amortization, cost of capital, off-site overheads, interest, tax etc).
bullion	precious metals in bulk form are known as bullion and are traded on commodity markets. Bullion metals may be cast into ingots or minted into coins. The defining attribute of bullion is that it is valued by its mass and purity rather than by a face value as money.
Cambrian	time unit of the geological time scale, about 500-600 million years ago. Oldest subdivision of the Paleozoic Era.

carbonate	compound of carbon and oxygen with one or metals, especially calcium(CaCO_3), magnesium (MgCO_3) and iron (FeCO_3).
Carboniferous	time unit of the geological time scale, a geological period, 360 to 286 million years ago. A sub-division of the Paleozoic Era
chalcopyrite	a copper iron sulfide mineral (CuFeS_2) that crystallizes in the tetragonal system. Chalcopyrite is present in volcanogenic massive sulfide ore deposits and sedimentary exhalative deposits, formed by deposition of copper during hydrothermal circulation chlorite dark green iron magnesium mineral, often associated with metamorphism or alteration.
clast	particle or fragment
clastic	composed of particles or fragments
cleavage	planar fracture or parting in rock formed by deformation
co-magmatic	formed during the same igneous event.
cordierite	a magnesium iron aluminum cyclosilicate mineral in a solid-solution series between the magnesium-rich and iron-rich varieties, typically occurring in contact or regional metamorphism of argillaceous rocks. It is especially common in hornfels produced by contact metamorphism of mudstones.
costeaning	The removal of soil and subsoil to expose rock formations in prospecting for quartz veins (reefs) or lodes. Also, proving an ore deposit or vein by trenching across its outcrop at approximate right angles and lastly, tracing a lode by pits sunk through overburden to underlying rock.
country rock	the enclosing rock around a body of ore
craton	a stable part of the Earth's crust, in which deformation has been only visible for a prolonged period.
Cretaceous	time unit of the Geological Time Scale, a geological Period, about 144 to 65 million years ago, a sub-division of the Mesozoic Era.
cross-cut	mining passage constructed at right angles to the general trend of the ore body (see also drive, shaft, rise and winze)
cross-section	a section, usually vertical, through an ore body or geological model at right angles to the dip of the unit
cut-off	the estimated lowest grade of ore that can be mined and treated profitably in a mining operation.

cuttings	broken pieces of rock generated by a drill bit during drilling. Forms the main part of percussion drill samples.
density	mass divided by volume. Measured here in tonnes per cubic meter.
Devonian	time unit of the Geological Time Scale, a geological Period, 416 – 359 million years ago
diamond drilling	method of obtaining a cylindrical core of rock by drilling with a diamond impregnated bit.
dilution	reduction in grade resulting from admixture of lower grade material during mining or rock-breaking processes.
disseminated	mineralization more or less evenly distributed throughout a rock.
drill cross section	a section perpendicular to strike on which the trace of drill holes are plotted.
drill intercepts	the intersections (usually of the target mineralization) made within an exploration drill hole.
drive	horizontal mining passage or access way underground, oriented along the length or general trend of the ore body (noun and verb)(see also cross-cut).
dyke	a tabular body of igneous rock, cross cutting the host strata at a high angle.
epigenetic	mineral deposit of later origin than the enclosing rocks.
fault	a fracture in rocks along which rocks on one side have been moved relative to the rocks on the other.
feasibility study	a comprehensive study of technical, financial, economic and legislative matters of sufficient depth and accuracy to provide the basis for financing.
felsic	igneous rock composed principally of feldspars and quartz.
ferruginous	rich in iron.
fire assay	assay procedure involving roasting of a sample in a furnace to ensure complete extraction of all the contained metal.
fluid inclusion	bubbles of gas and/or liquid, sometimes containing crystals, within mineral grains that can be used to determine the temperature and pressure of formation of the mineral and provide data on the chemical composition of the original fluids.
foliation	laminated structure in rocks caused by alignment of platy mineral grains, usually as a result of deformation and/or metamorphism

footwall	the wall or surface on the underside of an inclined geological feature such as a fault, vein, ore-body or stope.
fracture	a break in the rock that may show shearing or not. May be a joint, without movement on either side of the fracture.
Fry analysis	Fry analysis is a statistical method of correlating data points to see if there is a preferred direction. It offers a visual approach to quantify characteristic spatial trends for groups of point objects. See Fry, N. 1979. Random point distributions and strain measurement in rocks. <i>Tectonophysics</i> Vol. 60, pp. 806-807.
gabbro	coarse grained dark igneous rock of basic composition. A coarse-grained variety of basalt.
galena	lead sulphide mineral, an ore of lead often containing silver.
gangue	waste minerals associated with ore
geological mapping	the recording in the field of geological information on a map.
geophysical techniques	-the exploration of an area in which physical properties (e.g. resistivity, conductivity, magnetic properties) unique to the rocks in the area are quantitatively measured by one or more methods.
geostatistics	mineral resource estimation method. A computer based method wherein particular relationships between sample points are established and employed to project the influence of the sample points. Based on the application of statistics to the variation in grade of ore bodies.
gossan	intensely oxidized, weathered or decomposed rock or soil, usually the upper and exposed part of an ore deposit or mineral vein visible on the surface.
granite, granitic	coarse grained igneous rock composed of quartz and feldspar with varying amounts of ferromagnesian minerals such as biotite or hornblende, with or without muscovite. Adjective is 'granitic'.
granitoid	field term for a body of rock of granitic composition (containing quartz).
gravity survey	geophysical survey technique measuring variations in the Earth's gravitational field, due to variations in rock densities.
greywacke	a variety of sandstone generally characterized by its hardness, dark color, and poorly sorted angular grains of quartz, feldspar, and small rock fragments or lithic fragments set in a compact, clay-fine matrix.
greisen	a highly altered granitic rock or pegmatite, formed by autogenic alteration of a granite and is a class of skarn. Greisens are prospective for mineralisation

because the last fluids of granite crystallization tend to concentrate incompatible elements such as tin, tungsten, molybdenum and fluorine, as well as metals such as gold, silver, and occasionally copper.

hanging wall	the wall or surface on the upper side of an inclined geological feature such as a fault, vein, ore body or stope.
head grades	a general term referring to the grade of ore delivered to the processing plant.
hornfels	a hard, very fine grained rock which is the group designation for a series of contact metamorphic rocks which have been baked and indurated by intrusive igneous masses.
hydrothermal	pertaining to heated water (hot aqueous solutions), associated with the formation of mineral deposits or the alteration of rocks.
igneous	rocks formed by solidification from the molten state deep underground.
Indicated Resource	an ‘Indicated Mineral Resource’ is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.
Inferred Resource	an ‘Inferred Mineral Resource’ is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.
in-situ	term used to describe rocks and minerals found in their original position of formation. Or, mineral resources considered to be “in place.”
intermediate	igneous rocks between acid and basic in composition.
intrusive	an igneous rock that has intruded previously existing rocks.
isochron	a term used in the determination of radiometric age dates. If the plot comparing daughter/non-isotope ratios with parent/non-isotope ratios falls on a straight line, that line “of equal time” is called an isochron.

isoclinal folds	intensely folded rock layers where the interlimb angle is between 10° and zero, giving the impression of parallel rock layers.
isotope	different atoms of the same element, having the same atomic number but different atomic weights. The ratios of different isotopes in rocks and minerals can be used to estimate the age of the specimen or the time of crystallization or thermal events.
joint	fracture in rock along which no appreciable movement has occurred.
JORC Code	the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, The JORC Code 2004 Edition", a report of the joint committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Australian Mining Industry Council. It is a comprehensive integrated exposition on geological resources and ore reserves, and adherence to the Code is a requirement under the Australian Stock Exchange Listing Rules.
km	kilometer(s)
level	underground horizon at which an ore body is opened up and from which mining proceeds.
lineament	long major topographic feature identified on aerial photograph, which may or may not be a fault or joint.
lithic	pertaining to or formed of rock
lithological	pertaining to the type of rock.
lode	tabular or vein-like deposit of valuable mineral between well-defined walls.
mafic	describing silicate mineral or rock that is rich in magnesium and iron. Most mafic minerals are dark in color and the relative density is greater than 3. Common rock-forming mafic minerals include: olivine, pyroxene, amphibole, and biotite. Common mafic rocks include basalt, dolerite, and gabbro.
Measured Resource	a 'Measured Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and/or grade continuity.

metamorphism	an assemblage of rocks that have been subjected to intense heat and pressure of sufficient duration to alter the pre-existing minerals to different mineral types that were stable in such environments.
microthermometry	determination of the temperature of formation of minerals by examining, heating and cooling fluid inclusions under a microscope.
migmatite	a rock at the frontier between igneous and metamorphic rocks. Migmatites form under extreme temperature conditions during prograde metamorphism, where partial melting occurs in pre-existing rocks.
mineralization	the introduction of valuable minerals into a rock body
muscovite	a white mica mineral
nugget	fragment of native gold, often water-worn
nugget effect	a bias produced in geostatistics caused by isolated high values
open cut	synonymous with open pit
open pit	mine excavation or quarry, open to the surface
Ordovician	time unit of the Geological Time Scale, a geological Period from 500 to 440 million years ago, a sub-division of the Paleozoic Era
ore	rock or mineral(s) that can be extracted at a profit. Often applied (incorrectly) to mineralization in general.
Ore Reserve	an 'Ore Reserve' is the economically mineable part of a Measured or Indicated Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves
ore shoot	Pods of mineralized material, often high grade, within a vein
orthoclase	potassium feldspar
outcrop	a body of rock exposed at the ground surface

oxidized	near surface or after-mining decomposition of rocks, minerals or metals by exposure to the atmosphere and ground water.
Paleozoic	Time unit of the Geological Time Scale, a geological Era from 600-251 million years ago
pegmatite	coarse grained igneous rocks, similar to granite, often very coarse grained, rarely with crystals tens of meters in length. May contain rare or unusual minerals or metals. Often occurs as dykes or veins.
percussion drilling	method of drilling using a hammering action with rotation, forcing dust and cuttings to the hole collar by compressed air. Usually refers to open hole percussion drilling, where cuttings return outside the drill rods. See also RAB drilling and RC drilling
Permian	Time unit of the Geological Time Scale, a Period from 280-251 million years ago, a sub-division of the Paleozoic Era
petrography	the study of rocks under the microscope
petrology	the study of the origin, structure and occurrence of rocks
pH	literally, “power of Hydrogen”. A measure of the concentration of hydrogen ions in solution that determines acidity or alkalinity. The pH ranges from 0 to 14, with 7 being neutral. Acids have a pH less than 7 and alkalis greater than 7
plagioclase	group of feldspar minerals ranging from sodium-rich to calcium-rich with mixed compositions in between
potassic alteration	type of alteration due to introduction or increase of the alkali metal potassium.
portal	surface entrance to a tunnel or drive.
pre-feasibility study	a relatively comprehensive analysis which is qualified by the uncertainty of fundamental criteria and assumptions to the degree that it cannot be the basis for a final financial analysis
Probable Ore Reserve	a ‘Probable Ore Reserve’ is the economically mineable part of an Indicated, and in some circumstances Measured, Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be

justified. A Probable Ore Reserve has a lower level of confidence than a Proved Ore Reserve.

prospect	an area that warranted or warrants detailed exploration.
Proved Ore Reserve	a 'Proved Ore Reserve' is the economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.
pyrite	an iron sulphide mineral, often associated with economic mineralization. Occasionally used as an ore of sulphur. With inclusion high amounts of arsenic, the mineral becomes arsenopyrite.
pyroxene	family of silicate minerals that usually contain iron and magnesium and commonly calcium.
quartz	very common minerals composed of silica SiO ₂ . Amethyst is a variety of the well-known amethystine color. Aventurine is a quartz spangled form with scales of mica, hematite, or other minerals. False topaz or citrine is a yellow quartz. Rock crystal is a clear variety. Rose quartz is a pink variety, and cairngorm is a brownish variety. Tiger-eye is crocidolite (an asbestos-like material) replaced by silica and iron oxide. Quartz is the name of the mineral prefixed to the names of many rocks that contain it, such as quartz porphyry, quartz diorite.
RAB drilling	see Rotary Air Blast
raise	see Rise
RC drilling	see Reverse Circulation
recovered grades	means the eventual recovery after mining dilution and processing losses measured against plant feed tonnes.
recovery (drilling)	proportion (%) of core or cuttings actually recovered from a cored interval, compared to the maximum theoretical quantity.
recovery factors	the mining and metallurgical factors affecting recovery of gold through a plan of grade-quantity control of ore or metal relative to its other constituents.

reef	in older mining terms, a white gold-bearing quartz vein.
reserves (ore)	<p>see Proved or Probable Ore Reserves. It is recommended that the reader study the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, The JORC Code 2004 Edition", a report of the joint committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Australian Mining Industry Council for a comprehensive integrated exposition on geological resources and ore reserves. The various resource categories are classified according to the level of geological information, and thus the confidence, underlying the estimate.</p> <p>The Inferred Resources cannot become a Reserve. The Proved and Probable Reserves are derived respectively from the Measured and Indicated Resource after the application of sufficient technical, financial, marketing, economic, legislative, legal and environmental factors to be confident that their mining and processing would be economically viable. However, it should be appreciated that the Code does not define a level of profitability.</p>
resource	see Measured, Indicated or Inferred Mineral Resource. Mineralization to which conceptual tonnage and grade figures are assigned, but for which exploration data are inadequate to estimate ore reserves.
reverse circulation drilling	Method of drilling whereby rock chips are recovered by pressurized air returning inside the drill rods.
reverse fault.	a fault that dips towards the block that has been relatively raised.
rise, raise	a vertical or inclined underground shaft or access way between levels mined from the bottom up.
rock-chip sampling	obtaining a sample, generally for assay, by breaking chips off a rock face.
Rotary Air Blast (RAB) Drilling	Method of drilling soft rocks in which the cuttings from the bit are carried to the surface by pressurized air returning outside the drill rods.
schist	type of fine grained metamorphic rock with laminated fabric similar to slate but often showing a sheen.
scoping study	a study having the objective of defining what options, if any, should be subject to intensive analysis.
sediment	particles deposited from suspension in water, wind or ice consisting of clay or quartz particles.
sequence	group of sedimentary rocks.

sericite	fine grained variety of mica generally formed by metamorphic processes.
S.G.	Specific Gravity
shaft	a vertical or inclined passage from the surface by which a mine is entered and through which ore or ventilation air is transported.
shear	zone in which rocks have been deformed by lateral movement along innumerable parallel planes.
sheeted vein	groups of closely spaced distinct parallel fractures filled with mineral matter and separated by layers of barren rock.
silicified	referring to rocks in which a significant proportion of the original constituent minerals have been replaced by silica.
Silurian	time unit of the Geological Time Scale, a Period from about 438 to 408 million years ago.
skarn	rock type refers to calcium-bearing rocks containing a range of silicate minerals, and is most often formed at the contact zone between intrusions of granodiorites, granites, or other high-temperature intrusives with limestone or other calcareous units.
Specific Gravity	mass divided by volume at a specified temperature compared to an equal amount of water which is assigned an SG of 1.0. Equivalent to density (mass per unit volume), measured here in tonnes per cubic meter.
sphalerite	zinc sulphide mineral.
staurolite	a complex iron, aluminum nesosilicate mineral with iron, zinc and magnesium in variable ratios. It is an index mineral for intermediate- to high-grade metamorphics.
stockwork	interlocking network of tabular veins or lobes.
stope	mine excavation from which ore is being or has been extracted.
stratigraphy	study of stratified rocks, especially their age, correlation and character.
stream sediment survey	systematic sampling of sediments within drainage channels, used to locate traces of mineralization which have weathered from the ore zone and been shed into the drainage channels.
strike	the azimuth of a surface, bed or layer of rocks in the horizontal plane.
stringer	narrow vein or irregular filament of mineral traversing a rock mass.

sulphides	minerals comprising a chemical combination of sulphur and metals.
supergene	as in supergene enrichment, is a process occurring relatively near the surface where ground-water circulation occurs with concomitant oxidation and chemical weathering. The descending ground water oxidizes the primary (hypogene) sulfide ore minerals and redistribute the metallic ore elements where they enrich the base of the oxidized portion of the deposit.
syenite	medium to coarse-grained, acidic igneous rock, containing much less silica than a granite.
tailings	material rejected from a treatment plant after the recoverable valuable minerals have been extracted.
tonalite	igneous rock similar to granite but containing mainly calcium feldspar rather than alkali (sodium and potassium) feldspar.
true width	width or thickness of a lode or other formation measured at right angles to its sides (see also apparent width)
variogram	a statistical model, usually presented as a graph, that describes the average Inferred Mineral
variography	a statistical study of the way in which metal or grade distribution varies within a deposit and the relationship between adjacent samples. It is used in order to determine grade continuity within a geological or computer model of the ore body, and to estimate the range of influence of samples.
vein	a narrow dyke-like intrusion of mineral traversing a rock mass of different material.
volcanic	class of igneous rocks that have flowed out or have been ejected at or near the earth's surface, as from a volcano.
volcanoclastic	description of a clastic sediment containing material of volcanic origin.
volcanogenic.	of volcano origin.
wall rock	rock mass adjacent to a fault, fault zone or lode.
winze	a vertical or inclined underground shaft or access way between levels mined from the top down.

Appendix III – Homestead Station Contact Information Cadastre Locations

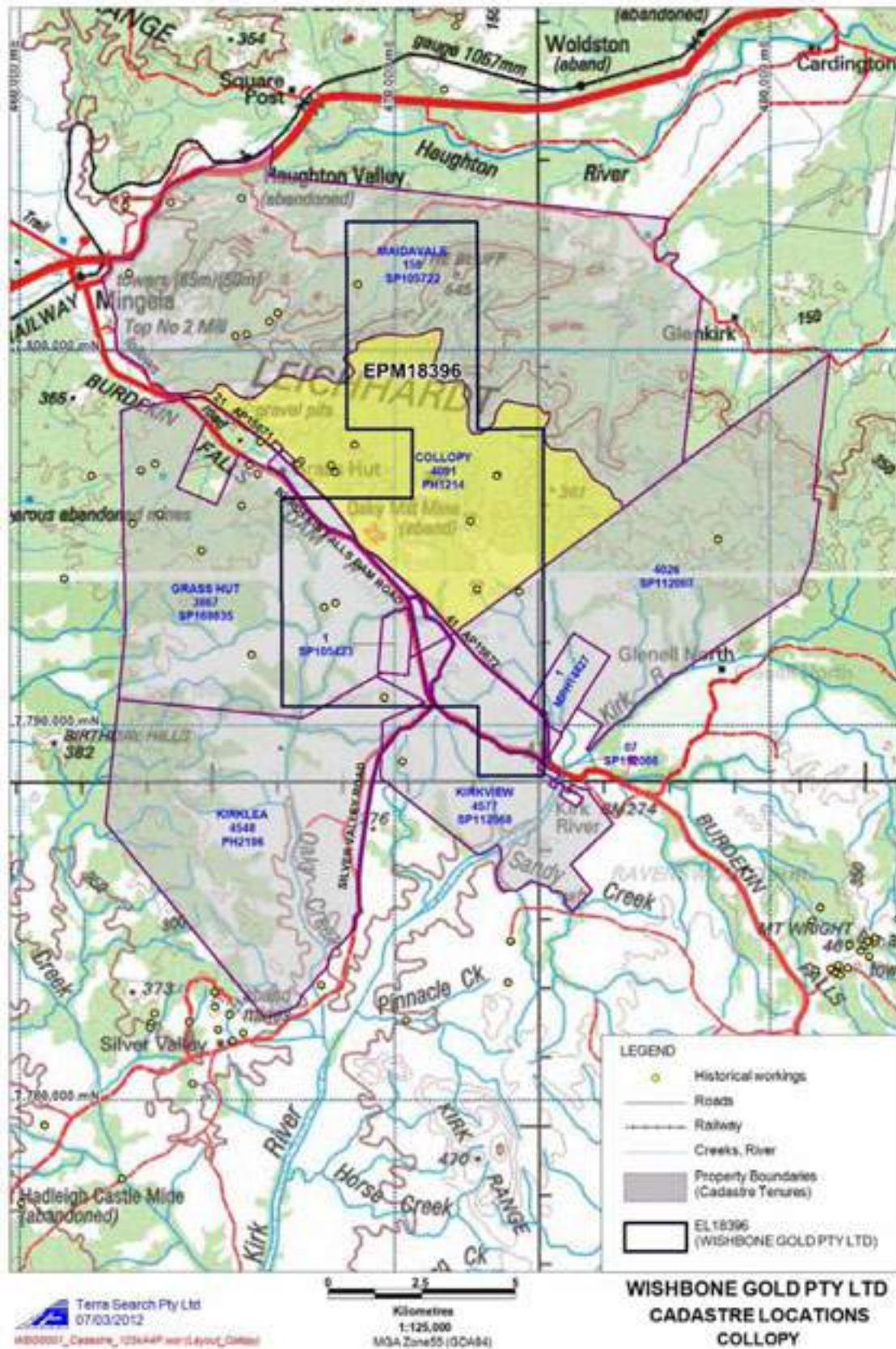


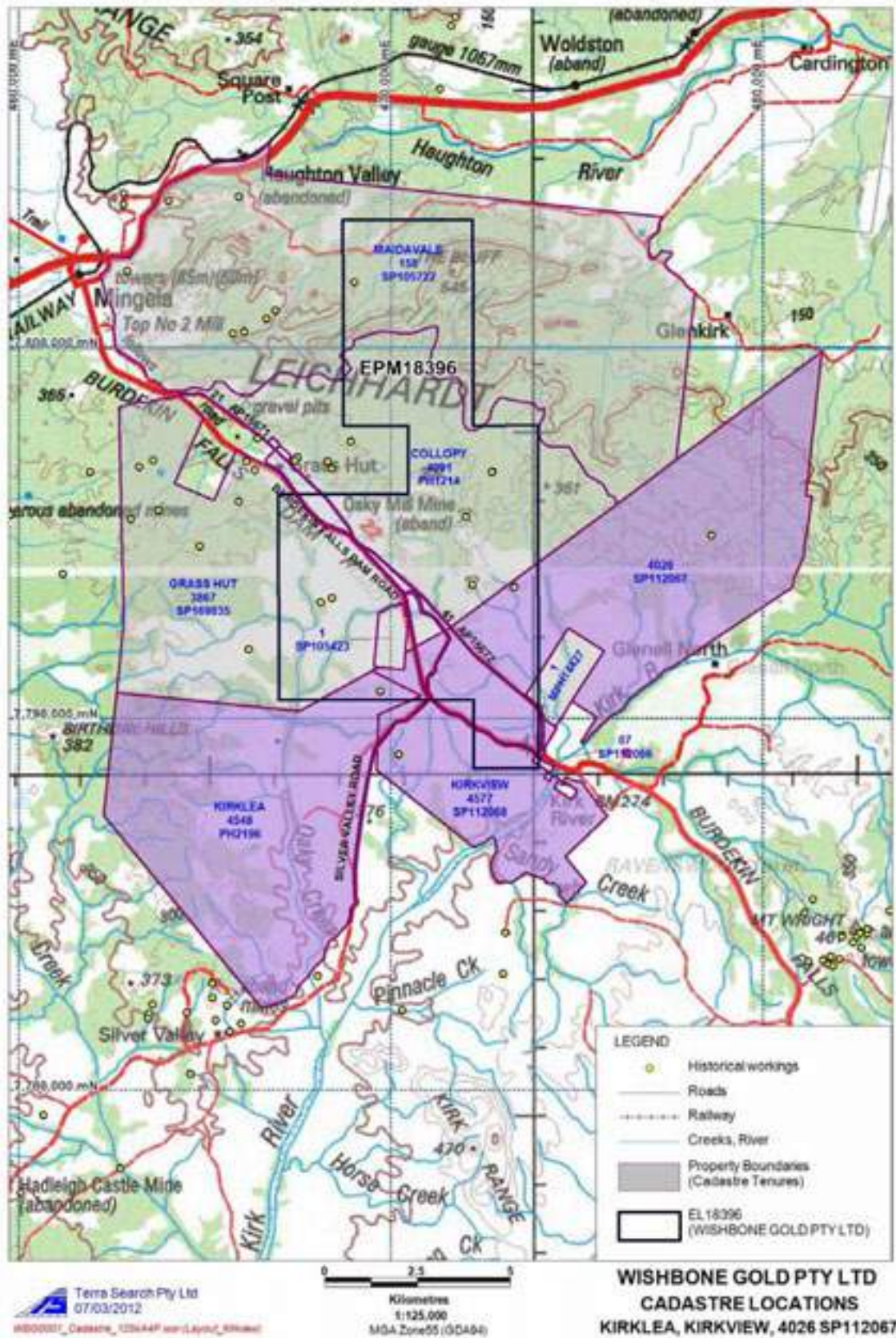
Houston Seattle

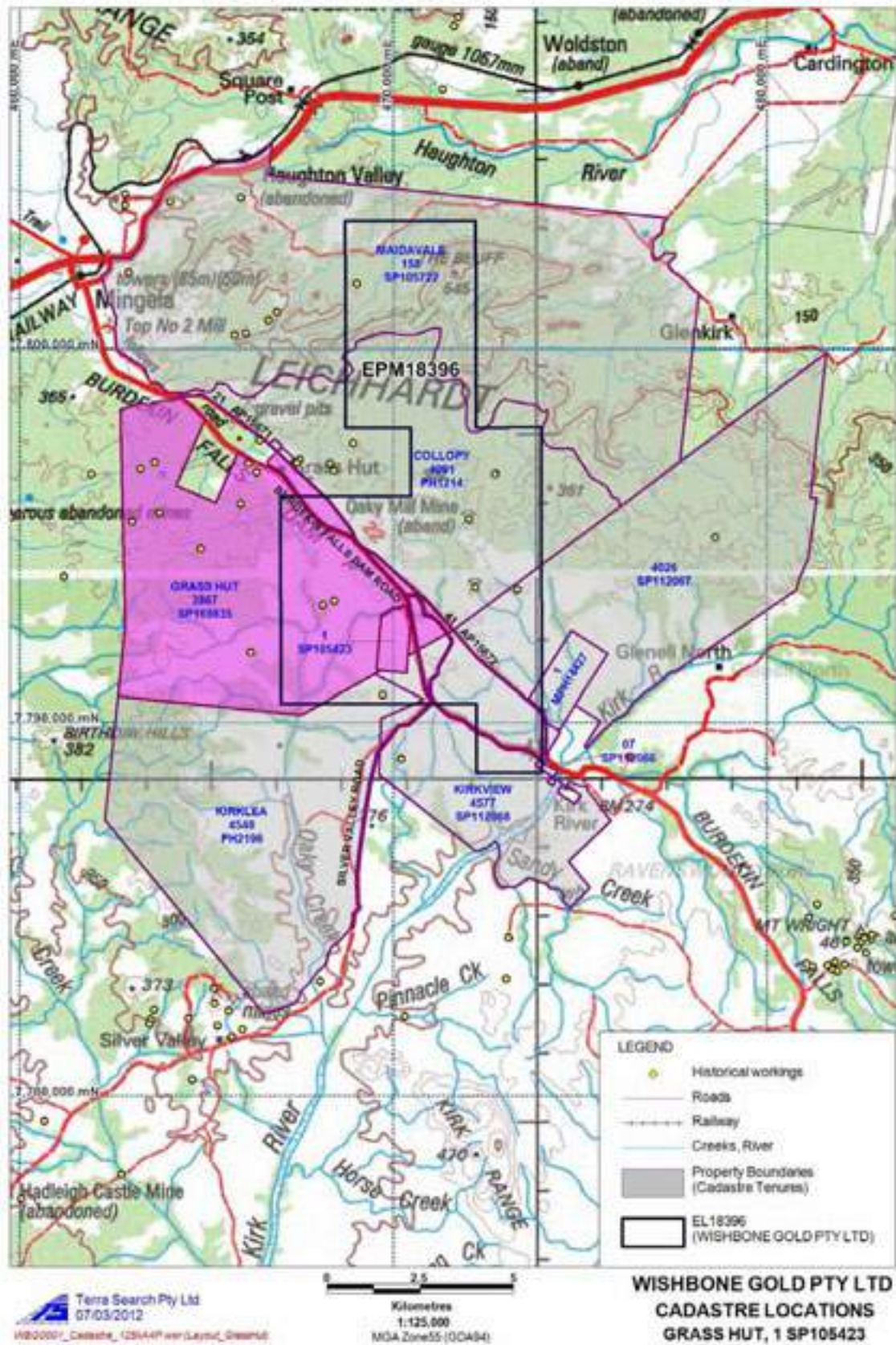
Homestead Properties on and around Wishbone II

EPM	Property Name	Lot	Plan	Property Address
Wishbone II				
18396	KIRK RIVER	4548	PH2196	Burdekin Falls Dam Rd, Ravenswood, Q, 4816 C/-PO Ravenswood
18396	KIRK RIVER	4026	SP112067	Burdekin Falls Dam Rd, Ravenswood, Q, 4816
18396	KIRK RIVER	4577	SP112068	Burdekin Falls Dam Rd, Ravenswood, Q, 4816
18396	Maidavale	158	SP105722	Flinders Hwy, Ravenswood, Q, 4816
18396	Collopy	4091	PH1214	Burdekin Falls Dam Rd, Ravenswood, Q, 4816
18396	Grass Hut	3867	SP169835	Burdekin Falls Dam Rd, Ravenswood, Q, 4816
18396	Grass Hut	1	SP105423	Burdekin Falls Dam Rd, Ravenswood, Q, 4816









Appendix IV– Historical EPM Exploration Methods

Summary of mineral exploration under Exploration Permit, Authority to Prospect and Mining Lease Tenure

Title (A/F for Mts. & EPMA unless stated)	Company	Date Granted	Exploration Target	Mineral(s) Prospected	Exploration Techniques							Company Report No. (CTR)
					Geology	Geophysics	Geochemical	No. of Samples	Densities, A & B/No.	Resonance & seismic		
670	Nickel Mines Ltd	1/10/69	Cu, Pb, Zn, Ag	The Andes	C		4	3			4183	
813	Continental Mining & Exploration N.L.	26/6/70	Cu, Pb, Zn				4	1			3357	
1016/1017	Indochina Australia Pty Ltd	13/4/72	Cu, Pb, Zn		A	M, I	4	3			4300	
1074	International Nickel Australia Ltd	27/7/72	Cu, Pb, Zn	Mundo Creek, Cat Creek, Sensitive Creek	A, B, C	N	4	2			4432	
1018		27/4/72	Cu, Pb, Zn				4	2				
1099	East Exploration & Production Australia Inc.	9/8/72	Cu, Pb, Zn	Waddy Hill		Q, M	4	2	F		4724	
1402	East Exploration & Production Australia Inc.	9/8/72	Cu, Pb, Zn		A		4	1			5601, 6680, 6318, 6681, 6944	
1544	La Nickel Australia Pty Ltd	5/8/75	Cu, Pb, Zn	Thalanga, Waddy Hill, Orytha Hill, New Horizons, Duggan, Creek, North Creek, North Bank, Thalanga East, Thandipent No. 1, 2, 3, 4	A, B, E, F	L, L, L, N, K, M, R	4	4	54 64 65 66 67 68 69		5731, 2974, 6174, 6341, 7092, 6777	
1590	Pioneer (Australia) Pty Ltd		Cu, Pb, Zn	Orytha Hill	A	L, N	4	3			6776, 7094	
2014	Pioneer (Australia) Pty Ltd	16/6/74	Cu, Pb, Zn	Thalanga East, Thalanga, Orytha Hill	A, B	N, K	4	3	3021 3022 3023 3024		7010, 7043, 7044, 7781, 10074	

[illegible]

Project ID	Project Name	Location	Start Date	End Date	Performance Metrics			Status	Remarks
					Completion %	Budget Adh %	Quality Score		
P001	Website Redesign	New York	2023-01-15	2023-03-31	95%	2%	4.8	Completed	Minor bugs fixed
P002	Mobile App Development	Los Angeles	2023-02-01	2023-05-15	80%	5%	4.5	In Progress	UI/UX improvements
P003	Cloud Migration Phase 1	Chicago	2023-03-10	2023-06-30	60%	3%	4.2	On Hold	Resource allocation
P004	Marketing Campaign Q2	San Francisco	2023-04-01	2023-06-30	100%	0%	4.9	Completed	Exceeded targets
P005	Hardware Refresh	London	2023-05-01	2023-07-31	40%	1%	4.1	On Hold	Vendor delays
P006	Security Audit	Paris	2023-06-01	2023-08-31	20%	0%	4.0	On Hold	Scope creep
P007	HR System Integration	Berlin	2023-07-01	2023-09-30	10%	0%	3.9	On Hold	Integration issues
P008	Customer Support Portal	Mumbai	2023-08-01	2023-10-31	5%	0%	3.8	On Hold	Requirement gathering
P009	Legal Compliance Review	Singapore	2023-09-01	2023-11-30	0%	0%	3.7	On Hold	Initial assessment
P010	AI Research Pilot	Beijing	2023-10-01	2024-01-31	0%	0%	3.6	On Hold	Feasibility study



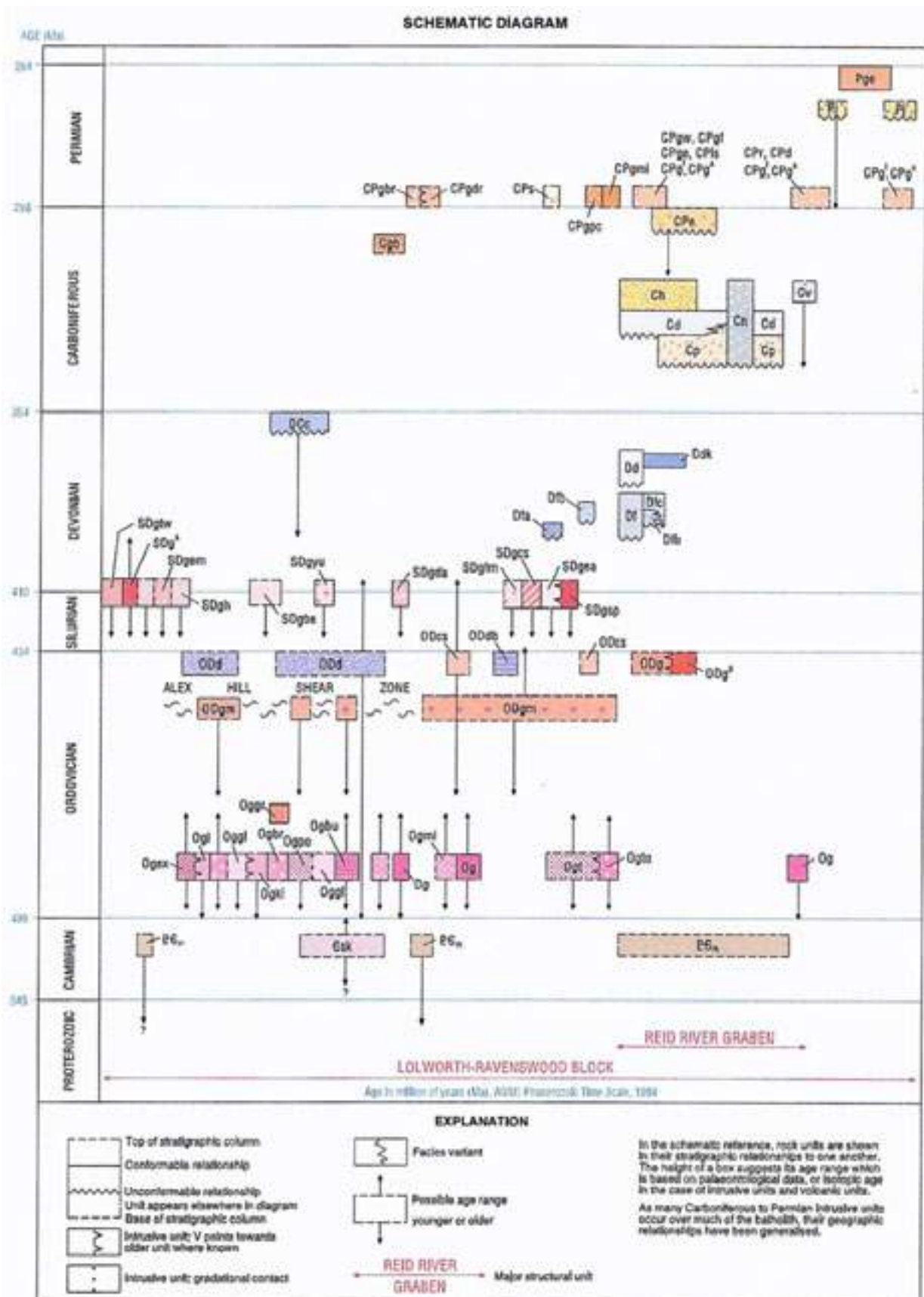
BIOLOGICAL DATA		PHYSICAL & CHEMICAL DATA		ANALYTICAL DATA	
1. Species	<i>Salmonella enterica</i>	2. Strain	5. Serotype	3. Source	4. Date
5. Age	6. Sex	7. Breed	8. Color	9. Weight	10. Height
11. Length	12. Width	13. Depth	14. Volume	15. Surface Area	16. Perimeter
17. Mass	18. Density	19. Temperature	20. pH	21. Conductivity	22. Refractive Index
23. Viscosity	24. Osmotic Pressure	25. Surface Tension	26. Dielectric Constant	27. Thermal Conductivity	28. Coefficient of Expansion
29. Coefficient of Contraction	30. Modulus of Elasticity	31. Poisson's Ratio	32. Bulk Modulus	33. Shear Modulus	34. Young's Modulus
35. Tensile Strength	36. Compressive Strength	37. Yield Strength	38. Ultimate Tensile Strength	39. Elongation at Break	40. Reduction of Area
41. Impact Strength	42. Charpy Impact	43. Izod Impact	44. Pendulum Impact	45. Ball Drop Impact	46. Hammer Impact
47. Hardness	48. Rockwell Hardness	49. Brinell Hardness	50. Vickers Hardness	51. Shore Hardness	52. Mohs Hardness
53. Tensile Modulus	54. Compressive Modulus	55. Shear Modulus	56. Bulk Modulus	57. Poisson's Ratio	58. Thermal Expansion Coefficient
59. Thermal Contraction Coefficient	60. Coefficient of Thermal Conductivity	61. Thermal Diffusivity	62. Thermal Stability	63. Thermal Shock Resistance	64. Thermal Fatigue Resistance
65. Thermal Aging Resistance	66. Thermal Oxidation Resistance	67. Thermal Corrosion Resistance	68. Thermal Degradation Resistance	69. Thermal Decomposition Resistance	70. Thermal Pyrolysis Resistance
71. Thermal Cracking Resistance	72. Thermal Spalling Resistance	73. Thermal Spalling Resistance	74. Thermal Spalling Resistance	75. Thermal Spalling Resistance	76. Thermal Spalling Resistance
77. Thermal Spalling Resistance	78. Thermal Spalling Resistance	79. Thermal Spalling Resistance	80. Thermal Spalling Resistance	81. Thermal Spalling Resistance	82. Thermal Spalling Resistance
83. Thermal Spalling Resistance	84. Thermal Spalling Resistance	85. Thermal Spalling Resistance	86. Thermal Spalling Resistance	87. Thermal Spalling Resistance	88. Thermal Spalling Resistance
89. Thermal Spalling Resistance	90. Thermal Spalling Resistance	91. Thermal Spalling Resistance	92. Thermal Spalling Resistance	93. Thermal Spalling Resistance	94. Thermal Spalling Resistance
95. Thermal Spalling Resistance	96. Thermal Spalling Resistance	97. Thermal Spalling Resistance	98. Thermal Spalling Resistance	99. Thermal Spalling Resistance	100. Thermal Spalling Resistance

Appendix V – Legend of Geologic Units Occurring in the Subject Area

ORDOVICIAN - EARLY DEVONIAN		
	00gr	Undivided and/or unassigned quartz diorite, diorite and gabbro
	00gr	Undivided and/or unassigned granodiorite, tonalite and quartz diorite, minor granite
Ravenswood Batholith	SDgmi	Mainly grey, medium-grained, slightly porphyritic biotite-hornblende tonalite to granodiorite
	SDgtr	Grey to pink to cream, fine to medium-grained, slightly porphyritic, commonly altered hornblende-biotite and biotite granite, granodiorite and trondhjemite
	SDgtr	Pink, buff and grey, medium-grained biotite-hornblende granodiorite, biotite monzogranite and biotite-muscovite syenogranite
	SDgb	Medium-grained, grey to pink hornblende-biotite granodiorite; minor two-pyroxene monodiorite and diorite
	SDgn	Medium-grained, grey hornblende-biotite granodiorite, tonalite and granite; biotite trondhjemite in core
	OSgn	Grey, commonly foliated, medium to coarse-grained biotite-hornblende granodiorite with common enclaves of grey, unfoliated, fine to coarse-grained biotite-hornblende granodiorite
	Ogh	Grey to pink, medium-grained; locally foliated, biotite and hornblende-biotite granodiorite to granite
	Ogk	Pink to red and grey, medium-grained, locally foliated, slightly porphyritic biotite granite; rare pegmatite, locally muscovite-bearing
	00gtr	Grey to pink, fine to coarse-grained, porphyritic biotite and hornblende-biotite granite and microgranite
	Ogr	Undivided and/or unassigned granite and granodiorite
	Ogco	Undivided and/or unassigned, mainly muscovite-biotite granite
	Ogrng	Grey to pink, medium-grained, biotite-hornblende granite, recrystallised and locally foliated
	0Dgs	Granodiorite, granite porphyry, diorite, gabbro; commonly foliated
	0Dgg	Medium to coarse-grained granodiorite, locally foliated
	Ogcs	Strongly foliated hornblende-biotite tonalite and tonalitic gneiss
	0Bt	Biotite-hornblende tonalite
	Ogs	Biotite-hornblende tonalite and quartz diorite
CAMBRIAN - ORDOVICIAN		
	6Dgo	Locally strongly foliated and sheared, pink, equigranular to porphyritic, fine to coarse-grained, biotite granite

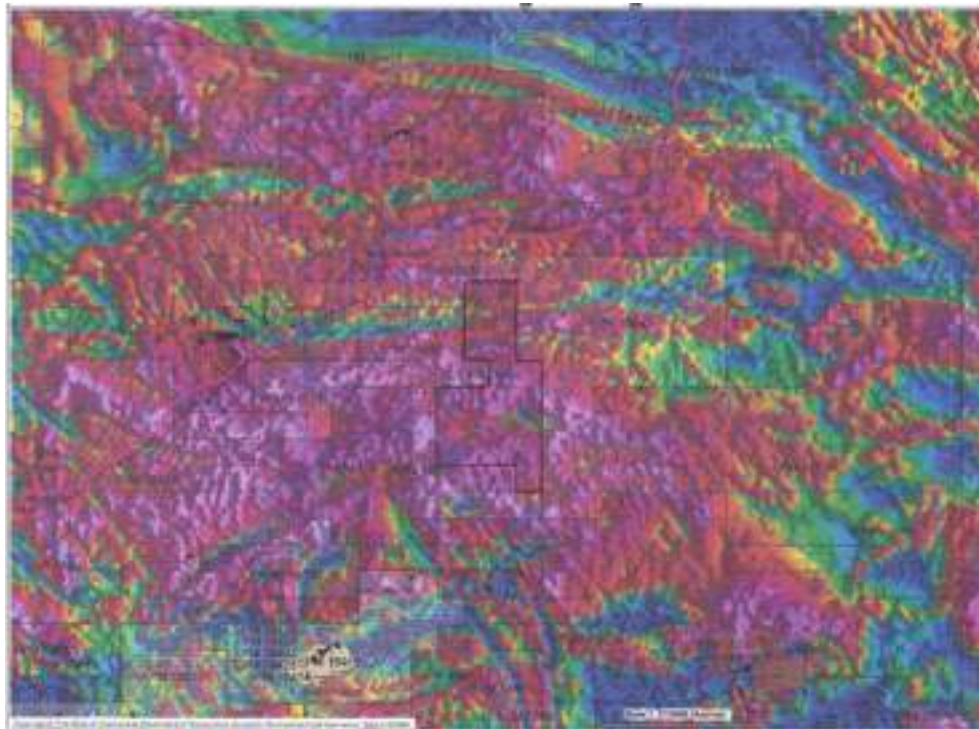
Note:

Figure 19 and the above general legend and age relationships diagram below for the geologic maps covering the general area of the Wishbone II were taken from the Mingela Special Map, Sheet 8258 and Part of 8358, 1996, 1st Edition (QDEX version CR_39373_1), and from the Townsville Sheet 55-14, 1997, 2nd Edition (QDEX version CR_39313-1).

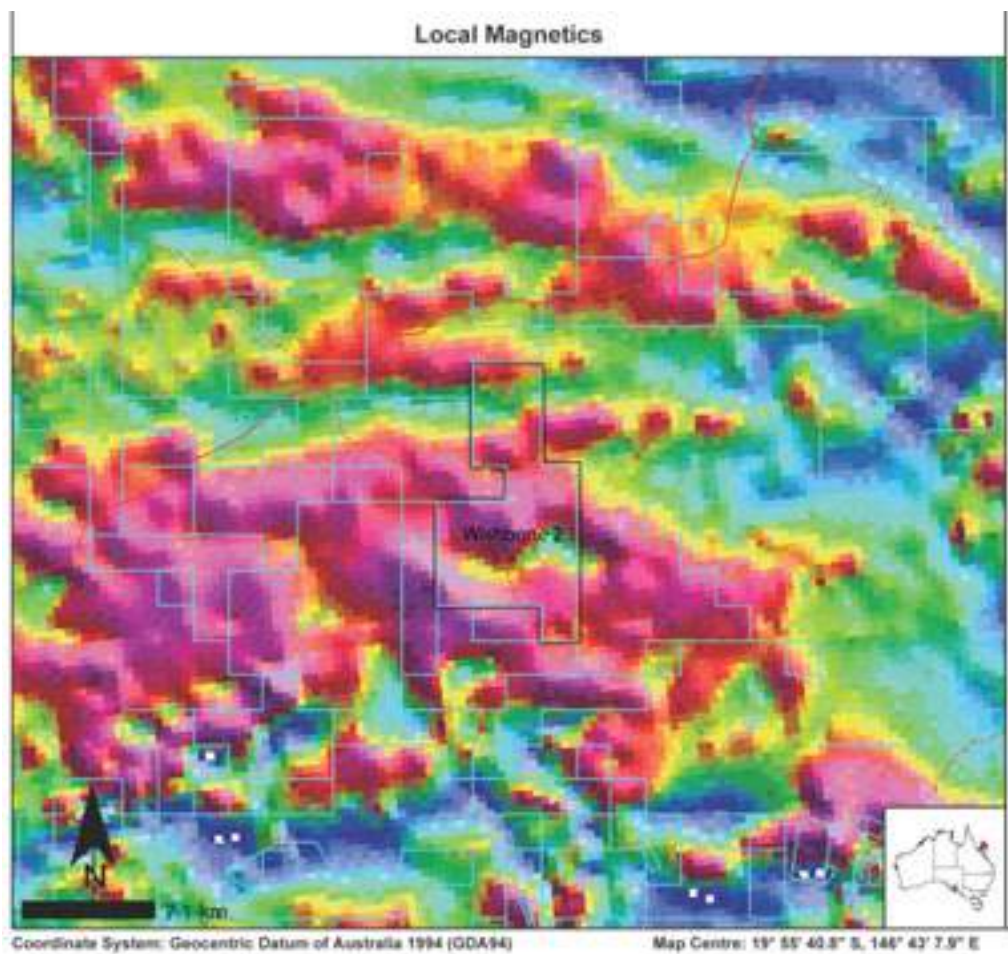


Appendix VI - Preliminary Aerial Geophysics:

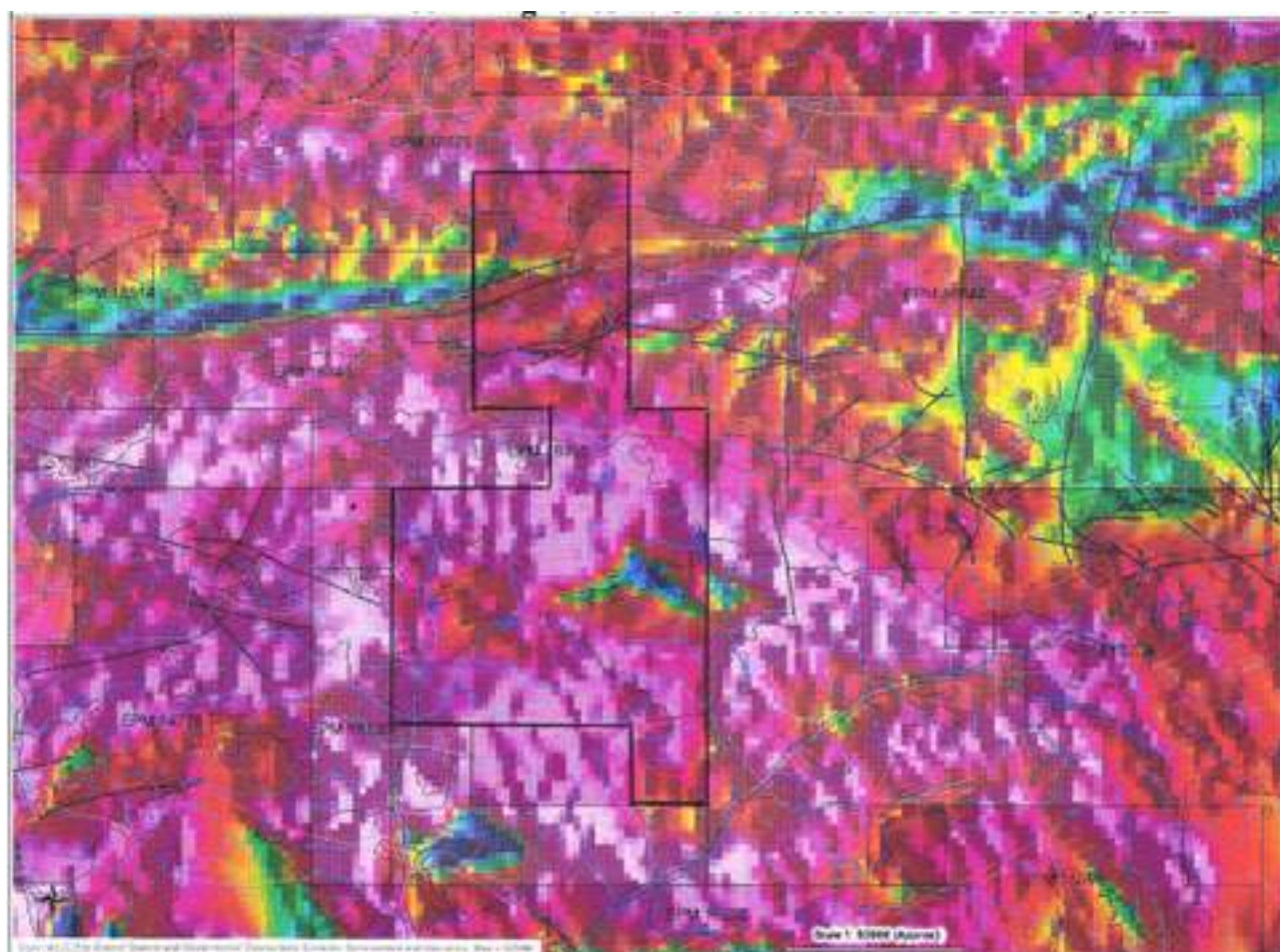
**Regional & Local Magnetics
Regional Gravity**



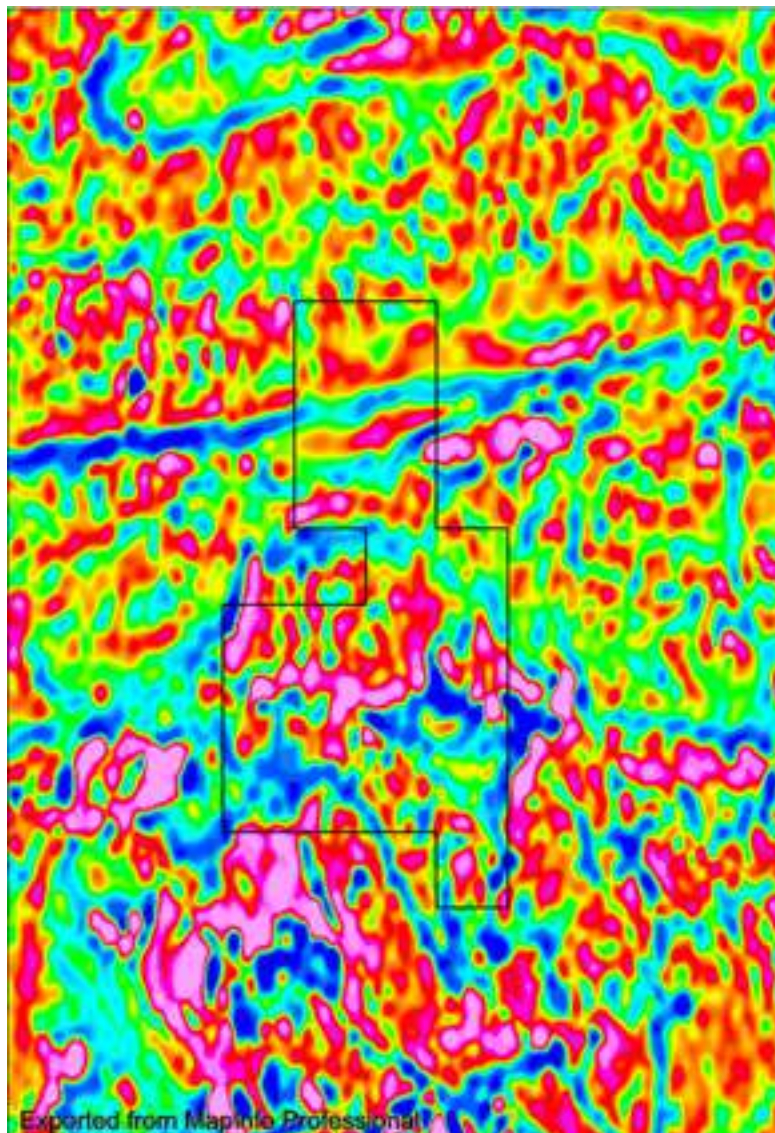
Regional Magnetics



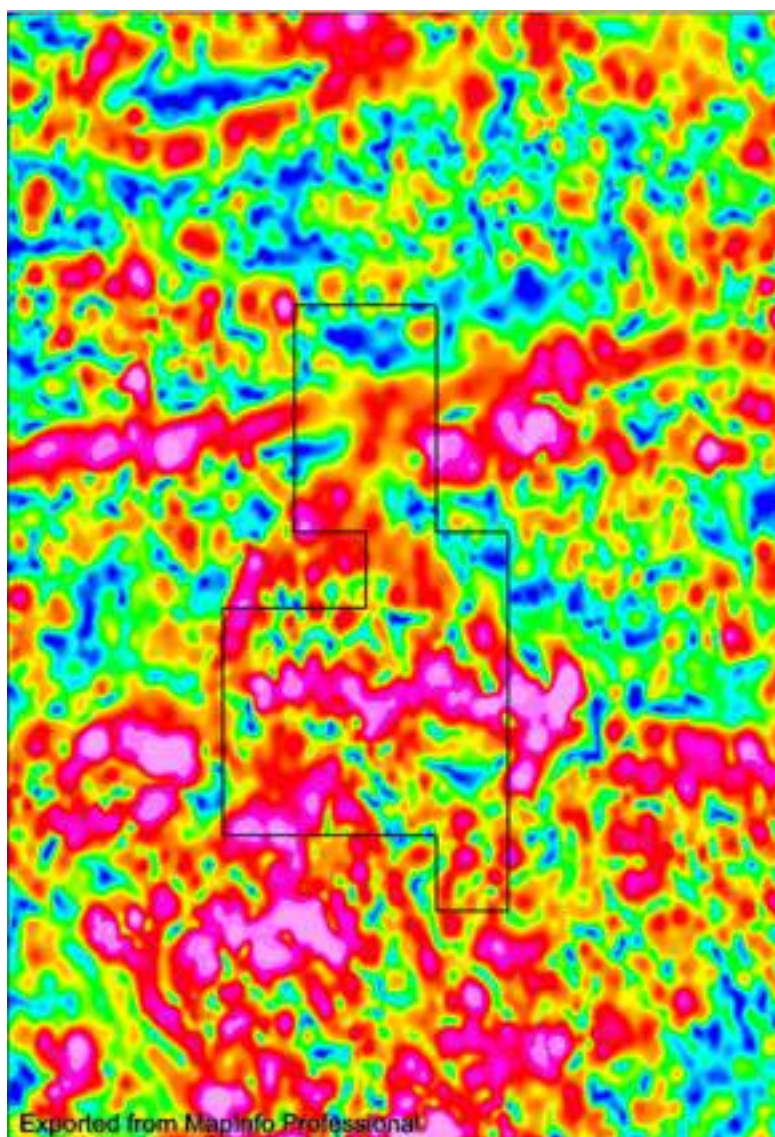
Local Magnetics w/ Structures



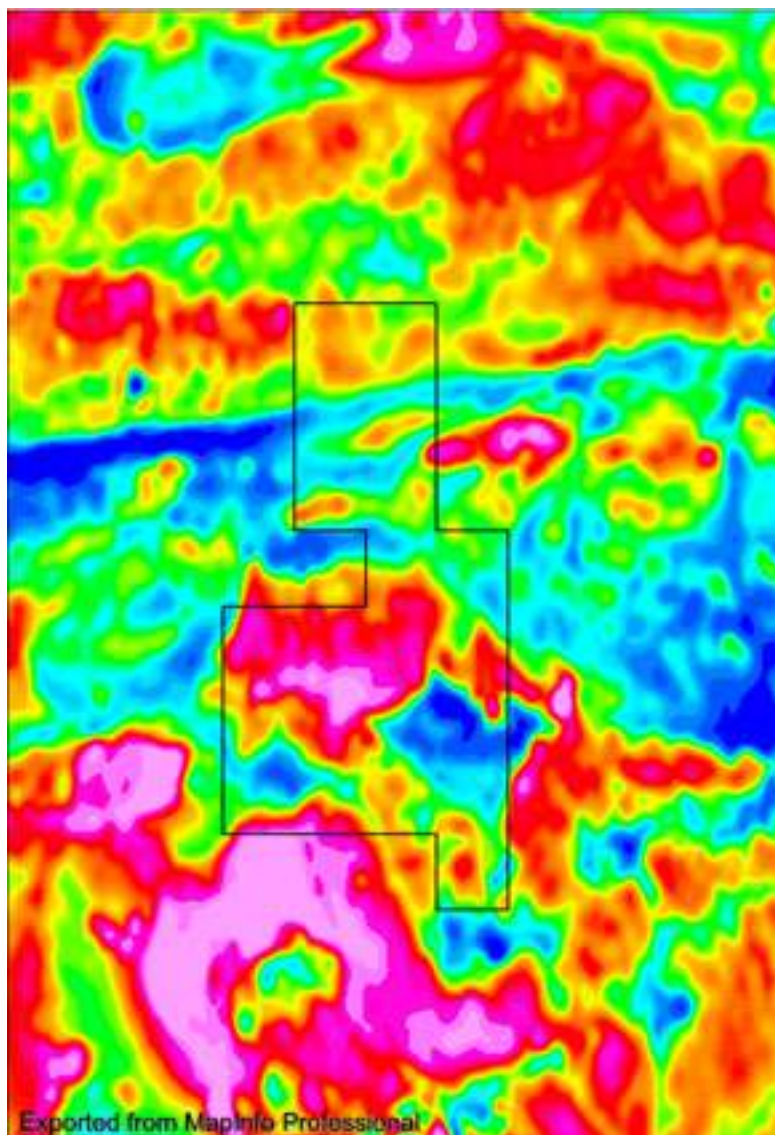
Modeled Magnetics



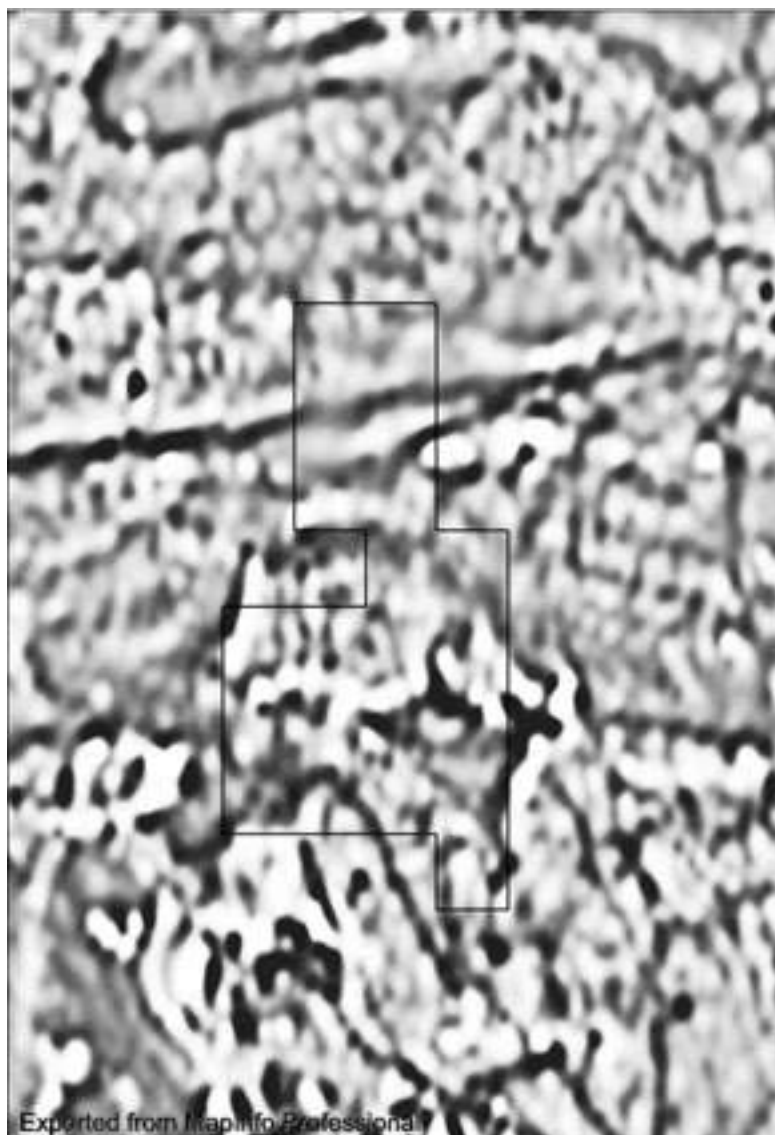
Modeled by Terra Search as 1VD RTP



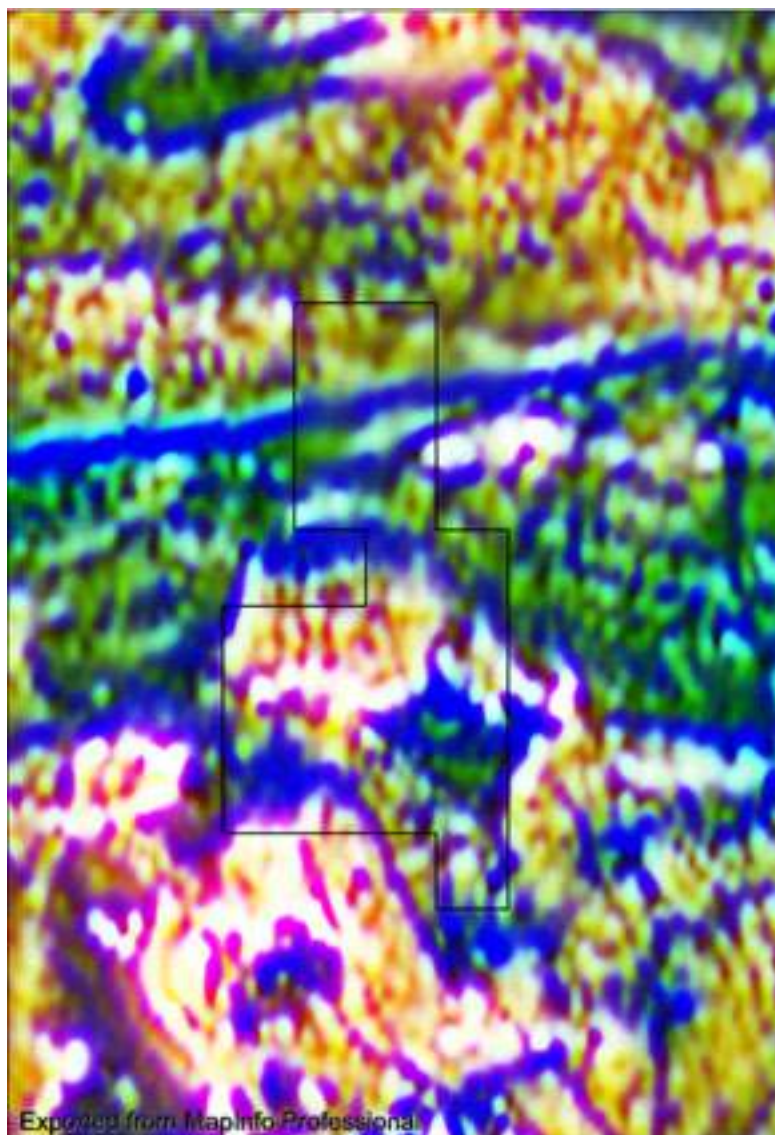
Modeled by Terra Search as AS



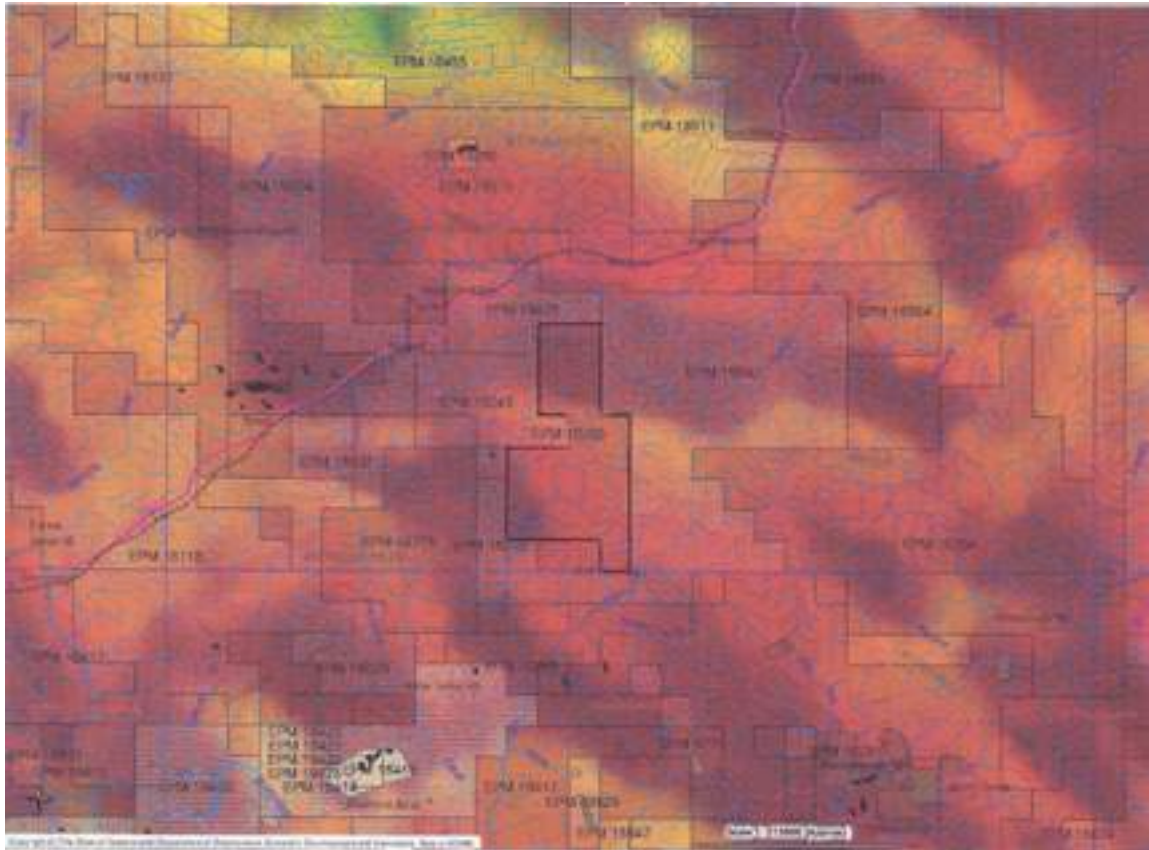
Modeled by Terra Search as RTP



Modeled by Terra Search as Grey Scale -2VD RTP



Modeled by Terra Search as MCE – 3 Component



Regional Gravity

Appendix VII – Field Photos



The Bluff Area (See Figure 12) –Google Earth View



**Within the Shear Zone in the Foreground Approaching the Bluff in the Distance from the NW.
(See Figure 13)**



Shear Zone in Foreground in Northern Area of interest (and See Figure 12)



Close up of Cliff Shown in Figure 7 w/ Collopy Formation in Northern Area of Interest



Thin Sulphide Vein in Shear Zone in Northern Area of Interest (see Figure 13)



Faulted Areas in Shear Zones – Central Area of Interest



**Central Area of Interest (Fault Contact between Two Units - light and dark-colored Units
Likely at Fault Boundary between PCm and Ogpc)**



Central Area of Interest (Looking Westward)



Thin Sulphide Veins in Altered Zone (see Figure 19) in Central Area of Interest



Same Site: Another Thin Sulphide Veins within Altered Zone (see Figure 19) in Central Area of Interest



Fresh Outcrop of Hornblende Granite in Southern Area of Interest



Field Crew Heading for Aerial Reconnaissance of Mount Wright Mine (Distant Hill)



**Mount Wright Mine (Haul Road leading to Underground Mine Portal)
(see Figure 15 for Reference)**



**Mount Wright Mine (Haul Road at one of two Portals of Underground Mine)
(see Figure 15 for Reference)**

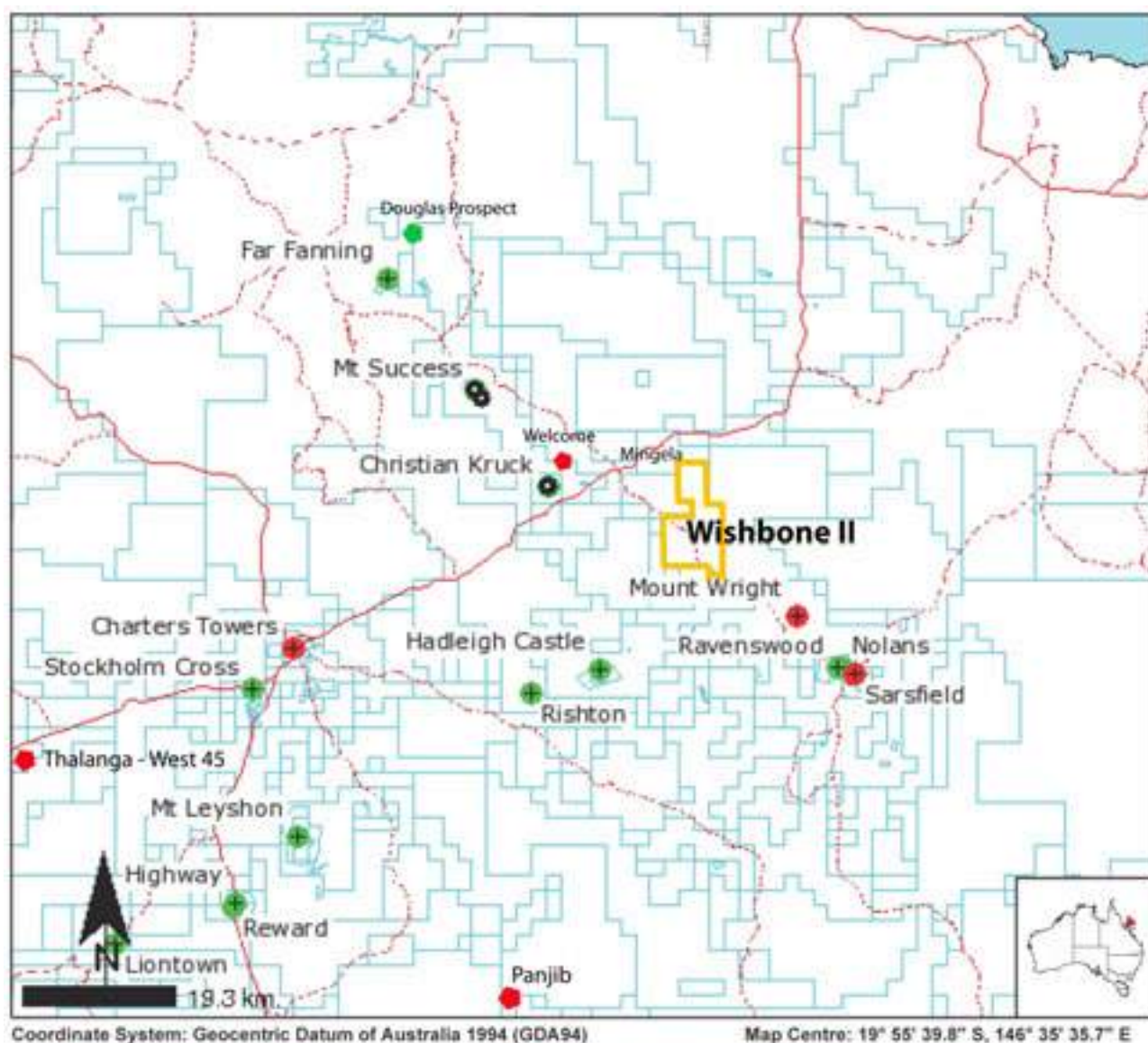


Mount Wright Mine (Second Portal to Underground Mine)
(see Figure 15 for Reference)



Ore Loading Area (and Two-Bed Ore Truck)
(see Figure 15 for Reference)

Appendix VIII – High & Low Aerial Photos of Subject Mines



Distribution of the Major Deposits and Mines in the Mingela and Charters Towers Districts



Imagery Date: 2006 (see expanded view: Control-left click)
Google Earth View from Altitude: 4.4 km



Low Altitude View of Ravenswood Pit – Looking NW



Views of Ravenswood Pit Walls – Pit Now Filling with Surface and Ground Water





Primary Crushing Unit (to Handle Ore from Mount Wright Mine)





Processing Plant at Ravenswood (to Handle Mount Wright Ore)



Imagery Date: 2006 (see expanded view)
Altitude: 2.5 km



Mount Wright Mine (back side)
(see Figure 15 for Reference)



Mount Wright Operations
(see Figure 15 for Reference)

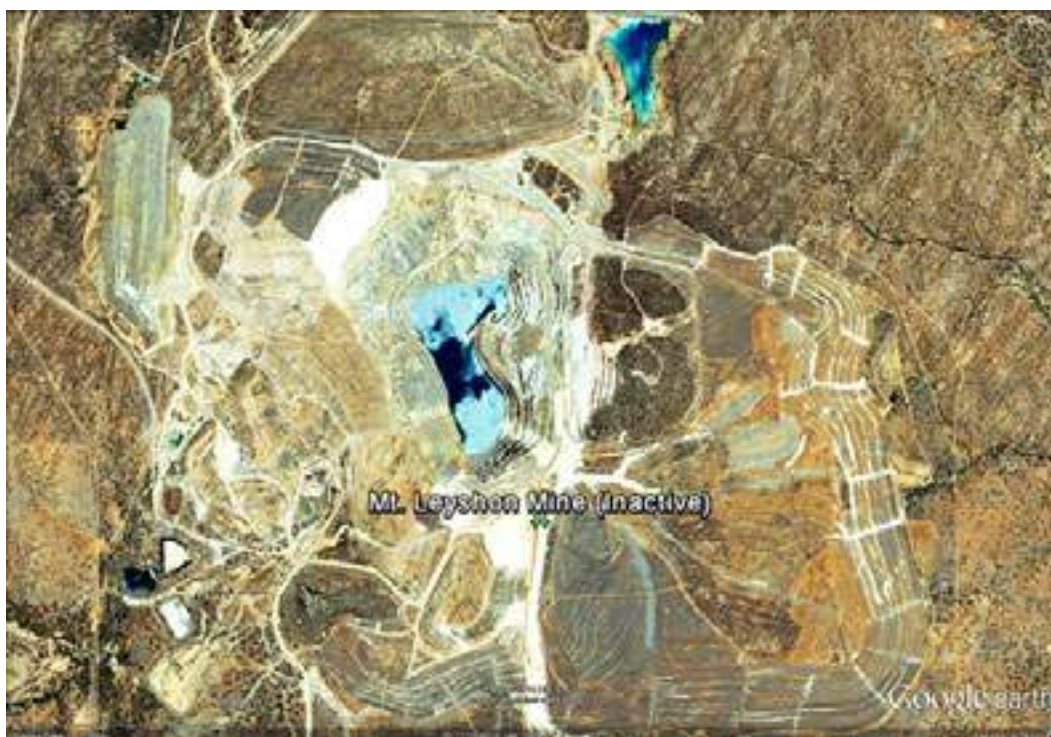




Imagery Date: 2002
Altitude: 2.8 km



Imagery Date: 2003
Altitude: 6.0 km



Imagery Date: 2005 (see expanded view)
Altitude: 4.1 km



Imagery Date: 2005
Altitude: 3.3 km



Imagery Date: 2004 (see expanded view)
Altitude: 1.7 km



Imagery Date: 2003
Altitude: 2.7 km



Imagery Date: 2003

Altitude: 2.9 km

Appendix IX - Curriculum Vitae for:

Michael D. Campbell, P.G., P.H.

and

Jeffrey D. King, P.G.

Curriculum Vitae

Michael D. Campbell, P.G., P.H.,
Vice President and Chief Geologist/Hydrogeologist
I2M Associates, LLC
<http://www.I2MAssociates.com>

PRINCIPAL MINING CONSULTANT
PRINCIPAL HYDROGEOLOGIST
PRINCIPAL ENVIRONMENTAL GEOLOGIST
1810 Elmen Street
Houston, Texas 77019
Telephone: 713-807-0021
Cell Phone: 713-248-1708
Fax: 713-807-0985
Email: mdc@I2MAssociates.com

Education

1976, M.A., in Geology and Geophysics, Rice University under an *Eleanor and Mills Bennett Fellowship in Hydrology* for Research and Seminars in Hydrogeology and Associated Disciplines. 31 Graduate Hours Toward Ph.D., Houston, TX, Thesis: *Paleoenvironmental and Diagenetic Implications of Selected Siderite Zones and Associated Sediments in the Upper Atoka Formation, Arkoma Basin, Oklahoma-Arkansas*, 124 p. (Continuing Research)

1966, B.A., in Geology, The Ohio State University with Courses and Research in Hydrology, Hydrogeology and Associated Environmental Programs. German Secondary Field of Specialty, Columbus, OH. Began college in 1960 in southern California (at San Bernardino Valley College), taking undergraduate courses including: geology, chemistry, engineering drawing, etc. Transferred to OSU in 1962.

Professional Memberships / Affiliations

Association of Ground Water Scientists and Engineers (AGWSE)
American Association of Petroleum Geologists (Emeritus)
(Div. of Environmental Geosciences & Energy Minerals - Founding Member, 1977)
Society of Economic Geologists (SEG-Fellow)
Society of Mining, Metallurgy, and Exploration (AIME-SME Registered Member)
Geological Society of America (GSA-Fellow)
Association of Geoscientists for International Development (AGID)
Houston Geological Society (HGS)
Association of Environmental & Engineering Geologists (AEEG)
International Association Hydrogeologists (IAH)
American Institute of Hydrogeologists (AIH)

American Institute of Professional Geologists (AIPG)
International Society of Environmental Forensics (ISEF)
Texas Association Professional Geoscientists (TAPG)

Professional Certification / Registration

Professional Geologist (AIPG-#3330)
Professional Hydrogeologist (AIH-#480) (Recertification-2004)
Professional Geologist (Wyoming-#546)
Professional Geologist (Mississippi-#347)
Professional Hydrogeologist (Washington-#866)
Professional Geologist (Washington-#866)
Professional Geoscientist (Texas-#53)
Professional Geologist (Alaska-#606)
Registered Member – (SME -#479440RM)

Professional Honors, Awards and Committees

Who's Who in the Southwest (First Listed: 18th Edition - 1982, etc.)
Who's Who in America (First Listed: 49th Edition - 1995, through 58th Edition for 2004)
Who's Who in Technology (1982, etc.) Listing: (see CV)
American Men & Women of Science Listing (here) (1st Listed: 14th Ed. -1979, etc.)
Men of Achievement (International) (First Listed: 10th Edition - 1984)
American Institute of Professional Geologists (1975, etc.)
American Institute of Hydrology (1984, etc.)
Ohioana Book Award in Science (1975)
Citation by Law Engineering as Corporate Hydrogeologist (1990)
Citation by Class of the Institute of Environmental Technology (1992 & 1994)
Public Service Award - Outstanding Contributions, Texas Section, AIPG (1998)
Chairman, Environmental & Mining Sessions, AIPG Annual Mtg, Houston, Tx, Oct., 1997
Chairman, Internet Committee, Texas Section, AIPG (1998-Present)
Chairman, Internet Resources Committee, Texas Section, AEG (2003-Present)
Shlemon Mentor Hall of Fame in Applied Geoscience, GSA Mtg., Texas A&M U., March 16, 2004. Poster at GSA Mtg., Denver
Fellow, Geological Society of America, April, 2004
Distinguished Alumni Hall of Fame: LHS59.org
Mann Mentor in Hydrogeology, GSA South-Central Section Mtg., Trinity U., April 1, 2005
Chairman, Uranium Committee, EMD-AAPG (2004-Present)
President (2010-2011), EMD-AAPG
Registered Member, Society of Mining, Metallurgy, and Exploration (SME)
Fellow, Society of Economic Geologists (SEG)

Continuing Professional Education / Training

Mr. Campbell has attended, presented papers, or served as session chairman in the following technical conferences. He has also maintained the appropriate certifications in health and safety training. Click [here](#) to review.

Career Summary

Mr. Campbell is well-known nationally and internationally for his work as a technical leader, program manager, consultant and lecturer in hydrogeology, mining, and associated environmental and geotechnical fields. He has gained a wide range of interdisciplinary experience in business and technical management in the environmental (regulatory, geological and hydrogeological), mining, and financial fields spanning more than 40 years.

Mr. Campbell has published widely, most notably: *Water Well Technology* (McGraw-Hill) and *Rural Water Systems Planning and Engineering Guide* (Commission on Rural Water). In the mid to late 1970's, he served on the Editorial Board of the journal: *Ground Water* for eight years and served as cofounder and first Director of Research of the NWWA Research Facility at Rice University. In the late 1970's, he also produced the text: *Geology [and Environmental Considerations] of Alternate Energy Resources* (Houston Geological Society) and many other publications and consulting reports over the years on a variety of applied hydrogeologic, geologic, mining, and injection well and hazardous waste subjects. He maintains an extensive library of more than 300,000 citations on environmental and mining topics covering the U.S. and overseas.

Mr. Campbell interrupted his graduate studies after the master's degree (Ph.D. work at Rice University in 1976) to join a major engineering and environmental consulting company as Director, Alternate Energy, Mining and Environmental Programs. During this period, he also served as an invited technical expert and lecturer for UNESCO-sponsored water-supply projects conducted in many parts of the world (e.g., Sweden, Italy, India, Tanzania, Brazil, etc.). Mr. Campbell provided management consulting for a mining project in Nevada (with revenues/expenses of more than \$8 million/year) and as a principal consultant for exploration, mining, processing/refining and environmental activities. Over the past 15 years, Mr. Campbell has provided senior technical guidance, review, training, litigation support and consultation on numerous hydrogeological, water supply, and hazardous waste projects involved in both RCRA and CERCLA programs for major law firms and consulting engineering and environmental companies as well as industry.

Chronological Professional Experience

During the mid to late 1960's, after graduating from The Ohio State University, Mr. Campbell worked for a major American oil and minerals company (Conoco Mining Group) in Australia and Southeast Asia, successfully conducting / managing field exploration programs, drilling operations, and water-supply investigations for development projects involving industrial and energy minerals, and precious and base metals (discovery credited for phosphate in the NT). In the late 1960's to

early 1970's, after returning to the U.S., he served three years as District Geologist for the Eastern U.S. and Canada with a major uranium exploration and mining company in Wyoming (Teton, Div. United Nuclear). While there, he conducted research on hydrochemistry associated with roll-front uranium occurrences and successfully applied the results to the company's field program nationwide with new prospect areas in the Eastern U.S., (reported on in a chapter in the 1977 HGS text on frontier uranium exploration).

During the 1970's, Mr. Campbell subsequently conducted various exploration programs as a consultant in the U.S. for companies such as Texas Eastern Nuclear (U.S. and Sudan), General Crude Oil Company (Div. International Paper) for lignite and other commodities on targets ranging from uranium, rare earth minerals, sulfur, industrial minerals to base metals and precious metals. During 1974-1977, he was awarded a Mills Bennett Fellowship to Rice University, where he subsequently received a Master's degree in geology, and during which he managed a major uranium and rare-earth exploration project in Alaska.

In 1983, Mr. Campbell and two associates from the Canadian group, WGM, Inc., formed a consulting firm and conducted numerous domestic and international geologic, mining, economic, and hydrogeologic investigations, including mineral property valuations and exploration programs (rediscovery credited), mine operational and financial management projects, via mineral-reserve analyses, preliminary feasibility studies, environmental investigations of various types, and other geotechnical investigations.

During the early 1990's, Mr. Campbell served as Regional Technical Manager for DuPont, and after a few years opened a private practice providing consulting services on a range of natural resources for industry and the legal community, and as an expert witness in more than 40 cases. Actual activities can be monitored by reviewing his list of publications and reports.

In the early 2000s, Mr. Campbell was appointed as Chairman of the AAPG Energy Minerals Division (EMD) Committee on Uranium (and Nuclear Minerals), a position he continues hold (see Here). In 2009, he was subsequently elected President of the EMD and has recently completed his term (2010-2011).

In 2010, after some 17 years operating a private practice via M. D. Campbell and Associates, L.P., he joined I2M Associates, LLC based in Seattle with an office in Houston for the purpose of developing projects as a result of the renewed interest in world-wide exploration and development of mineral commodities and the associated environmental issues.

Mr. Campbell's current CV, including all publications /presentations / reports, is included in the link below:

<http://i2massociates.com/michael-d-campbell-pg-ph-curriculum-vitae>

Recent Mineral Publications / Presentations / Major Reports:

Selected professional publications / presentations / major reports of the past 10 years are listed below:

Campbell, M. D., and M. A. Wiley, 2011, "Uranium and Nuclear Minerals," in *Unconventional Energy Resources: 2011 Review* by the Energy Minerals Division, American Assoc. Petroleum Geologists, *Journal of Natural Resources Research*, Vol. 20., No. 4, December, pp. 279-328. ([Paper](#), pp. 311-328).

Campbell, M. D., and J. D. King, 2011, "Iron Glen Project: Northeast Queensland, Australia," Competent Persons Report (CPR) / N 43-101 Report for Iron Glen Mining Pty Ltd., Allenby Capital Limited and Strategic Minerals plc, London, England, by I2M Associates, LLC, Houston and Seattle, May 2, 199 p.

Campbell, M. D., 2011, "State of the Uranium Industry in the U.S. & the World: Updated - 2011," Presented at the April Meeting of the Ohio Geological Society, Ramada Plaza Hotel & Conference Center, Columbus, Ohio, April 21, ([PDF](#)).

Wise, H. M., and M. D. Campbell, 2011, "State of the Uranium Industry in the U.S. and the World," AAPG Conference and Exhibition, Houston, EMD Session, April 12. ([PDF](#)).

Campbell, M. D. and H. M. Wise, 2010, "Uranium Recovery Realities in the U.S. - A Review," Invited Presentation for the Dinner Meeting of the Houston Geological Society's Engineering and Environmental Group, May 18, Houston, Texas, 51 p. ([Click here](#)).

Campbell, M. D., J. D. King, H.M. Wise, B. Handley, and M. David Campbell, 2009, "The Role of Nuclear Power in Space Exploration and the Associated Environmental Safeguards: An Overview," Report of the Uranium Committee, Energy Minerals Division to the Astrogeology Committee of AAPG. Presented at the Conference of the AAPG-Energy Minerals Division and Astrogeology Committee Sessions, June 8-10, held in Denver, CO. ([Click here](#)).

Campbell, M. D., B. Handley, H. M. Wise, J. D. King, and M. David Campbell, 2009, "Developing Industrial Minerals, Nuclear Minerals and Commodities of Interest via Off-World Exploration and Mining," Paper/Poster at the Conference of the American Association of Petroleum Geologist (AAPG), Energy Minerals Division Sessions, June 9, Denver, CO., 27 p. ([Click here](#)).

Campbell, M.D., and J. D. King, 2009, "AusPotash Corporation: Adavale Basin Potash, Queensland, Australia," 43-101 Report, by M. D. Campbell and Associates, L.P., Houston, July, 113 p.

Campbell, M. D., 2009, "Uranium," in *Unconventional Energy Resources: 2007–2008 Review*, Energy Minerals Division, American Association of Petroleum Geologists, of the *Journal of Natural Resources Research*, Vol. 18., No. 1, January. (Uranium section in [Paper](#)).

Campbell, M. D., *et al.*, 2008, "Nuclear Fuel Exploration, In Situ Recovery, and Environmental Issues in context with the National Energy Needs through Year 2040," *Proc. Texas Commission of Environmental Quality Conference and Trade Fair*, Session: "Underground Injection Control," Invited Paper, Austin, Texas, April 30, 2008 ([Click here](#)).

- Campbell, M. D., *et al.*, 2008 "The Nature and Extent of Uranium Reserves and Resources and Their Environmental Development in the U.S. and Overseas," AAPG – Energy Minerals Division Conference, April 23, 2008, Session: "Uranium Geology and Associated Ground Water Issues", San Antonio, Texas ([Click here](#)). Updated and published in AIPG's *Professional Geologist* in 2009 ([here](#)).
- Campbell, M. D., *et al.*, 2007, "Uranium In-Situ Leach Development and Associated Environmental Issues," *Proc. Gulf Coast Geological Societies Conference*, Fall, Corpus Christi, Texas, 17 p. PDF Version: ([here](#)).
- Campbell, M. D., 2007, "Pressure on the Electrical Grid and 3rd Quarter, 2006 Uranium Concentrate Production", in *Unconventional Energy Resources and Geospatial Information: 2006 Review*. The American Association of Petroleum Geologists, Energy Minerals Division, *Natural Resources Research*, Vol.16., No. 3, September. ([Paper](#)).
- Campbell, M. D. and M. David Campbell, 2005, "Uranium Industry Re-Development and Expansion in the Early 21st Century: Supplying Fuel for the Expansion of Nuclear Power in the U.S., *The Environment vs. The Paradigm*," Rocky Mountain Natural Gas Strategy Conference & Investment Forum, Session 1, Presented by Colorado Oil & Gas Association, August 1-3, Denver, Colorado, 44 p.
- Campbell, M. D., *et al.*, 2005, *Recent Uranium Industry Developments, Exploration, Mining and Environmental Programs in the U.S. and Overseas*, Energy Minerals Division, AAPG, Uranium Committee 2005 Report, March 25, ([here](#)).
- Campbell, M. D., 2004, Professional Memorial: Ted H. Foss, Ph.D., P.G., Geological Society of America Memorials, Vol. 33, April, pp. 17-22. ([here](#)).
- Campbell, M. D., 2004, Preliminary Examination of Mineralogical Samples from Rwanda, April 24, 32 p. (Confidential Client from Rwanda).

Historical Mineral Publications / Presentations / Major Reports

Those publications/reports of historical interest (1968 to 1996) are presented via a link, click [here](#).

Curriculum Vitae

Jeffrey D. King, P.G.

President and Senior Program Manager

I2M Associates, LLC

Seattle Office

Telephone: 713-807-0021

Cell Phone: 713-248-1708

Fax: 713-807-0985

Email: JDKing@I2MAssociates.com

Online: Summary ([Here](#))

Education

1979, B.A. in Geology, Western Washington University, WA

Summary of Experience

Mr. King has over 25 years of technical and managerial experience in the natural resource field. Mr. King has extensive experience in developing successful regulatory- and landowner-negotiation and public-relations programs, has conducted or directly managed all aspects of site permitting, and has been involved in the financial and technical evaluation of mining properties for a major mining company and other projects. He has also founded, developed and operated two successful companies. He is licensed as a Professional Geologist in the State of Washington (#1727) and a member of the Society of Mining, Metallurgy and Exploration (SME).

Mining Experience

Mr. King developed mining process expertise in the late 1970's and early 1980's. During this time he worked for Companies such as Bethlehem Copper, Union Oil (MolyCorp) and the mining consulting firms for Watts, Griffis and McOuat and Campbell, Foss and Buchanan, Inc. including gold mining and gold placer evaluation in the lower states and in Alaska. In 1984, Mr. King was named mine manager of a gold and silver mine in Nevada. He served in that capacity until 1986 when he was named Vice President of Operations.

Selected technical presentations on metals and potash by Mr. King are cited below:

Campbell, M. D., and J. D. King, 2011, "Iron Glen Project: Northeast Queensland, Australia," Competent Persons Report (CPR) / N 43-101 Report for Iron Glen Mining Pty Ltd., Allenby Capital Limited and Strategic Minerals plc, London, England, by I2M Associates, LLC, Houston and Seattle, May 2, 199 p.

Campbell, M. D., J. D. King, H. M. Wise, R. I. Rackley, and B. Handley, 2009 "The Nature and Extent of Uranium Reserves and Resources and Their Environmental Development in the U.S. and Overseas," AAPG – Energy Minerals Division 2008 Report, revised for publishing in AIPG's *The Professional Geologist*, Vol. 46, No. 5, September/October, pp. 42-51 - Peer Reviewed. ([Click here](#))

Campbell, M. D. and J. D. King, 2009, "AusPotash Corporation Project: Adavale Basin, Queensland, Australia, NI 43-101 Report, by M. D. Campbell and Associates, L.P., Houston and Seattle, July 8, 113 p. ([Click here](#)).

Campbell, M. D., J. D. King, *et al.*, 2008, "The Nature and Extent of Uranium Reserves and Resources and their Environmental Development in the U.S. and Overseas", *Proc. Conference of the American Association of Petroleum Geologists (AAPG), Energy Minerals Division*, April 23, San Antonio, Texas, 14 p. ([PDF](#)).

Campbell, M. D., H. M. Wise, and J. D. King, 2008, "Nuclear Fuel Exploration, In Situ Recovery, and Environmental Issues in Context with the National Energy Needs through Year 2040", *Proc. Texas Commission on Environmental Quality Conference and Trade Fair*, April 30, An Invited Presentation, Austin, Texas ([PDF](#)).

Environmental Experience

Between 1990 and 1998 Mr. King worked for the DuPont Company directing environmental projects in Washington, Oregon, Alaska and British Columbia, Canada. In 1998, Mr. King formed Pacific Environmental and Redevelopment Corporation to focus on large-scale projects involving the redevelopment of formerly contaminated properties. In completing these projects, Mr. King has developed or managed a team of resources and associates with experience ranging from environmental sciences to master-planned community and golf-course construction.

One such environmental project managed by Mr. King involved the environmental clean-up of an industrial site south of Tacoma, Washington. Once the contaminants were removed, Mr. King oversaw the construction of a golf course followed by the construction of quality homes. The golf course was completed in 2006 and has just won the "Top Ten New Courses in the World" Award for 2007, given by *Travel and Leisure Golf Magazine* (See Announcement (CV).

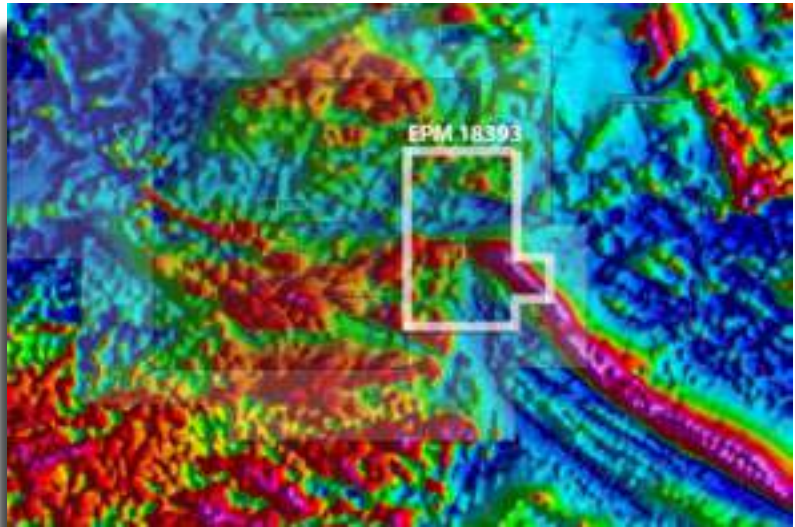
In late 1990, he served with M. D. Campbell and Associates, L.P. as a Senior Program Manager. In 2010, he formed I2M Associates, LLC and presently serves in a management role for the company as President and Senior Project Manager, and in a variety of other management functions, including corporate oversight, project management and assessment, property evaluations, and field investigations of mining and large environmental projects.

xxx

**White Mountain Project:
Northeast Queensland, Australia
Competent Persons Report (CPR)**

for:

**Wishbone Gold Pty Ltd.
and
Shore Capital & Corporate Limited**



by

Michael D. Campbell, P.G., P.H.
and
Jeffrey D. King, P.G.

I2M Associates, LLC
Houston, Texas and Seattle, Washington

July 10, 2012
Version 1.9

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Section 1.0 CPR Executive Summary

A Competent Persons Report (CPR) has been prepared for Wishbone Gold Pty Ltd. (WBG) and Shore Capital and Corporate Limited, London, by I2M Associates (I2M) dated July 10, 2012, on the White Mountain tenement located in Northeast Queensland, Australia. The key elements of I2M's assessment are:

- I2M Associates, LLC confirms that exploration on the subject tenement will benefit from the data produced over more than 40 years of exploration within and around the tenement, and will assist the ensuing exploration in designating priority areas that were not investigated in any detail previously.
- I2M concludes that the area in and around the White Mountain tenement has been explored for decades, but many sites within the tenement remain under-investigated and untested. In particular, the conspicuous magnetic anomaly and highly fractured rocks at the surface north of the terminus of the anomaly have only received superficial investigation to date.
- I2M concludes that the White Mountain tenement is a high-quality mining property on the basis of the number and characteristics of the geological, geochemical, and geophysical anomalies that remain to be investigated, and on the broad range of metals (including gold, silver, lead, copper, zinc, nickel, antimony, and molybdenum) that have been reported in the subject tenement, confirm that the geological setting and structure are suitable for potentially economic deposits.
- I2M concludes that the historical mineralization reported at the Granite Castle deposit on the western boundary of the White Mountain tenement has recently been drilled by others to confirm significant gold and silver in grades and tonnage of potential economic significance.
- I2M concludes that the Thalanga and West 45 mines to the southeast, the Kidston mine to the north and the Welcome deposit near Mingela, Queensland are primary analogues for potential mineralization occurring on the White Mountain tenement.
- I2M recommends priority consideration be given to the numerous shear zones present in the western areas of the tenement that are often associated with shear zones and sulphide mineralization that trend into the property from the Granite Castle deposits located adjacent to the subject EPM.
- I2M also recommends priority consideration be given to the area associated with a major magnetic anomaly present in the central and western areas of the property suggesting precious and base-metal potential similar to that occurring at Thalanga and West 45 Mines, and at the Welcome deposit, where obvious surface manifestations were not recognized before significant mineralization was discovered during drilling at depth.

- I2M concludes that the tenement merits aggressive funding for exploration covering the numerous areas of shows of lode-gold and polymetallic mineralization that remain to be followed up by field work emphasizing ground geophysics and subsequent drilling.
- I2M agrees with the Wishbone Gold management that having an experienced consultant such as their current consultant, Terra Search Pty Ltd., who has specific previous experience in and around the subject tenement, will benefit the current exploration program.
- I2M confirms that this Competent Persons Report is also considered to be JORC-compliant as the asset is located in Australia. Competent Persons Certifications are provided in Section 23.0 of this CPR.
- I2M confirms that there has been no material change in conditions, assumptions, or technical facts since I2M's meetings and site visit in Queensland during the week of March 26, 2012.

Section 2.0 Project Summary

The objective of I2M Associates, LLC (I2M) in this report is to evaluate the available historical technical information, combined with a review of current exploration and mining activities in the general area of the White Mountain tenement, and to assess the likelihood of one or more discoveries of potentially economic interest on the White Mountain tenement.

The White Mountain tenement (EPM #18393) is held by Wishbone Gold Pty Ltd. (WBG), a Queensland company, owned by Wishbone Gold plc, which was incorporated in Gibraltar on October 28, 2009. The tenement is located west southwest of Townsville, Queensland some 300 km via the Flinders Highway, improved Homestead roads, and tracks (see Figures 1 and 2). The tenement is accessed at various locations from the northern side of the main highway and covers an area of about 4,800 hectares (about 18.5 square miles).

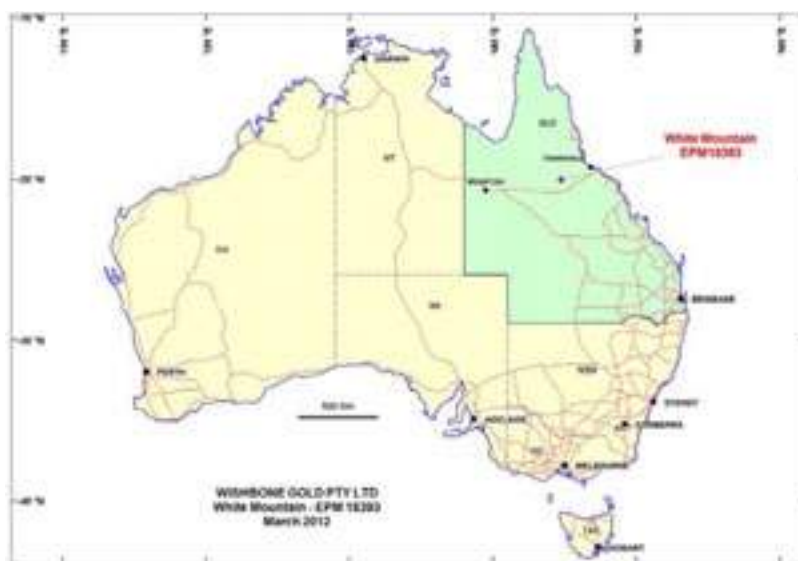


Figure 1 – General Location of the White Mountain Tenement
(from Terra Search, 2012)

Previous discoveries in the Thalanga area, about 60 km southeast of the White Mountain tenement, and at the Kidston mine some 140 km to the north (Furnell, *et al.*, 1995), and others have been made by the application of standard exploration techniques, such as surface reconnaissance, geological mapping, outcrop and soil sampling, and various methods of ground geophysics, followed by bedrock drilling and coring. With the recent advances in geophysics, especially airborne and ground magnetics systems, complemented by new satellite imagery and

combined with new and revised models of mineralization, the management of WBG elected to acquire and explore the White Mountain tenement area.

The subject tenement is located in an area of east-west trending gold and other metal deposits. Although this area has been explored over the past 40 years, and held even recently by Carpentaria Gold Pty Ltd. (Carpentaria) (see Brewster, 2007). It should be noted here that Carpentaria Gold Pty Ltd. is not related to Carpentaria Exploration Ltd.

While Carpentaria Gold has employed standard exploration methods successfully in focusing on quartz vein- and breccia-related mineralization (such as at Mount Wright and at the Welcome deposit), the existence of a major magnetic anomaly within the tenement now allows the WBG management to conduct a more focused exploration program than previous programs. This can be accomplished by using the new methods and revised models of mineralization that are now available on other types of gold occurrences in multi-metal sulphide deposits while investigating the areas of interest within the subject tenement.

Because the Queensland government's DEEDI* database makes available exploration information collected by both major and junior mining companies since the 1950s, this will allow WBG management and their consultants to use all the previous exploration data to target the most prospective areas, which includes the data on the historical mines located within and around the subject tenement, and to follow up on several key leads recommended in the those reports by developing exploration programs in the prospective areas.

WBG management, combined with the technical support of Terra Search Pty Ltd (Terra Search) and other consultants, appears to be able to provide the necessary financial and technical resources to mount an extensive exploration program within the area with the ultimate goal of discovering significant deposits of gold, silver and/or other metals of economic interest.

* Note: The Department name may change due to recent changes in Queensland Government (see: www.deedi.qld.gov.au).



Figure 2
Geographical Location of the White Mountain Tenement
 (Google Earth Map)

Note: For expanded views of the figures contained herein, see Section 24.
 Also, Figures 5, 6A, and 19 have been linked to larger versions (use left click online).

Section 3.0 Introduction

Wishbone Gold Pty Ltd.(WBG) engaged I2M Associates, LLC via agreement dated November 9, 2011 to provide an independent assessment and review of the current technical information and of the merit of future exploration and development plans for the White Mountain tenement located in Northeast Queensland, (see Figure 1). This Competent Persons Report is to be used by WBG management as an independent assessment of the exploration potential of the subject tenement and, if I2M's preliminary assessment is favorable, as part of a potential future listing on the London Stock Exchange's Alternative Investment Market (AIM).

This Competent Persons Report utilizes an extended form beyond that suggested in the AIM guidance documents of Part One and Part Two, especially Appendix 1 and 2. The treatment of the various subjects within the stipulated headings will by nature involve some duplication. This is to facilitate reader understanding and familiarity with the subjects treated. To further improve clarity, we have included a list of standard abbreviations (Appendix I), and a glossary of technical terms (Appendix II) as suggested in the AIM guidance documents.

3.1 Location of Property

EPM# 18393 was granted in 2011 to WBG and was named the White Mountain tenement after the general geographic location. Its northern boundary is located some 10 km southwest of the Reedy Springs Homestead and its eastern boundary is about 15 km west of the Cargoon Homestead. Its western boundary is about 15 km east of the Camden Park Homestead (see Figures 3, 6A and 6C). The small settlement Pentland exists some 87 km southeast of the subject tenement. The tenement spans some 7 km east-to-west, and almost 9 km north-to-south. It should be noted that tenement boundaries plotted in all figures in this report are approximate only.

3.2 Scope of Work

This report has been prepared based on our review of the available internal documents from WBG management and on information provided for our review by their principal consultant, Terra Search Pty Ltd., located in Townsville, Queensland. Additional information has been obtained from various Queensland governmental agencies, from the available geoscience literature, and from the files of I2M Associates, LLC in Houston, Texas, and Seattle, Washington.

For this report, I2M personnel carried out the following tasks:

- Discussions with Terra Search personnel, Townsville, Qld. on March 26 and 28, 2012 regarding their input to date, with special emphasis on their anticipated exploration plans,
- Site visit to the White Mountain tenement north of Pentland, Qld. on March 27, 2012,
- Discussions with senior personnel of the Department of Environment and Resource Management (DERM*), Townsville, Queensland on March 28, 2012 regarding potential environmental issues should the White Mountain property be developed as a mining operation,
- Visit to the James Cook University library on March 29, 2012 to search for research reports focusing on the general area,
- Independent review of historical reports on previous exploration from the 1950s to date concerning the White Mountain EPM area and environs,

* Note: The Department name may change due to recent changes in Queensland Government (see: www.derm.qld.gov.au).

- Independent geological assessment of the reported mineralized zones in and around the EPM in context with other similar deposits nearby that have been studied by others in some detail, and
- Independent assessment of the basis for pursuing additional exploration at the White Mountain tenement.

3.3 White Mountain Tenement

An application for the White Mountain tenement was lodged November 18, 2009 and was subsequently granted for the period May 5, 2011 to May 4, 2016. The general location of the tenement (EPM# 18393) is shown in Figures 1 and 2. Figure 3 shows the location of the tenement and those in the surrounding area. The regulatory status of the tenements shown in Figure 3 is either “granted” (medium-gray shade) or “application” status (shown in light yellow).

The tenement boundaries were confirmed by I2M as of March 5, 2012 with the DEEDI* database (see citations). Additional information is provided on other companies with tenements either granted or in application stage surrounding the White Mountain tenement in Section 16.0 - Adjacent Properties (Tenements).

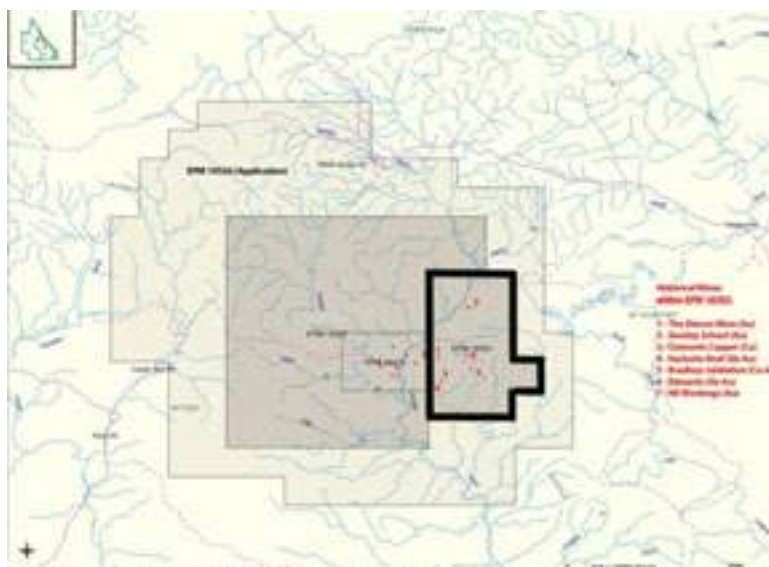


Figure 3 – White Mountain & Surrounding Tenements

Source: QDEX Tenement Database (As of March 5, 2012)

Note: Also see Tables 3 and 4 later in this report for identification of the company holdings surrounding the Tenement.
(Left click to expand view.)

* Note: The Department name may change due to recent changes in Queensland Government (see: www.deedi.qld.gov.au).

3.4 Units

The Metric System is the primary system of measure and length used in this report and is generally expressed in kilometers (km), meters (m), and centimeters (cm); volume is expressed as cubic meters (m³); mass is expressed as metric tonnes (t); area as hectares (ha); laboratory analyses are reported as elements or are converted to oxide percent in parts per million (ppm). Grams per tonne (g/t) is an equivalent unit to ppm. One tonne is the equivalent of 2,204.6 lbs. A list of standard technical abbreviations is provided in Appendix I. Monetary units are treated as Australian Dollars. Mining and mineral acronyms in this report conform to mineral industry-accepted usage. The reader is also directed to the glossary of commonly used terms in the mining field: www.maden.hacettepe.edu.tr/dmmrt/index.html, and to Appendix II for a glossary of report-related technical terms.

Section 4.0 Reliance on Other Experts

The authors of this report have relied on the information made available by the management and consultants of the WBG and on the technical literature and company reports made available online by personnel of the Geological Survey of Queensland and from the I2M library. Queensland exploration reports were recovered using an Internet document-management system called QDEX (Queensland Digital EXploration Reports system), which contains thousands of company reports, associated figures, tables, maps, and geophysical information from the 1950s to 2011 on mineral exploration and development projects in Queensland. The reports consulted have been cited in this report and are listed in Tables 3 and 4, and in Section 22.0 - References.

The I2M personnel selected for this project include: Michael D. Campbell, P.G., P.H., Vice President and Chief Geologist, I2M Associates, LLC, Houston, Texas, Jeffrey D. King, P.G., President and Senior Project Manager, Seattle, Washington, and supported by Tom Sutton, Ph.D. P.G., M. David Campbell, P.G., and Bruce Handley, P.G. Their CV's are included in Section 25.0 - Appendix VIII.

During the week of March 26, 2012, I2M personnel (Mr. Campbell) met in Townsville, Queensland with Mr. Richard Poulden, Chairman of WBG, to discuss the status of the project.

On March 27, 2012, I2M personnel, in the company of Mr. Poulden and Dr. Simon Beams, Chief Geologist of Terra Search, conducted a site visit of the White Mountain tenement by helicopter and on the ground, with special emphasis on the local geology of the historical mine workings in the subject tenement and discussed WBG management's future exploration plans (see Figure 4 and Appendix VI). On March 28, 2012, I2M personnel met with Simon Beams, Ph.D., Principal Geologist, and the staff of Terra Search for a de-briefing on the field investigations and to discuss the status of the forthcoming White Mountain exploration project.

On March 28, 2012, Mr. Poulden and I2M personnel visited with senior personnel of DERM in Townsville to discuss environmental matters that may impact present and future exploration and mining operations on the White Mountain tenement. Final briefings were held with Terra Search personnel, Mr. Poulden of WBG, and Mr. Campbell of I2M to discuss future exploration activities.

Terra Search provided I2M personnel with copies of the technical reports and some of the associated literature on past exploration on the White Mountain tenement. Input was also subsequently received from the WBG management regarding current land status (see Sections 5.2 and 5.3). I2M personnel also visited James Cook University on March 29, 2012 to consult the library for any recent, relevant geological reports focusing on the area of interest.



**Figure 4 – Site Visit Personnel on the White Mountain Tenement
in the Historical Diecon Mine Workings**
(left to right: Dr. Beams, Mr. Campbell, and Mr. Poulden)

Section 5.0 Property Description and Location

5.1 General Description

The White Mountain tenement (EPM #18393) is part of the high western slopes of the Great Dividing Range of the White Mountains and associated ranges located some 300 km via the Flinders Highway west-southwest of Townsville, Queensland (see Figures 1 and 2). The tenement is accessed by road at various locations from the north side of the highway and covers an area of 4,800 hectares (about 18.5 square miles) and lies within the Hughenden 1:250,000 and the White Mountain (7857) 1:100,000 maps.

The area exhibits small conical peaks and mesas to an elevation of about 850 m above sea level. Most the local area exhibits a dense pattern of dissected ridges generally no more than 100 m above the valley floors. The ridge crests and streams are generally oriented easterly or to the north.

The Flinders River travels through the EPM and reaches Hughenden where the river turns to the west and eventually flows into the Gulf of Carpentaria to the north. Rolling hills are dissected by the Flinders River to the west of the tenement, becoming higher hills in the east with the highest elevation of one hill at 770 m.



Figure 5 – Aerial View of the White Mountain Area
(Google Earth Map) Left click to expand view.

For an expanded view of ground conditions illustrated in Figure 5, and see Section 24 and Section 25, Appendix VI for some of the field photos taken during the visit to the tenement in March, 2012. Station tracks and tracks created by earlier exploration traffic provide good access throughout most of the tenement during the field season, from April to November, depending upon when the “wet” season begins and ends each year. Road washouts are common in the area from monsoonal rains, especially when traveling in areas of steep topography where drainage merges into adjacent valley floors (see Figure 6A-B-C).

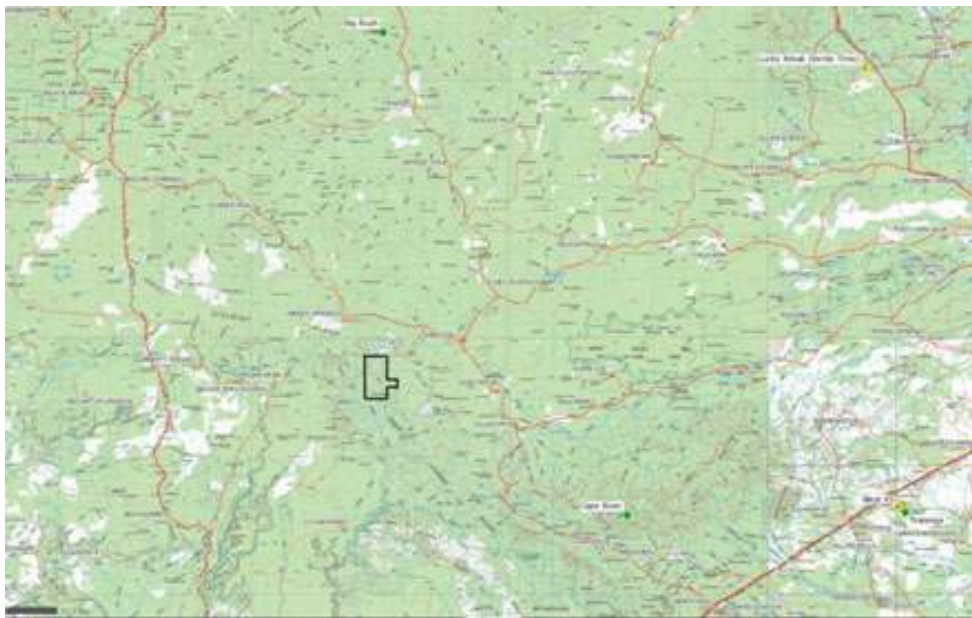


Figure 6A - Regional Topography Showing the White Mountain Tenement and Historical Mines in the Region and Infrastructure (See expanded view-left click)



Figure 6B - Regional Topographical Map
 (From Terra Search)

Figures 6A and 6B also show the subject EPM's proximity to the Flinders Highway to the southeast and the location of the surrounding homesteads. Figure 6A shows the mining projects known in the general area, which includes the Thalanga-West 45 mines (Berry, *et al.*, 1992; Hermann and Hill, 2001; Paulick, *et al.*, 2001); the Cape River mine (Shelton and O'Rourke, 1983), the Big Rush mine (Robertson, 1997); Lucky Break (Verde Tinto) mine; and beyond the map to the north, the Kidston mine (see Hannes and Dalgarno, 1967; Baker and Andrew, 1991; and Furnell, *et al.*, 1995).



Figure 6C – Local Topography with Homesteads, Improved Roads, Tracks, and Streams

5.2 Property Ownership and Financial Obligations

The Wishbone Gold Pty Ltd is domiciled in Queensland, Australia and holds all relevant rights to the White Mountain tenement. The financial obligations of holding the White Mountain tenement include yearly rentals and a commitment to a minimum yearly expenditure for exploration in the area held. The White Mountain EPM currently holds 16 sub blocks within the White Mountain 1:100,000 map sheet, described in Table 1. Homesteads are also listed.

Table 1
White Mountain EPM Holdings

SHEET NAME	SHEET REFERENCE	BLOCK	SUB BLOCKS	DATE GRANTED	HOLDER
White Mountain	7857	CLER	16	May 5, 2011	Wishbone Gold Pty Ltd.

Station Holders listed for Cargoan, Reddy Springs, and Camden Park Homesteads.
(see Appendix III for land access contact information)

The locations of the sub blocks within the White Mountain tenement are illustrated in Figure 7. The red dots are historical prospect sites to be discussed later in this report.



**Figure 7 - Locations of Sub Blocks within White Mountain Tenement
with Historical Prospect Sites (red dots)**
 (from Terra Search Documents)

We have included our estimates of the likely rentals fees in Table 2. It is the responsibility of the EPM holder to check the current rental rate and to pay the rentals before the indicated due date. The anticipated increase in the annual rental rates through 2016 have been estimated at \$6.30 per sub block per year and are incorporated in Table 2.

**Table 2
Rentals for White Mountain EPM Sub Blocks Held***

YEAR OF PROJECT	COST PER SUB-BLOCK	NUMBER OF SUB-BLOCKS	TOTAL COST(AUS)
Year 2012	127.05**	16 (4,800 ha)	2,032.80
Year 2013	133.35**	8 (2,400 ha)	1,066.80
Year 2014	139.65**	4 (1,200 ha)	558.60
Year 2015	145.95**	2 (600 ha)	291.90
Year 2016	152.25**	1 (300 ha)	<u>152.25</u>
Total:			\$4,102.35

* Based on Tenure Rental Current Yearly Rates – 2012 for EPMs at \$127.05 per sub-block (~300 ha)

** Based on 2012 Rate Sheet provided by Terra Search

As indicated in Table 2, the EPM must be reduced in size by sub block periodically, as required by the Queensland Department of Employment, Economic Development and Innovation (DEEDI)*, according to Section 139 of the Queensland Mining Resources Act of 1989 (MRA). For the subject tenement, no relinquishment is required until 2013.

Unless otherwise specified by the Minister, the area of the tenement must be reduced in the way and to the extent decided by the Minister when the tenement was granted or is renewed. Section 139 of the MRA provides that the area of an EPM must be reduced by 50% at the end of the first two years after its grant, and by 50% of the remainder at the end of each subsequent year.

We understand, however, that if WBG management wishes to retain sub blocks and not relinquish blocks at the scheduled time, WBG can apply to the minister for a ‘variation of relinquishment’. This must be supported with reasonable justification and/or evidence (e.g. extreme weather event, company restructure, discovery of significant mineralization, etc.). An application for variation of relinquishment is required to be made within three months before the relinquishment is due. WBG must also make a submission to the Minister at least 20 business days prior to the date relinquishment is due to occur by identifying which sub-blocks of land WBG wishes to relinquish. If WBG fails to make the submission, the Minister will either make a determination of the sub-blocks to be relinquished, or, the Minister may cancel the exploration permit.

In addition to the rental payments, there is a minimum annual expenditure (MAE). An estimated MAE is required by the DME and is indicated in the EPM application by the applicant. This is based on the anticipated scope of work (and cost estimate), the latter becoming the MAE if approved by the Queensland Government. The subject tenement application was granted in 2011 with an estimated MAE of \$172,000.00 over a five-year program.

The Minister may require security to be paid for the EPM. Currently, the security amount is nil, but this is subject to change if the Minister determines that security is required to cover any damages caused by WBG. WBG will be required to pay security if they apply for a more secure form of tenure, and this amount will be at the Minister’s discretion.

* Note: The Department name may change due to recent changes in Queensland Government (see: www.deedi.qld.gov.au).

Total minimum holding cost for the subject tenement for 5 years is:

Rentals: \$4,102.35 (Actual rentals would depend on relinquishment schedule and property held and would likely be somewhat higher)

MAE: \$172,000.00 (Based on 5-year exploration program)

Bonds: Nil (To be determined by the Minister).

Minimum: \$176,102.35*

*This does not include costs related to homestead access, road repairs, or negotiated costs involved in land usage.

5.3 Production Royalties & Agreements

In the event a mineral discovery is made on the subject tenement, and that it has been deemed suitable for mining (subject to the company's Mining Feasibility Study), a mining development license (MDL) will be required. A mining lease would then be required if mining operations are approved. Royalty and other agreements would be in place prior to mining operations.

5.3.1 Royalty to be Paid

Under the *Mineral Resources Act 1989* (Qld) (Act), the holder of an Exploration Permit must pay, in respect of all commodities mined or purported to be mined, a royalty to the Minister. The royalty rate for each commodity is provided for at Schedule 4 to the *Mineral Resources Regulation 2003* (Qld), see QMRA, 1989. For example, the **Average Market Price**, for a prescribed commodity, means the average for a return period of the following price, converted to Australian dollars at the hedge settlement rate for each day of the return period:

- a) for cobalt, copper, lead, nickel or zinc: the spot price quoted on the London Metal Exchange;
- b) for gold: the p.m. "fix price" quoted on the London Bullion Market;
- c) for silver: the "fix price" quoted on the London Bullion Market.

Reference Price 1, for a prescribed commodity, means:

- a) for cobalt: \$25 for each pound; or

- b) for copper: \$3,600 for each tonne; or
- c) for gold: \$600 for each troy ounce; or
- d) for lead: \$1,100 for each tonne; or
- e) for nickel: \$12,500 for each tonne; or
- f) for silver: \$9 for each troy ounce; or
- g) for zinc: \$1,900 for each tonne.

Reference Price 2, for a Prescribed commodity, means:

- a) for cobalt: \$38 for each pound; or
- b) for copper: \$9,200 for each tonne; or
- c) for gold: \$890 for each troy ounce; or
- d) for lead: \$2,500 for each tonne; or
- e) for nickel: \$38,100 for each tonne; or
- f) for silver: \$16.50 for each troy ounce; or
- g) for zinc: \$4,400 for each tonne.

The royalty rate for a Prescribed commodity is:

- a) if the average market price for the commodity is equal to or lower than reference Price 1 for the commodity or 2.5% of the value of the prescribed commodity; or
- b) if the average market price for the commodity is higher than reference Price 1 for the commodity but lower than reference Price 2 for the commodity or the Prescribed Percentage of the value of the prescribed commodity; or
- c) if the average market price for the commodity is equal to or higher than reference Price 2 for the commodity or 5% of the value of the prescribed commodity.

The **Prescribed Percentage** is applied for price conditions described in b) above and is calculated by applying the following formula:

$$PP = 2.5\% + \left\{ \frac{PD}{RFD} \times 2.5\% \right\}$$

where:

PP = the prescribed percentage.

PD = the difference between the Average Market Price and Reference Price 1 for the prescribed commodity.

RFD = the difference between Reference Price 2 and Reference Price 1 for the prescribed commodity.

For the other two other cases (for a) and c) above), the royalty would be 2.5% and 5%, respectively, on the gold sold. As an example of the procedure, if the average market price for gold is \$1,600.00 for each ounce of gold sold, the royalty rate paid to the Queensland Government for the gold recovered for the quarter would meet the requirements of subsection c), above, given the average market price is higher than the Reference Price 1 for gold (\$600.00) and higher than Reference Price 2 for gold (\$890.00). The royalty rate would be 5% on the revenue gained by selling gold. This assumes that the gold is bullion grade produced by an approved refinery. For multi-metal production, the royalty calculation becomes more involved (see QDEEDI, 2012).

There are no other current royalties in effect involving any future production from the White Mountain EPM. This is not to imply that additional royalties may not be required at some time in the future by the Government or offered by WBM and/or accepted by a third-party at some time in the future.

5.3.2 Agreements Concerning Land Access

Land Access Code

We understand that the Queensland Parliament has recently introduced a new Land Access Code that will form part of the conditions of exploration permits and mineral development licenses issued under the Act. The Code updates the existing Notice of Entry (NOE) and compensation provisions contained under the Act and aims to ensure consistency in the definitions of “compensatable effects” for which tenement holders

must compensate landowners. A breach of the Code may result in a pecuniary penalty, and can also potentially lead to forfeiture of a tenement. With the recent elections in Queensland, significant changes are likely in the next few years and these would likely be beneficial to the mining industry.

Access / NOE Provisions under the Code

Proposed activities, for which access to the land is required, are categorized as either a ‘preliminary activity’ or an ‘advanced activity.’ A ‘preliminary activity’ is an authorized activity “that will have no impact, or only a minor impact, on the business or land use activities of any owner or occupier of the land on which the activity is to be carried out”. Some examples are provided below:

- walking the area;
- driving along an existing road or track;
- taking soil or water samples;
- drilling without constructing earthworks;
- geophysical surveying without site preparation; and
- aerial, electrical or environmental surveying.

Activities on land that is less than 100 ha or that is used for intensive farming or broad-acre agriculture, an activity that is carried out within 600 m of a school or an occupied residence, or that affects the lawful operation of an organic or bio-organic farming system, is considered a ‘preliminary activity’. All other activities are considered to be ‘advanced activities’.

NOE requirements under the Code provide that a tenement holder can enter to conduct preliminary activities by giving a written entry notice at least 10-days business days before entry, or in accordance with an existing agreement, such as a Compensation Agreement. However, for advanced activities, broad overview compensation must be determined first, and once that has occurred, an NOE may be given. If an agreement can’t be reached, a negotiation notice must be given to the land owner to commence negotiating the entry of the tenement holder on the land. An agreement remains to be

worked out with the Homestead owners with land holdings within the White Mountain EPM (see Table 1 and Appendix III for Homestead names).

5.3.3 Aboriginal Cultural Heritage

The Aboriginal Cultural Heritage Act (ACH) of 2003 came into effect on April 16, 2004. This legislation provides for the recognition, protection, and conservation of Aboriginal cultural heritage. Tenement holders have a duty of care to protect Aboriginal cultural heritage when carrying out exploration and any development activities undertaken on the subject tenement, and to meet with any Aboriginal party within the area, if any, to satisfy its duty of care in accordance with the criteria set out in Sections 34 and 35 of the ACH Act (see QDERM, 2012). We understand that there are native title claims within the subject area of current interest. Additional investigations are recommended regarding these matters at the appropriate time.

5.4 Permitting

At present, there are no known active Mining Development Licenses (MDL) currently held within or near the subject EPM (see Section 3.3 – White Mountain Tenement). A permit is required to drill test wells; coring and logging are considered part of the drilling program. Drilling of the test holes also require a Class 3 driller with all the appropriate certificates for permission to drill in the Wishbone II area. Other permitting requirements include yearly reports on the exploration program to the Queensland Department of Energy and Water Supply (DEWS*).

At some point in the exploration program, assuming results are favorable, a Mineral Development License (MDL) will be required to permit a mining venture to proceed in the event that minerals of economic significance are discovered on the tenement. The MDL is designed to allow time to conduct various permitting requirements, one of which will be the confirmation of a Native Title Agreement, if applicable. Others include agreements on water-use rights, railway agreements (if possible), and others focusing on the construction of facilities or infrastructure, and with the Homesteads' surface rights within the tenement area, see Appendix III.

* Note: The Department name may change due to recent changes in Queensland Government (see: www.deedi.qld.gov.au).

5.5 Environmental Issues

The White Mountain EPM is not currently subject to any known environmental study. All work carried out by Terra Search or other consultants to WBG is to be in accordance with the Code of Practice, as outlined in the Queensland Department of Environment and Resource Management (DERM*) “Schedule of General Exclusions and Conditions for Exploration Permits.” WBG management anticipates that the proposed exploration methods will have minimal impact on the environment. Initial traversing will be done on foot and light four-wheel-drive vehicles, and where possible vehicles are to use existing tracks. In areas of no tracks, vehicle traversing is to be designed to cause minimal soil erosion or damage to existing vegetation. Any earthworks necessary for drilling programs are to be rehabilitated at completion of the program, if required. A truck-mounted drilling rig will be the only significant large item of equipment that will be used on site. Minor site preparation will be required to maintain personnel safety. All drill sites are to be rehabilitated, including:

- all top soil preserved,
- all drill holes, including open hole, capped at ground level,
- drill sumps, where used, are to be backfilled, and
- if a drill site is to impact a water course, the drill-hole site is to be designed to avoid disturbance.

We understand that WBG has access to a number of rehabilitation environmental consulting experts. WBG management and their consultants have arranged that should the need arise they would be called upon to assist WBG with any reasonable operations on the subject EPM.

A mining project is prescribed under section 151 of the *Environmental Protection Act 1994* as either a level 1 mining project or a level 2 mining project, depending on the risk of environmental harm. Mining activities that are part of a mining project are authorized under an Environmental Authority (for mining activities). A mining project is prescribed under section 151 of the *Environmental Protection Act 1994* as either a level 1 mining project or a level 2 mining project, depending on the risk of environmental harm. Mining activities that are part of a mining project are authorized under an Environmental Authority (for mining activities).

* Note: The Department name may change due to recent changes in Queensland Government (see: www.derm.qld.gov.au).

For a new mining project, an applicant must apply concurrently for an Environmental Authority (for mining activities) under the *Environmental Protection Act 1994* and a tenement mining lease (after an MDL has been approved) under the *Mineral Resources Act 1989*.

Following a legislative review, the Queensland Government amended the *Environmental Protection Act 1994* and the Environmental Protection Regulation 2008. These changes came into effect in December, 2011.

The main changes relating to level 2 Environmental Authorities (mining activities for a mining area of less than 10 hectares) are:

- the annual fee for an environmental authority is no longer required to be submitted with the application for a new environmental authority.
- the annual fee for an environmental authority is payable on the first anniversary after granting of at least one mining tenement related to the environmental authority.
- where an environmental authority has been amended to form part of an amalgamated environmental authority - and the application is received on or after March 1, 2011, but before November 2, 2012 - all annual fees and late fees paid for the extinguished environmental authority will be refunded back to January 1, 2009. Where annual fees and late fees have not been paid for the extinguished environmental authority, outstanding invoices for the above period will be cancelled. For additional information, see QDERM, 2012).

As indicated previously, with the recent elections in Queensland, significant changes are likely in the next few years and these would likely be beneficial to the mining industry.

Section 6.0 Accessibility, Climate, Local Resources, and Physiography

6.1 Topography, Elevation, Vegetation, and Fauna

The topography and associated elevation in the general area of the subject tenement are illustrated in Figures 6A, 6B, and 6C, along with the boundaries of the subject tenement. The region's main towns are Charters Towers to the east some 155 km by direct flight (some 180 km by track and highway). The small settlement of Pentland is about 85 km to the south of the White

Mountain tenement. Another small settlement, Hughenden, lies some 132 km to the west of Pentland along the Flinders Highway.

The subject tenement lies within the Flinders River Drainage Basins and in the Einasleigh Uplands bioregion. Based on information provided by the Australian Government (see Section 23.0 - References), the undulating hills and ranges of the bioregion are dominated by woodlands of Georgetown box (*Eucalyptus microneura*) with areas of narrow-leaved ironbark (*Eucalyptus crebra*) and broad-leaved ironbark (*Eucalyptus shirleyi*). Small woodland areas of Reid River box (*Eucalyptus brownii*), Molloy red box (*Eucalyptus leptophleba*) and Cullen's ironbark (*Eucalyptus cullenii*) occur on the surrounding slopes and lower areas. The basalt soil in the central and southern areas of the bioregion support ironbark (*Eucalyptus* spp.) woodlands and mountain coolibah (*E. orgadophila*) open woodlands. River red gums (*Eucalyptus camaldulensis*) occur along large water courses. Refer to Cumming (1992); Galloway *et al* (1970); Nelder & Clarkson (1995); Perry *et al* (1964); and (Sattler & Williams, 1999) for additional information.

Endemic flora includes the cycad (*Cycas couttsiana*) and a number of dry rainforests species such as *Atalaya calcicola* and *Alectryon tropicus*.

About 62 flora species are listed as rare and threatened, of which the *Plectranthus minutus* and the *Tylophora rupicola* are considered endangered. For a list of rare and threatened flora and vegetation descriptions of the bioregion refer to Sattler & Williams (1999).

The bioregion contains more species of rock wallaby (*Petrogale* spp.) than anywhere else in Australia. The springs and spring fed wetland systems provide significant water bird breeding and feeding areas and a refuge for fauna such as the freshwater crocodile (*Crocodylus johnstoni*) (Sattler & Williams, 1999).

About 38 fauna species are listed as rare and threatened, of which the western quoll (*Dasyurus geoffroii geoffroii*) is thought to be extinct in Queensland but apparently survives in the southwestern area of Western Australia. The skinks (*Lerista vittata* and *Lerista cinerea*) are

considered to be vulnerable. For a list of rare and threatened fauna and fauna surveys refer to Sattler & Williams (1999).

Some bird species have had losses or marked reduction in numbers, particularly the star finch (*Neochimia ruficauda*) and Gouldian finch (*Erythrura gouldiae*). Many birds have benefited from human activity in the region including the brown quail (*Coturnix ypsilophora*), peaceful dove (*Geopelia striata*), pheasant coucal (*Centropus phasianus*), singing bushlark (*Mirafra javanica*) and Richard's pipit (*Antus novaeseelandiae*) (Woinarski, *et. al.*, in prep.).

6.2 Accessibility to Properties

The subject area is located approximately 300 km southwest by road from Townsville. Access to the tenement is possible from the Flinders Highway at Pentland with permission from the Cargoon Homestead Station holder(s), see Section 5.3.2, and Appendix III. The area experiences a monsoonal climate with heavy rainfall during the wet season on soils desiccated during the warm, dry months and not only produces severe gully and sheet erosion, but also results in ground-water recharge with the excess discharging as surface run off via streams and rivers. Such conditions can block tracks and often require repair to permit field traffic.

6.3 Local Resources

One large, constructed tank (pond) is present along the eastern boundary of the subject tenement. Ground-water resources are available from water bores (windmills) in areas underlain by thick alluvium and from fractures and joints in the bedrock below shallow soils and alluvial sediments. In areas where granite and other igneous and metamorphic rocks are present in the subsurface, ground-water supplies would be available, especially near dry creeks where major fractures or joints are likely to be present. Lower meadows surrounded by hills consisting of igneous and metamorphic rocks serve as collection areas to recharge shallow ground water. The depth to the water table in such areas will need to be monitored because the volume of ground water available within the fracture systems may not be large, although sufficient supplies can be available under certain circumstances, see Larsson, I., M. D. Campbell, *et al.*, (1984).

The Flinders River runs most of the year with billabongs developing during low rainfall periods but these may dry up during droughts. No livestock was observed on the tenement during the I2M's site visit during the week of March 26, 2012.

The nearest railway is the main Mt. Isa-Townsville Railway located approximately 85 km south of the subject tenement parallel to Flinders Highway near Pentland, Qld.

6.4 Climate and Seasonal Operations

Hannan (2007) reports that the nearest readily available center for climatic data is the Hughenden Post Office located about 100 km to the southwest of the EPM. Rainfall measurements at Hughenden from 1884-2004 (120 years) indicate an average annual rainfall of 491.3 mm/year. The average for the two wettest months, January and February, was 106.3 mm per month and for the driest month, August was 7.9 mm. Rainfall through the wet season (Dec-Mar) averaged 342.0 mm and through the rest of the year was 149.2 mm, indicating there is no absolute dry season. Temperature measurements over 92.6 years indicate an average maximum of 31.6° C and a minimum of 16.6° C. The means for January are 35.8° C (max.) and 22.5° C (min.) and for July are 25.0° C and 8.9° C. Mean relative humidity extremes were 65% (Feb) and 43% (Oct) (see Figures 8, 9, and 10 for typical conditions).

Based on data from Australian Bureau of Meteorology (2012). Recent and prevailing weather conditions in Hughenden are available at: http://www.bom.gov.au/climate/averages/tables/cw_030024.shtml.

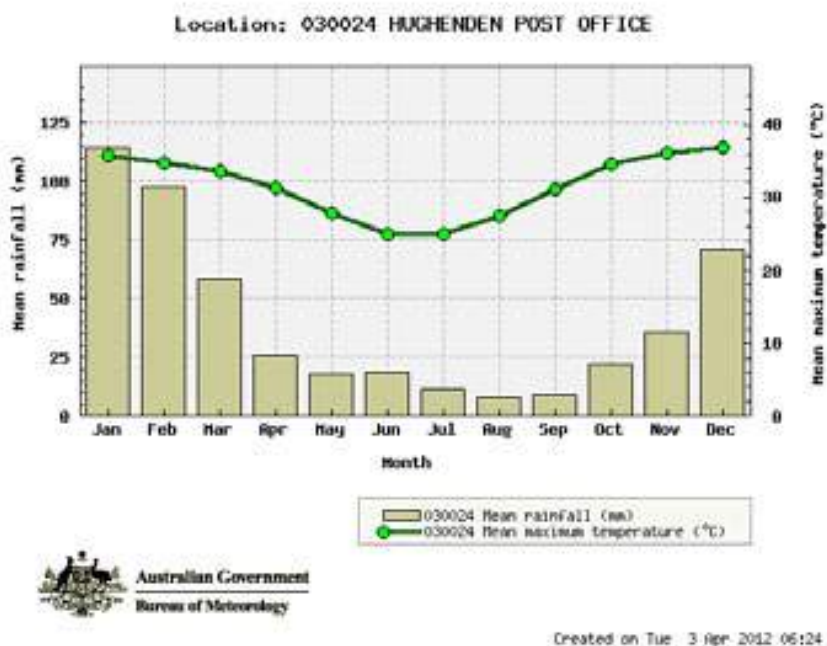
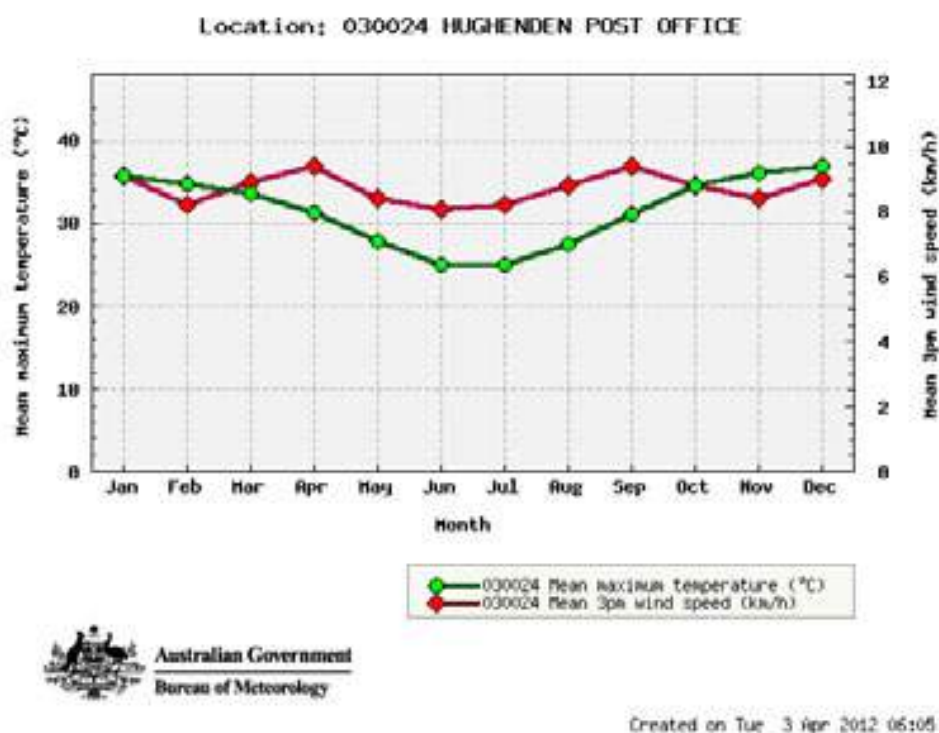


Figure 8 - Mean Maximum Monthly Temperatures and Rainfall



Figure 9 - Average Daily Relative Humidity
(@ 3:00 PM)



**Figure 10 - Mean Maximum Monthly Temperature
and Mean Wind Speed @ 3:00 PM**

6.5 Available Infrastructure

As discussed in Sections 6.2 - Accessibility to Properties and 6.3 - Local Resources, supporting infrastructure is available in Charters Towers about 180 km by road to the east via the Pentland track and the Flinders Highway (or about 155 km via direct flight). The Mt. Isa - Townsville Railway parallels Flinders Highway heading east to Charters Towers and Townsville and west to Cloncurry and Mt. Isa. This railroad carries mined ore and concentrates from the Mt. Isa Mines, and more recently from mines in the Cloncurry area to Townsville.

For field programs, electric power can be connected by a single line from either Cargoon or the other homesteads. The nearest airstrip suitable for light aircraft is at Camden Park Homestead. There are no telephone lines in the area and all homesteads use satellite telephones. Hughenden is the administrative center for Flinders Shire, in which the subject EPM is located. It has a population of a few thousand or less, and overnight accommodations and a collection of stores for supplies. It also has petrol stations, a hospital, a police station and a bank or two at last count. The support of the

Queensland Government for the development of a Queensland-based precious metal, base metal, and iron ore industry could result in a major improvement over the next few decades in the supporting infrastructure.

Significant factors impacting the development of the industry will be road and rail transport, and port infrastructure and capacity, and the availability of water for processing and associated mining needs. Reports are that the Mt. Isa-Townsville Railway System is nearing capacity, and any additional transport needs would likely be met by special agreements and cooperation with the Queensland Government and current transporters. Rail support would not be needed for gold and silver production, but may be required to transport base-metal concentrates in the event such commodities are discovered and produced on the subject tenement.

Section 7.0 History

7.1 Previous Exploration Results

Terra Search, WBG management's principal consultant, collected information from QDEX, the online source of previous mining and exploration activities in Queensland since the 1950s. Terra Search presented exploration narratives for the previous methods used (see Appendix IV).

We have identified the companies that have been active in the general area within the past few decades. The first group consisted of the early miners of the 1800s and early to mid-1900s. They are responsible for identifying areas that remain areas of interest to present exploration companies. These efforts were based on surface sampling and drilling to limited depths (see Appendix IV).

With the price of gold at historically high levels, many prospects are being revisited. This is a situation currently shared with many mining districts that have hosted major gold ore bodies. The Charters Towers example suggests that many historically active sites in surrounding areas (where minor, shallow gold and silver production occurred) may become primary targets in geological settings conducive for the discovery of major ore bodies at depth. Those sites already known

(i.e., rediscovered), such as at the Granite Castle deposit immediately west of the subject tenement, and at some distance away, the Thalanga and West 45 Mines, and at the newly discovered Welcome deposit west of Mingela, have been investigated in some detail. Their significance will be discussed below and later in this report.

Other companies have held tenements within the current White Mountain tenement, (see Table 3), and those companies have been keyed to their respective reports:

Table 3
Historical Activities within White Mountain Tenement

EPM / ATP	HOLDER	REPORT DATE	COMPANY REPORT
214	North Broken Hill LTD	1963	1214
728	Carpentaria Gold	1971	1518
728	Uranium Consolidated	1971	3494
983	International Nickel	1971	4049
		1972	4430
		1974	4748
2461	Loloma Limited	1981	9269
3402	Chevron Exploration	1983	12704
		1984	13671
4319	Conatus Pty Ltd	1986	16615
		1987	16885
		1987	17408
		1988	17466
		1988	18133
		1989	19989
		1989	20056
		1989	20868
7680	CRA Exploration Pty Ltd	1992	23927
9352	Walhalla Mining	1993	25382
		1994	25523
14170	Giralia Resources NL	2007	45512
14170	Carpentaria Exploration	2008	50422

After reviewing these reports, we observed that only minimal efforts were made with limited sampling, superficial at best, especially when compared to the exploration efforts made by the mining companies around the periphery of Charters Towers some 156 km to the east of the subject tenement.

7.2 Historical Company Exploration

John (1985) indicates that gold was discovered in the Charters Towers area in 1871. Various reports have been prepared by the Geological Survey of Queensland geologists on these historical mines and prospects in the district. We have reviewed a number of the company reports, spanning a period of over four decades, that focused on areas in and around the White Mountain EPM, and have investigated some of the more significant results as revealed in the historical reports filed with the Queensland Government, (see Table 4).

7.3 Regional Exploration

As part of the White Mountain EPM's application, Terra Search personnel prepared a brief history of the activities in the immediate vicinity of the White Mountain tenement and of the region to the west. We have reviewed the documents listed in Tables 3 and 4 and summarized selected histories as examples of the significance of the exploration conducted over the past 40 years. Some of the documents cover the activities within the subject tenement.

Gold was discovered in the Mount Emu Goldfield in 1909 at the Diecon prospect. Mining at the Granite Castle vein (reef), the largest producer in the field, commenced in 1910. Hand-picked, high-grade gold ore was shipped to Charters Towers for treatment. All the workings were on narrow quartz veins, generally less than one-meter wide. A treatment plant was erected in 1913, but performance was poor as the gold was only partially free-milling. During World War II, shafts and underground workings at the Granite Castle mine were extended to 30 m below surface and hand-picked ore sent to Chillagoe, Queensland for treatment. Total recorded production from the Mount Emu field was 2,400 ounces from 1,900 tonnes of ore (Robinson, 1981).

Table 4
Regional Exploration Activities

EPM / ATP	HOLDER	REPORT DATE	COMPANY REPORT
2223	AGIP Australia	1980	7968
		1980	8424
		1981	8752
		1982	9926
		1982	10460
		1982	11297
		1982	11788
3340	Central Coast Exploration	1983	12050
		1983	12546
		1984	13106
		1985	14008
4073	Billiton Australia	1986	15691
		1987	16240
4702	BP Minerals	1988	17617
		1988	18033
		1988	18448
		1988	19469
4917	Pan Australian Mining	1989	19541
		1989	19710
		1989	20712
5812	Billiton Australia	1990	21663
7660	CRA	1992	23927
9352	Walhalla Mining	1994	25523
10469	Mt. Leyshon/Normandy Ltd	1996	27636
9409	MPI Gold	1996	28219
9313	Alphadale Pty Ltd	1997	29617
10175	Mt. Isa Mines	2001	32800

North Broken Hill Limited

Modern exploration began in 1962 when North Broken Hill Limited (NBH) was granted ATP# 214M over the Mt Emu Goldfield. NBH's interest was prompted by a suggestion that the Granite Castle prospect, located west of the Flinders River, was a potentially important gold mine lying idle (Lissiman, 1963). Investigations showed that the vein width was narrow and NBH relinquished the area after one year. Since then a dozen companies have carried out work within the general area generating some 50 exploration reports that are now on open file in the QDEX database. NBH was followed in 1970 by Uranium Consolidated NL, who carried out drainage sampling at a density of 10 samples per sq. km and analyzed for copper, nickel, lead, and zinc. Only a few low-order anomalous areas were found and the area was relinquished.

International Nickel Australia Limited

ATP# 983M was granted to International Nickel Australia Limited (INCO) in 1971. Reconnaissance stream sediment samples collected at a sample density of about 5 per sq. km were analyzed for copper, nickel, lead, and zinc. Anomalous samples were followed up by soil and rock- chip sampling, and resulted in the discovery of a gossan outcrop which INCO named the Bradley's Jubilation prospect (also known as the Brady's Reward prospect). The gossan consisted of a 60 m long lens of metamorphosed quartz-rich arenite in an inlier of the Cape River Metamorphics Complex within the Big Bore Granodiorite.

Chip samples from the gossan assayed up to 1.5% nickel and 1.2% copper. One diamond core hole was drilled to a total depth of 133.5 m beneath the gossan. Chalcopyrite veinlets were observed from 96.0 to 101.5 m down hole but assayed less than 0.05% copper (Williams, 1974). INCO thereupon surrendered the tenement in 1974 without further investigations.

AGIP Australia Pty Ltd

AGIP Australia Pty Ltd (AGIP) was granted ATP# 2223M in October 1979 to explore for hydrothermal vein-type uranium mineralization in the Cape River Metamorphics Complex over a large area. A helicopter radiometric survey indicated that the potential for uranium mineralization was low. AGIP then changed focus to the gold mineralization in the district and carried out percussion drilling on the Sarah Houston prospect near Pentland and the Mount Clearview prospect 50 km northwest of Pentland, south of the subject EPM. Results were disappointing and the area was relinquished at the end of 1982.

Houston Oil and Minerals

In 1980 Houston Oil and Minerals (HOM) was granted 8 ATPs in the Cape River area north of Pentland, one of which covered ground within the subject EPM. A helicopter-supported reconnaissance stream sediment survey detected a number of anomalies including elevated gold in the vicinity of the Mount Emu Goldfield (which includes the western part of the subject EPM) and a float sample assaying 0.12% copper and 40 ppm molybdenum in the southern part of present EPM# 14170 (just south of the subject EPM). HOM relinquished the areas at the end of 1982. No drilling was conducted.

Loloma Limited

Loloma Limited examined the Mount Emu Goldfield in 1980 and proposed a 14-hole percussion drilling program at the Granite Castle prospect and nearby prospects west of Flinders River (and west of the subject EPM), but relinquished their tenement without carrying out the program.

Central Coast Exploration NL

Central Coast Exploration NL (CCE) was granted ATP# 3340M in July 1982. Initial focus was on an adamellite intrusion near an area known as Gypsy Pocket, located just south of the subject tenement where CCE found a narrow vein containing molybdenite (up to 432 ppm molybdenum in a chip sample) and chalcopyrite. Further field work indicated that only weakly anomalous copper-molybdenum mineralization occurred within an area of porphyry copper-style alteration. The ATP expired in 1985 and was not renewed. No drilling was conducted.

Chevron Exploration Corporation

Chevron Exploration Corporation (Chevron) explored the area for porphyry copper, skarn and stockwork mineralization related to intrusives, as well as volcanogenic massive sulphides associated with extrusives. An aeromagnetic survey was carried out and some anomalies followed up without success. Chevron withdrew in 1984 without suggestion of anomalous magnetic anomalies.

Conatus Pty Ltd

In 1986 Conatus Pty Ltd (Conatus) covered the Mount Emu Goldfield with ATP# 4319M. More than 100 percussion holes were drilled at the Granite Castle prospect (located west of Flinders River). Metallurgical test work on the drill cuttings showed that the gold mineralization was very refractory, with column leach recoveries as low as 26% after 63 days. This suggests that the gold formed within arsenopyrite or other minerals and consequently was not free milling. The tenement was relinquished in September 1989.

Pan Australian Mining Limited

Pan Australian Mining Limited (PanAust) explored the area now covered by the southern part of the subject EPM (as part of an older EPM# 14470) from 1987 to 1989, using stream sediment sampling with rock chip follow-up. Their targets were epithermal bulk tonnage gold deposits and/or narrow high-grade quartz vein gold deposits. Anomalous gold samples were traced to geological features but were deemed by PanAust to be of little economic significance. No drilling was conducted.

CRA Exploration Pty Limited

CRA Exploration Pty Limited (CRA) briefly held the area during 1991. A literature review and compilation of previous geochemical and airborne geophysical was partially completed but no field work was conducted before CRA relinquished their tenement in 1992.

Walhalla Mining NL

EPM# 9352 covering the Mount Emu Goldfield was granted to Walhalla Mining NL (Walhalla) in April, 1993. Walhalla followed up the Conatus drilling at Granite Castle with an additional 73 reverse-circulation (RC) holes totaling 4,495 m, including 886 m of diamond core in the RC holes. An additional 10 diamond core holes were drilled for a total of 553 m. Combining their data with the previous Conatus drilling generated a JORC inferred resource of 825,000 tonnes @ 4.9 g/t gold; 79.3 g/t silver; 0.95% lead; and 1.4% zinc, using a cut-off grade of 1 g/t gold.

MPI Gold Pty Ltd

In June 1993, MPI Gold Pty Ltd (MPI) was granted EPM# 9409 which partially covered an area just south of the subject EPM. The target was Charters Towers-style shear-zone hosted gold mineralization at the contacts between the Cape River Metamorphics Complex and various intrusives. Surface sampling returned only two samples with values >1ppb gold. Under a joint-venture agreement with MPI, Placer Gold NL carried out an airborne magnetic and radiometric survey in 1994. Ground follow-up was discouraging and the tenement was surrendered in July 1996 apparently not recognizing the significance of their magnetic survey and the anomaly identified later by Giralia Resources and Carpentaria Exploration personnel.

Giralia Resources-Carpentaria Exploration

No further work has been reported between 1996 and 2004, when Giralia was granted EPM# 14170. Giralia commissioned a compilation and reinterpretation of existing geophysical data within EPM# 14170 during 2006. Image processing of reduced-to-pole (“RTP”) data highlighted a strong feature trending southeast from the Bradley’s Jubilation prospect located on the subject tenement. This magnetic high has been interpreted as suggesting that a skarn deposit may be present along the contact between the Cape River Metamorphics Complex and the Fat Hen Creek Complex. The mineralization at Bradley’s Jubilation occurs on a north-northeast-trending structure that appears to cut off the magnetic high (Brewster, 2008). Giralia farmed out their EPM to Carpentaria Exploration Ltd. to use in their quest to go public on the Australian Stock Exchange (to be discussed later). Giralia received the EPM back from Carpentaria Exploration shortly thereafter, with no further work being conducted on the EPM.

7.4 Relevant Exploration and Mine Geology

Substantial exploration has been conducted west of the Flinders River, especially in the area of the Granite Castle area (see Mantle Mining Corporation Limited, 2012; and Berkman and Saunders, 1994). Extensive drilling was carried out during the late 1980s by Conatus to develop a relatively small, inferred resource base for development by open-pit methods. A feasibility study was to be undertaken to evaluate the ore and mining costs. However, aside from the shallow, oxidized gold mineralization, most of the gold was determined to occur within arsenopyrite and other minerals in solution-solution series. This would require roasting (oxidizing the reduced ore) and then heap leaching with cyanide or other agents to recover the gold dore.

The current operations in the general area around the subject EPM have been reviewed. The most significant are the Granite Castle activities currently underway by Mantle Mining on holdings adjacent to the western boundary of the White Mountain tenement, the Thalanga and West 45 mines located about 115 km east-southeast from the subject EPM and the Welcome Deposit now under development by Resolute Mining Limited located approximately 8 km west of Mingela. The Kidston Mine, now dormant, is located about 150 km north of the subject tenement. The

deposit was well studied and provides important information on potential mineralization on the subject tenement (see Furnell, *et al.*, 1995).

7.4.1 Granite Castle Deposits

According to public announcements by Mantle Mining Corporation Limited (Mantle), the Granite Castle mineralized trends have been tested over a strike length of 900 m and partially to a depth of 300 m (see Section 22.0 References). All holes confirmed the continuity of the mineralized shear. A further 12 mineralized shear zones of this type have been reported near the Granite Castle deposit. Additional details of these are given in the Independent Geological Report prepared for Mantle. The nearby historical workings are very shallow but show that the gold zones are similar in style to Granite Castle and all require further testing.

These deposits are greisen-hosted, shear-emplaced, gold deposits with accompanying silver, lead, and zinc. Individual lodes are quite continuous and up to 10 m in width - but usually average less than 3 m, and can extend for over 1200 m. These lodes have been historically classified as simple magmatic ore deposits emplaced in shears within the granitic rocks, and structurally controlled by the increased permeability within the shears.

The significance of the historical workings and recent exploration activities on the property adjacent to the White Mountain tenement is that the recognized shear zones in granite appear to be trending into the subject EPM, especially in the southwest areas of the subject tenement (see Figure 11A). This indicates the shear zones that occur in the subject property are primary targets for follow-up exploration.

More than 200 RC holes and 27 diamond holes were drilled in the Granite Castle area and nearby quartz veins between 1988 and 1994 (see Figure 11B). An Inferred Resource according to an independent geological report engaged by Mantle management indicates that it complies with the current JORC standard for reporting resource estimates, and has been calculated at three ore-grade cut-offs. Based on recent information from the company, Mantle's Granite Castle project area contains recognized and interpreted mineralized shear zones based on the historic drilling and laboratory data. Mantle plans to drill additional holes during a 2012 program.

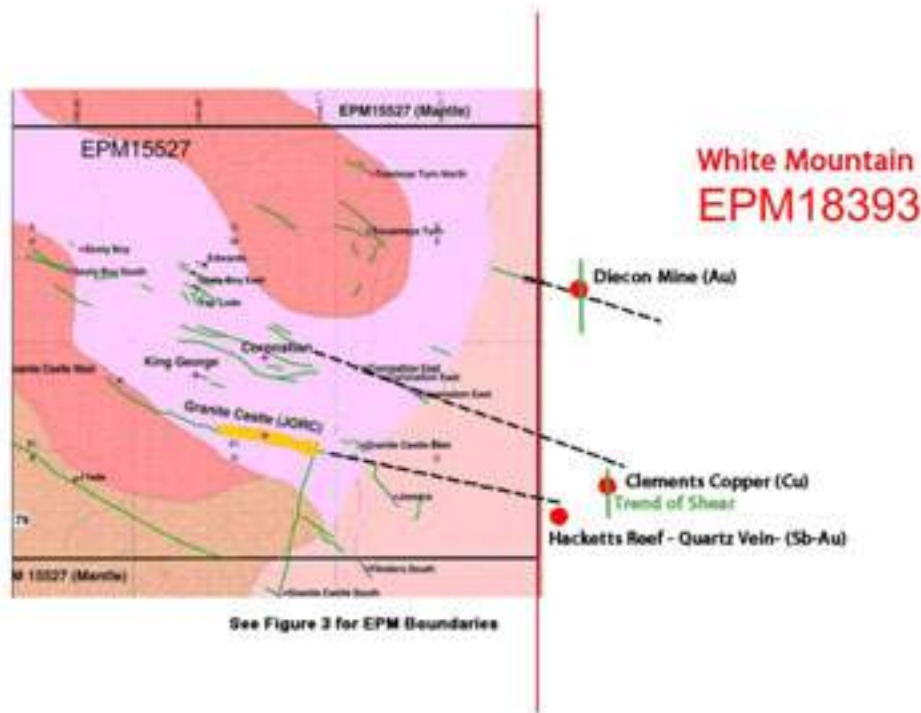


Figure 11A - Generalized Trends entering EPM 18393 from the West.
 (After Mantle Mining Corporate Website)

The company claims that the Granite Castle property hosts a JORC-compliant resource of 79,000 ozs of gold and 1.5 million ozs of silver located wholly within a 600 m portion of a single, mineralized shear zone within the Granite Castle property (see Table 5). The suggested target below the resource identified to date is projected to be about 350,000 tonnes amounting to more than one million ozs gold and 21 million ozs silver or, assuming current precious metal prices, more than US \$2 billion in place should such mineralization be identified during drilling.

A Mantle drilling program is scheduled for late 2012. The objective of the drilling program is to delineate additional areas with potential to contain sufficient resources to justify a formal feasibility study for subsequent development and production.

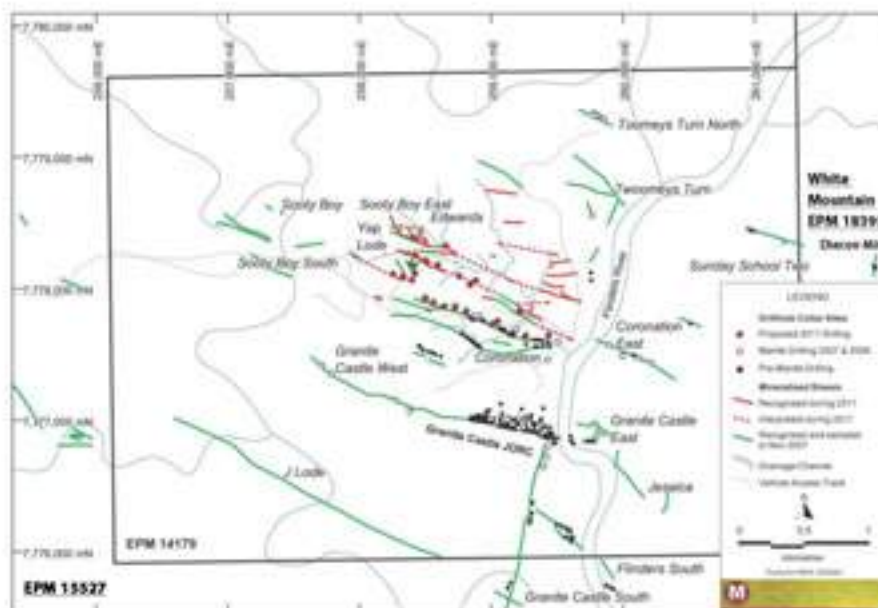


Figure 11B – Drilling Locations and Generalized Trends on Adjacent Property.
(After Mantle Mining Corporate Website ASX Announcement)

Table 5
Mantle Mining's Granite Castle Gold & Silver Project

Granite Castle Gold and Silver Resource Estimate @ 0.2 g/t Au lower cut-off					
Class	Tonnes	Au g/t	Au ozs	Ag g/t	Ag ozs
Measured	122,614	3.9	15,727	53.3	209,941
Indicated	264,021	3.4	29,198	67.6	574,182
Inferred	460,443	2.3	34,375	50.4	746,680
Total	847,078	2.9	79,301	56.2	1,530,803

Granite Castle Gold and Silver Exploration Target			
Target	Tonnes	Au g/t	Ag g/t
Below JORC Resource	300,000 – 400,000	2.5 - 3.5	55 - 70
Total	300,000 – 400,000	2.5 - 3.5	55 - 70

Notes: Statements in this report relating to the Granite Castle Gold and Silver Mineral Resource are based on a report provided to the Mantle Mining Company by Hellman and Schofield Pty Ltd, dated 16th May 2008 and first released to the ASX by Mantle on 28th May 2008: "The information in this report that relates to Mineral Resources is based on information compiled by Dr. William Yeo, a full time employee of Hellman and Schofield Pty Ltd. Dr. Yeo is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity 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". Dr. Yeo consents to the inclusion of the matters based on his information in the form and context in which it appears in this report." The report also covered mineralized structures below the resource and quantified a contained exploration potential (Exploration Target) within those structures. Note that the potential quantity and grade of the Exploration Target is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource, and that it is uncertain if further exploration will result in the determination of a Mineral Resource. For further information, see Mantle Mining's corporate website: <http://www.mantlemining.com/files/announcements/1031927.pdf>

The type of mineralization and associated trends of the mineralization reported on the Mantle property adjacent to the White Mountain tenement where similar mineralization has been previously reported in the historical records, suggest that the subject EPM offers favorable

conditions for significant mineralization of not only gold and silver, but also for other metals as well. Although the Mantle property to west reported lead and zinc in addition to the gold and silver, the White Mountain tenement also appears to offer multi-metal targets involving sulfide mineralization including antimony, copper, nickel, molybdenum, lead, zinc, and other metals.

7.4.2 *Thalanga-West 45 Mines*

Other types of mineralization aside from gold lodes in quartz veins are also candidates for occurring on the White Mountain tenement. The Thalanga massive sulfide deposit is one of the types of mineralization that may be present in the eastern areas of the subject EPM. This is located in the Cambro-Ordovician Mount Windsor Volcanics (see Figure 6A). The Thalanga Mine is located at the foot of the eastern end of the Thalanga Range. The range is a low, northwest-trending ridge of the Mount Windsor Formation volcanics surrounded by semi-consolidated Tertiary alluvial sediments known as the Campaspe Beds, which cover the uneven basement surface to a depth of up to 100 m. Surface exposure in the vicinity of the deposit is poor, and most of the geologic interpretation is based on observations from drilling and mine development. The conductive nature of the Campaspe Beds has been an impediment to the application of electrical geophysical exploration techniques in the area (Paulick, *et al.*, 2001).

Of interest to any exploration on the White Mountain tenement are the number of dikes of coarse quartz-feldspar porphyry (locally termed the quartz-eye unit) that have intruded the Thalanga mine area as well as the eastern areas of the White Mountain tenement. The general consensus is that the porphyry was extruded directly on the sea floor, capping parts of the massive sulfide of the Thalanga deposit. Quench fragmentation around the edge of the extruded porphyry built up an apron of quartz crystal-rich volcanoclastic materials, particularly around East Thalanga. The Thalanga hydrothermal system remained active after the emplacement of the quartz porphyry, resulting in the deposition of sulfides in the clastic facies of the quartz porphyry. In places, this material reaches ore grade (Herrmann and Hill, 2001).

Drilling activities in the Thalanga area, as in the early days of exploration in the Charters Towers area (Kreuzer, 2005), were conducted on a blind basis, that is, there were no surface indications of mineralization in the area drilled. In the former, a comprehensive geological basis was helpful

in drilling mineralized trends (see Figure 12). This figure illustrates two important features. The first is that drilling for a blind target (targets without local surface indications) may be a high-risk activity, but such action can have favorable results, as in Figure 12A.

The second feature is that mineralization can go unrecognized for years because it is covered by younger sediments, as illustrated in Figure 12B, below. Blinded by country rock at the surface (A) and by alluvium (B) illustrated in Figure 12, drilling to test the subsurface contacts - when at least some gold occurrences are evident at the surface, and to test the bedrock below alluvium - when scattered anomalies are reported from alluvial deposits, has become a new approach to investigating such conditions.

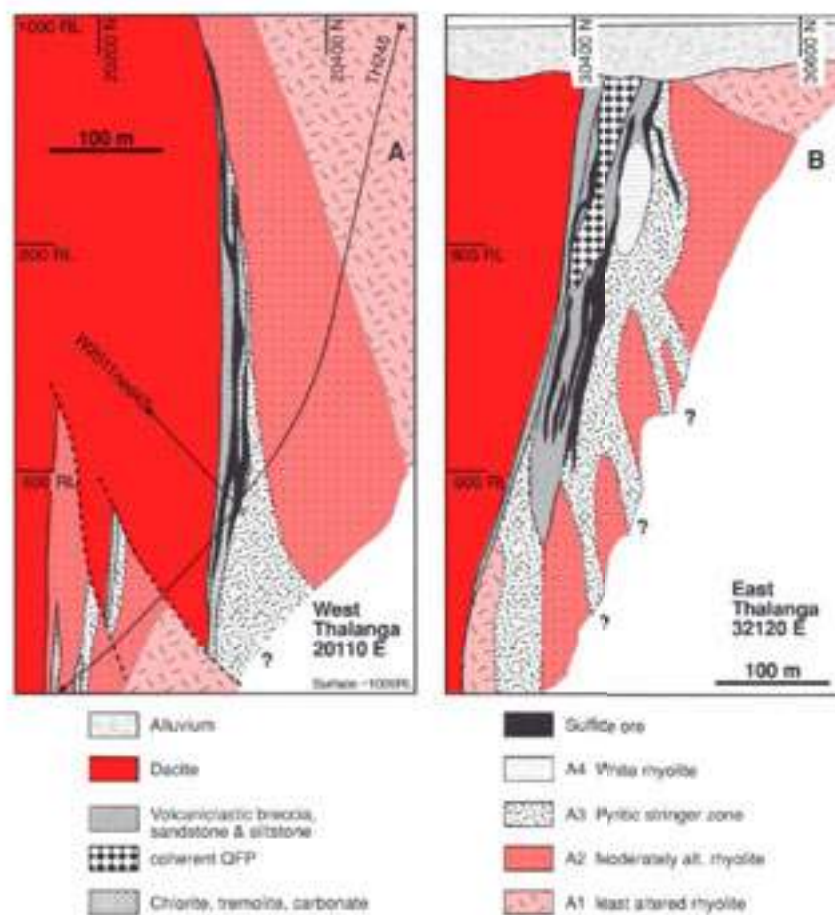


Figure 12A and B – Blind Drilling at the Thalanga Mines Area
(from Paulick, *et al.*, 2001)

The West 45 mineralization, located a few kilometers to the northwest of the Thalanga Mine near the Flinders Highway, is hosted within clastic facies of the quartz-feldspar porphyry (locally called quartz-eye) situated near the top of the Mount Windsor Formation.

There are three sub-vertical, strata-bound, semi-massive sulfide lenses that lie 5 to 25 meters beneath the dacite-quartz eye contact. Maximum thickness and grade within the sulfide lenses occur at their intersection with footwall pyritic stringer zones. The footwall feeder zone, which forms an envelope of strong sericite-pyrite alteration trending northeast and dipping steeply to the north, cuts across both the Mount Windsor Formation rhyolites and the quartz-eye volcanoclastics. Within this envelope, subeconomic base-metal sulfide and pyrite veins dipping steeply northwest and southeast form a series of discontinuous shoots (Miller, *et al.*, 2001).

In general, the Thalanga and West 45 deposits are volcanic-hosted polymetallic massive sulfide deposits. Outcropping gossans (usually dark brown or orange soils containing oxidized iron minerals) north of the deposit led to its discovery in 1975. Nearby deposits were essentially blind targets, many were discovered by serendipity. Production at Thalanga commenced in May 1989 with open-pit mining of oxidized supergene ore from the Central ore body, to a depth of 70 m below surface, and progressed in February 1991 to underground production of primary sulfide ore via two declines accessing the West and East Thalanga ore bodies

The total resource at Thalanga was estimated to be 5.75 million tons (Mt) at average grades of 1.8 percent copper, 2.5 percent lead, 8.2 percent zinc, 69 g/t silver, and 0.5 g/t gold. To 1993, production totaled 202,000 tonnes of zinc, 45,000 tonnes of lead, and 90,000 tonnes of copper with significant credits of silver and gold.

7.4.3 The Welcome Discovery

The history of the recent discovery of the Welcome deposit by Carpentaria Gold Pty Ltd (Carpentaria) for Resolute Mining Limited is similar to the redevelopment activities under way in and around other deposits and historical mining prospects in the Mingela area and elsewhere in Queensland (see Figure 2).

The objective of the Welcome project was to assess its potential by first expanding and deepening of the old Welcome open pit, and then developing underground operations, which would provide a substantial cost benefit over open-pit operations. Mineralization was observed to be associated with zones of heavily altered granodiorite with quartz veining, principally occurring on the hanging wall and footwall of shear zones and associated faults within a breccia pipe. The ore body remains open down plunge with the deepest reported intersection of 53 m @ 2.02 g/t gold from a depth below 475 m (1,425 feet), see Figure 13.

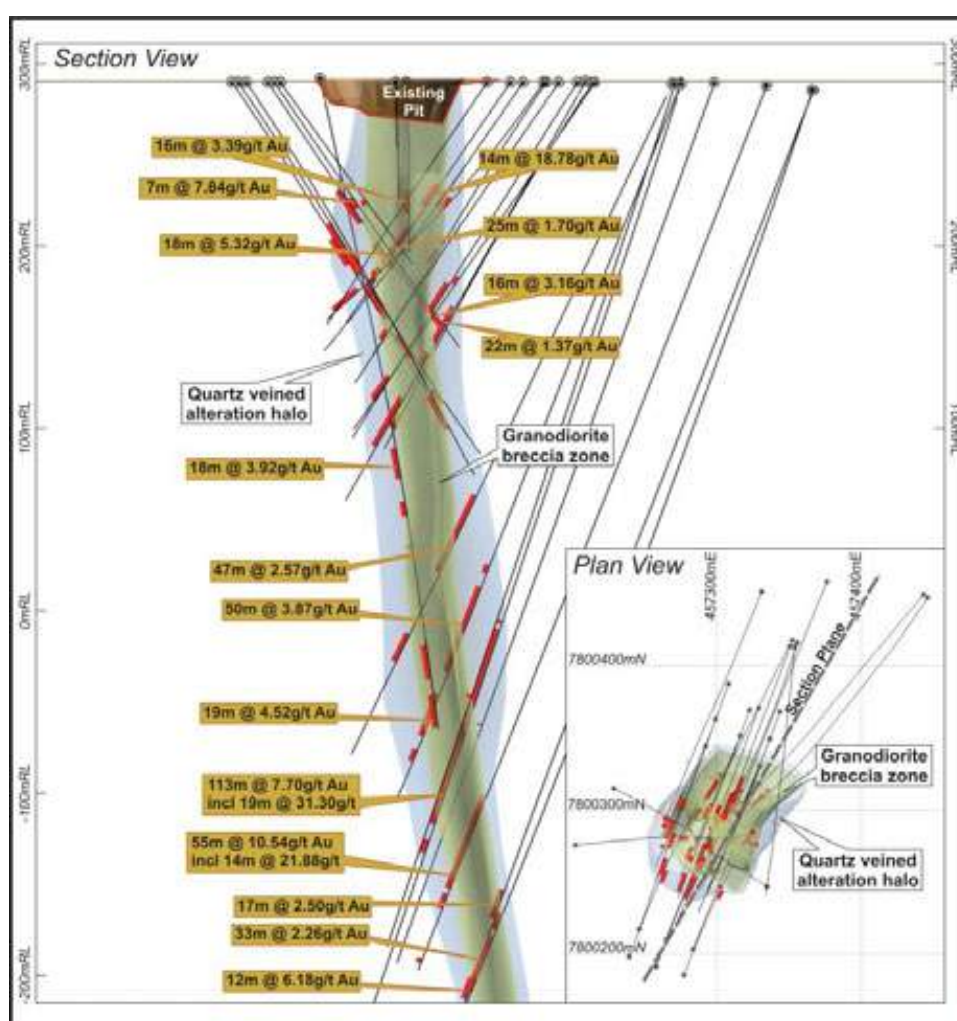


Figure 13 - Cross Section of Drilling Results by Resolute Mining Ltd. at the Welcome Deposit
(from Resolute Mining Ltd.)

Resolute Mines, Ltd. (2011) reports that the Welcome Breccia prospect produced some “exceptional first pass diamond drill intercepts” including 18 m @ 3.92g/t gold from 215 m, 19 m @ 4.52g/t from 359 m, 113 m @ 7.7g/t gold from 316 m and 50 m @ 3.87g/t gold from 298

m. Additional diamond drilling to test the vertical and lateral extents of this potential new deposit is continuing (see Figure 13). Several other Welcome-style targets in the district are ready for ground geophysical work and/or drill testing, they report.

Section 8.0 Geology

8.1 Regional Geology

The principal units of interest in the region that are involved in mineralization of potentially economic significance are the Cape River Metamorphics (unit identified in Figure 14: see symbol: Pc), the Fat Hen Creek complex (COgf), the Big Bore Granodiorite (SDgbg), and the Upland Granodiorite (SDgul), see Figure 14. All these units are candidates for being hosts for mineralization.

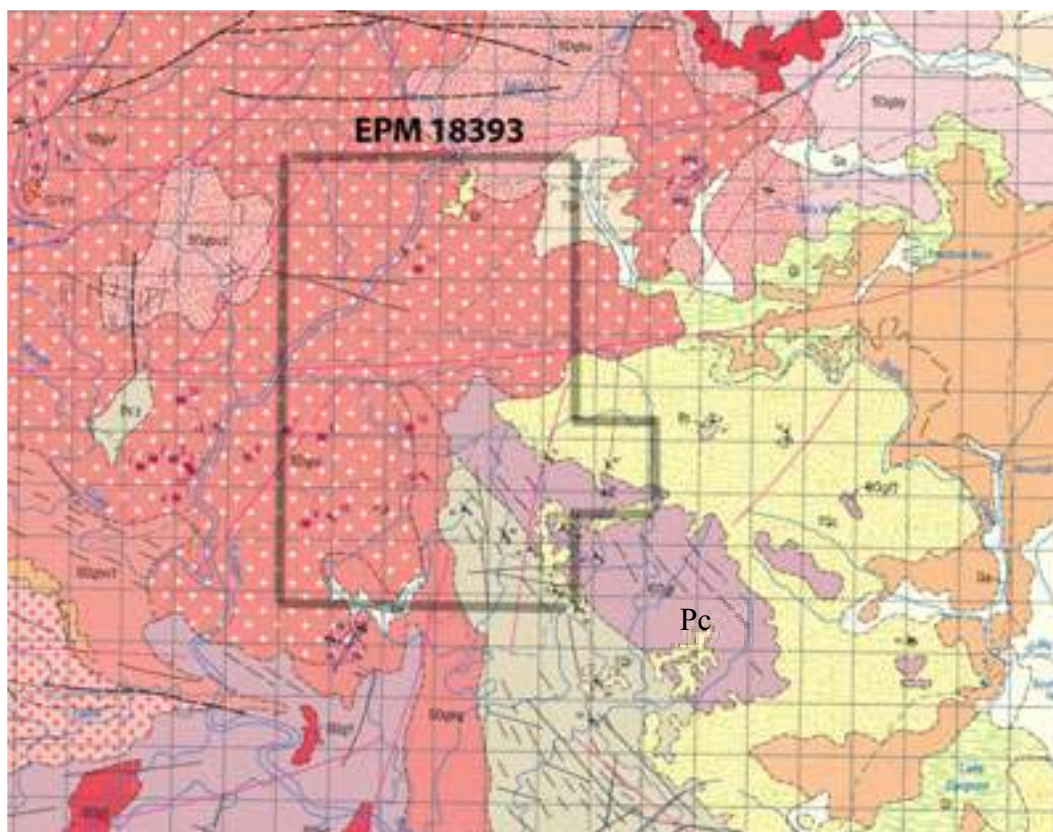


Figure 14 - Regional Geology- White Mountain Tenement Area
 (Geologic Units Described in Appendix V - Scale: 1,000 m grid)

The Neoproterozoic Cape River Metamorphics Complex (Pc) consists of schist, gneiss and quartzite and forms a belt some 100 km long trending northwest from Pentland to the subject tenement. The original shale, siltstone and sandstone have been metamorphosed. Calcareous and dolomitic sediments and possibly mafic volcanics were the probable precursors of the scattered outcrops of amphibolite, tremolite schist and gneiss, marble and pyroxene hornfels that occur in the lower part of the Cape River Complex. The dominant biotite gneiss is poorly exposed and deeply weathered. It is typically strongly foliated, comprised of fine to medium grained biotite, feldspar and quartz with minor amounts of garnet, sillimanite, tourmaline and epidote. The gneiss has a well-developed banding defined by biotite-rich and biotite-poor layers. The banding is folded into tight isoclinal folds with sub-horizontal fold axes. The gneisses grade laterally into coarse felsic granitic bands of migmatite, interlayered with finer mafic-rich bands.

The unit grades up to a strongly foliated gneissic syntectonic granite, the product of migmatization. The contact with the underlying Cape River Metamorphics is ill-defined but faulted in places. Both these units were subsequently intruded by granitoids and volcanics of the Reedy Springs and Lolworth Batholiths in the Late Silurian to Early Devonian (Withnall, *et al.*, 1994).

The Cambrian Fat Hen Complex (COgf) forms the basement of the area and consists of migmatites grading upwards into the ortho-gneisses. These rocks were probably once clay-poor pelitic sediments and were metamorphosed into schists and gneisses with amphibolite, quartzite and lesser marble, hornfels and greywacke.

8.2 Local Geology

In the center of the subject EPM an intrusion of an Ordovician–Silurian granitoid which hosts a trend of deposits, namely The Diecon Mine (gold); Edwards prospect (antimony) and Northeast Workings (gold), see Figure 15 – mines in red, and Figure 3 for mine identifications.

These deposits lie along strike in a general east-west direction. Also, a granite (SDgul) is in contact with another granite (SDgbg), along which mineralization has been reported, see Figure

15. These granites host numerous small gold deposits as well as small copper and antimony occurrences. Whether these occurrences have deeper extensions, only exploration can determine.

An assemblage of Cape River Metamorphics, of Neoproterozoic-Cambrian age (Pc) is also in contact with a younger granite (COgf), see Figure 15. The rocks of the metamorphics consist of mica schist, quartzite, quartz-feldspar-biotite gneiss, hornblende schist, cordierite, andalusite and staurolite hornfels, chlorite schist, and marble. The granite appears to be highly magnetic along a trend near the contact with the Cape River Metamorphics. This will be discussed later in this report.

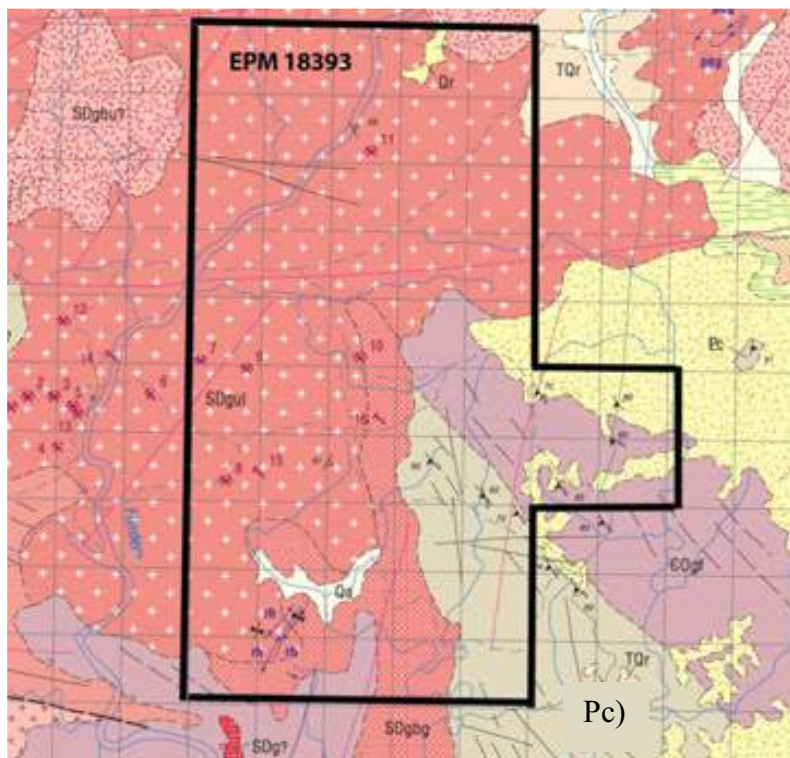


Figure 15 - Local Geology- White Mountain Tenement and Surrounding Areas
(Geologic Units Described in Appendix V – Scale: 1,000 m grid)

Section 9.0 Deposit Types

The subject tenement is centered over a highly favorable area of the Lolworth region and, as mentioned previously, includes several polymetallic historic mines and advanced prospects for gold, silver, copper, lead, antimony, nickel, and molybdenum, which have received intermittent exploration over the past 40 years.

Major historical production to date (see Figures 11A & B) is as follows:

- 1) The Diecon Mine (from 1910 to 1916) which produced 68 tonnes of ore for 17,400 g (or 614 oz) gold ~@ 255.9 g/t,
- 2) Edwards Mine (1915) which produced 310 tonnes of antimony ore,
- 3) Little Wonder Mine was worked from 1913 to 1915 and produced 17 tonnes of ore for 669 g (or 24 oz) gold ~@29.4 g/t,
- 4) Sunday School Mine was worked in 1914 and produced 5 tonnes of ore for 268 g (or about 10 oz) gold ~@53.6 g/t.
- 5) Bradley's Jubilation and Clements Copper were copper prospects, and the Northeast Workings was a gold prospect.

To the west of the tenement across the Flinders River, several other prospects have been mined during the early 20th century. Conatus Pty Ltd. drilled the Granite Castle prospect in the late 1980s and developed a gold resource base, and additional work has been conducted by the current holder Mantle Mining (EPM# 14179), see Figure 3 and 15. See Appendix VII for a classification of the hosts for gold deposits in the area.

Section 10.0 Mineralization

10.1 Type of Mineralization

Based on our review of the information, much of the previous exploration in the Lolworth Region has been focused primarily on known gold and base metal prospects. Previous rock-chip sampling of the gossan outcrop at the Bradley's Jubilation prospect returned up to 1.5% nickel and 1.2% copper. The gossan is hosted by amphibolites, calc-silicate rocks and metasediments of the Cambro-Ordovician Cape River Metamorphics, close to the margin of the Siluro-Devonian Fat Hen Creek Complex. Mineralization is interpreted by Carpentaria Exploration to be a possible analogue of skarn style nickel sulphide mineralization at the Avebury deposit in western Tasmania (Keays, R., *et al.*, 2009).

The area also has the potential to host mesothermal (Ravenswood style) precious metal mineralization and associated sub volcanic breccia complex mineralization (Mt Leyshon-, Mt

Wright-style deposits) (A-Izzeddin, *et al.*, 1995; James, 1997). The primary gold model applied for the subject area is the classic Charters Towers-style multiple mesothermal quartz sulphide lodes filling fissures within phases of the Cape River Metamorphics (symbol Pc), the Fat Hen Creek complex (COgf), the Big Bore Granodiorite (SDgbg), and/or the Upland Granodiorite (SDgul), see Figure 15 and Appendix V. The Kidston deposit located 150 km to the north may also represent an analogue for use in exploring breccia-related mineralization on the White Mountain EPM, (see Furnell, *et al.*, 1995; Baker and Andrew, 1991; and Hannes and Dalgarno, 1967).

A second style of mineralization targeted is the hydrothermally altered pipe of greisen affinity found at the Mount Leyshon deposit. Table 6 presents the typical style of mineralization for several of the gold occurrences currently known in the general area. The gold distribution is usually not uniform within quartz-vein type of mineralization. Gold is usually fine-grained, mostly less than one millimeter, and microscopy shows gold is primarily late-stage, although this can vary from region to region.

Table 6
Style of Mineralization in the General Area
(after Angus, 1996)

MINERALISATION STYLE	DEPOSIT / PROSPECT
Shallow vein associated with porphyry dykes	Upper Cape Mt Remarkable
Disseminations in porphyry dyke	Mt Remarkable Mt Specimen
Pegmatitic quartz veins and greisen pipes	Lobworth diggings
Quartz veins with greisen selvages	Mt Emu
Quartz veins	Mt Remarkable Mt Clearview Brilliant Brumby Chinaman's Prospect Scrubby Shear
Mo/Cu veins associated with shallow intrusive	Gypsy Pocket Bore area
Cu/Pb/Zn veins in intrusive roof	Oxley Creek
Breccia Pipe	Dead Man's Revenge Nipple Prospect
Brecciated sediments	Bullock Paddock Bore
Gossan over chalcopyrite-bearing shear in amphibolitic gneiss	Bradley's Jubilation

Gold particles are located along grain boundaries, with some contained within sulphide grains, predominantly arsenopyrite, which indicates the gold is not free-milling and will require roasting to oxidize the ore in preparation for recovery by some form and process involving cyanide, the most effective and least costly agent currently known for such processes.

The mineralization currently known in the western area of the subject EPM is also part of the Charters Towers-type, comprising mesothermal narrow veins of quartz containing gold and sulphide minerals including galena, sphalerite and pyrite. The veins are usually less than one meter thick, but have strike lengths of from several hundred meters up to two kilometers. There will likely be a shallow oxidized zone where the gold may be free-milling underlain by a reduced zone (unoxidized) of sulphides containing gold and other metals. Roberts, *et al.*, (2007) summarizes the relationships in Figure 16 below.

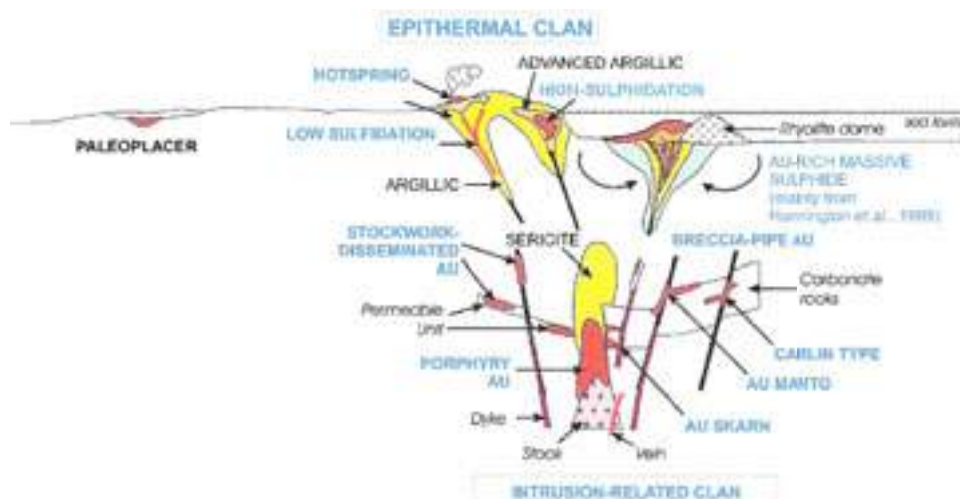


Figure 16 – Epithermal and Intrusion-Related Gold Mineralization

(Robert, *et al.*, 2007)

10.2 Trends of Mineralization

The White Mountain tenement is located within the western outcrops of igneous and metamorphic rocks of the Lolworth Province. This province consists of probable Silurian Reedy Springs Batholith and Proterozoic-Cambrian Cape River Metamorphic basement and Cambro-Ordovician sedimentary volcanic and metamorphic rocks that were intruded by Silurian

granitoids (Metals, 1986 and more recently Withnall, *et al.*, 1994). The province is overlain by marine shelf and continental sedimentary rocks of Devonian-Carboniferous age, which have also undergone metamorphism to a relatively high rank. The Lolworth Province generally trends east-west to southeast, contrasting strongly with the surrounding provinces. To the north, a north-to-northeast trend controls the rocks of the Hodgkinson and Broken River Provinces and Thomson Fold Belt to the south, and a north to northwest general trend within the New England Fold Belt to the east and southeast (Wyatt, *et al.*, 1970, Levington, 1981).

The Ravenswood-Lolworth Province has been previously mapped and examined by various geologists of the Commonwealth and State Governments in joint parties (Wyatt, *et al.*, 1970; Wyatt, *et al.*, 1971). These are set out in the 1:250,000 map sheets of the Charters Towers area and explained in detail in Wyatt, *et al.*, 1970, and Wyatt, *et al.*, 1971. Of particular note is the White Mountain Sheet (7857), which was published in 1998, based on field work conducted through 1994. This map revised the relationships of the igneous rocks in the subject EPM, which clarified earlier assessments of Vine, *et al.*, 1974 by the work of Withnall, *et al.*, 1994.

The oldest rocks in the area belong to the Charters Towers Metamorphic unit, which crop out to the north and west of Charters Towers as the roof pendants in the Lolworth Granodiorite Batholith (John, 1985). These metamorphic units have been estimated to be Cambro-Ordovician in age (John, 1985).

All of the above units were intruded by the Lolworth Granodiorite Batholith (Hamilton, 1987). The intrusion of this complex was accompanied by a major orogeny which destroyed the existing sedimentary basin and produced a structural high which controlled later sedimentary deposition. The intrusion of the complex continued into the early Devonian (Hamilton, 1987).

The project area is mainly incorporated in the Reedy Springs Batholith, the largest element in the Lolworth section of the Complex. The Lolworth Batholith and Ravenswood Batholith to the east were intruded during Siluro-Ordovician time (Wyatt, *et al.*, 1970). Rb-Sr dating has given a 481 million year-isochron (Middle Ordovician) for the first phase and around 420 million years ago (Late Silurian) for the second phase (Metals, 1986). Several attempts have been made to classify

the rocks of the complex with Clarke (1969) subdividing it into separate phases and recognizing eight distinct subunits of the Batholith (John, 1985 and later by Withnall, *et al.*, 1994 for the area with and around the subject EPM).

The earliest and most widespread phase is the main granodiorite. The Upland Granodiorite has been identified as a slightly later phase. Several phases of granite and adamellite which are later than the granodiorite have been named by Withnall, *et al.*, 1994. Late acid phase, as distinct from the main granodiorite phase, has been identified during the drilling by INCO (on the 1:250,000 geological map: Charters Towers (Wyatt, *et al.*, 1970, Wyatt, *et al.*, 1971), and the White Mountain Sheet 7857 (Withnall, *et al.*, 1994), the latter of which have been recognized in the drilling on the subject tenement (EPM# 18393), see Berkman and Saunders, 1994.

Some of the biotite and hornblende granodiorites of the first phase are foliated, suggesting a possible Middle Ordovician age for a major deformation event, which, particularly west of Charters Towers, affected the Cape River Beds (present in the subject tenement), Mt. Windsor Volcanics (involved in the Thalanga-West 45 mines), and the Charters Towers mines (John, 1985). The major tectonic episode appears to have been the Siluro-Devonian orogeny which is expressed as a regional upwarp with granitic and early Paleozoic rocks occupying the axial region. Drag folds suggest slight overturning to the northwest with north-easterly oriented fold axes. Attitudes of the late Paleozoic rocks reveal more localized areas of disturbance, the orientation of flow banding being the most obvious structural guide for the younger folding (Dalgarno, 1967). Jointing and cleavage are developed in the Kirk River and Cape River Beds, and although there is evidence of folding in the Devonian sequences, induration and jointing are not as pronounced as in the older rocks (Dalgarno, 1967).

The significance of the above discussions on regional trends and geological setting is to evaluate whether the rocks were receptive to mineralizing solutions and their potential for mineralization of economic importance, especially if certain characteristics are present that are similar to major mineralization nearby, such as the Granite Castle deposits (see Section 7.4.1), or in the general area, such as the historical Cape River and Big Rush mines (see Figure 6A), and the Thalanga and West 45 mines (see Section 7.4.2), and Welcome deposits (see Section 7.4.3). This also

includes the Charters Towers' deposits, among others more distant, such as the Kidston Mine and others (see Section 11.4 - Risks Involved).

Section 11.0 Exploration

11.1 Previous Surveys and Investigations

Until the 1980s, limited prospecting had been undertaken on many of the old workings around the Lolworth region, with the bulk of the work being centered on the historical workings of the Diecon Mine area, Bradley's Jubilation, Edwards prospect, Clements Copper prospect, and the Northeast Workings, among many others west of the Flinders River on the adjacent EPM, see Berkman and Saunders, 1994; Switzer, 2006; Lissiman, 1963. Historical activities have been summarized in Section 7.0.

11.2 Current Concepts

During the past decade, there has been renewed emphasis in northeast Queensland containing orogenic gold deposits (e.g., Robert, *et al.*, 1997 and 2007), with emphasis on intrusion-related gold deposits. Sillitoe (1991) grouped these deposits into five distinct classes:

- Class 1:** Stockworks and disseminated ores in porphyritic and nonporphyritic intrusions; (e.g., representative deposits: Lepanto, OK Tedi, and the Zortman-Landusky, Salave, Gilt Edge, Kori Kollo deposits as representatives of the latter type of intrusion);
- Class 2:** Skarns and replacement ores; (e.g., Fortitude, McCoy, Nickel Plate, Red Dome in skarn deposits and Barney's Canyon, Ketza River, Yanicocha deposits in carbonate rocks in replacement ores);
- Class 3:** Stockworks, disseminated ores, and replacement bodies in country rocks adjacent to intrusions (e.g., Porgera, Muruntau, Mount Morgan, Quesnel River deposits);
- Class 4:** Breccia pipes in country rocks (e.g., Montana Tunnels-Golden Sunlight, Kidston, and Chadbourne deposits, and Mount Wright and the Welcome Deposits, NE Qld.); and

Class 5: Mesothermal and low-sulfide, epithermal veins in intrusions and country rocks (e.g., Charters Towers, Jiaodong Peninsula, Majara, and Ravenswood and Christian Kruck Deposits, NE Qld.).

The classes obviously reflect many different types of gold deposits that indicate a relatively local zonation within and surrounding a contributing pluton. There is little debate that most of these gold deposits are genetically associated with a well-defined igneous body and intrusive event (age similarity) and are, therefore, properly classified as intrusion-related deposits (Sillitoe and Thompson, 1998). However, Class 5 of intrusion-related gold vein deposits may have many characteristics identical to orogenic gold deposits. Of the five geochemical associations that they identify within this class of vein-type deposits, only the deposits with the gold-tellurium-lead-zinc-copper (e.g., Charters Towers) and gold-arsenic-bismuth-antimony associations have features resembling, and possibly confused with, orogenic gold deposits, which if used as an exploration guide can result in wasted exploration funds over the life of the project.

If Class 4 of breccia pipes in country rock (in an intrusive/volcanic setting) is added to the guides for exploring in the White Mountain area, the potential for economic mineralization is significantly increased. Because the White Mountain tenement has anomalous magnetic lows in the area, in addition to the strong magnetic trend that may also be prospective for skarn mineralization, the chances for success in locating significant mineralization would be improved substantially.

11.3 Distinction from Orogenic Gold Deposits

In perhaps the clearest refinement of their defining characteristics, Lang *et al.* (2000), utilizing the studies of Sillitoe (1991) and others have summarized the major characteristics of intrusion-related gold deposits, illustrated in Figures 17 and 18.

According to Sillitoe, intrusion-related gold mineralization has the following characteristics:

- 1) Metaluminous, subalkalic intrusions of intermediate to felsic composition, that spans the boundary between ilmenite and magnetite series;

- 2) CO₂-bearing hydrothermal fluids;
- 3) A metal assemblage that variably includes gold with anomalous bismuth, tungsten, arsenic, molybdenum, tellurium, and/or antimony, and typically has non-economic base-metal concentrations;
- 4) Comparatively restricted zones of hydrothermal alteration within granitoids; and
- 5) A continental tectonic setting well inboard of inferred or recognized convergent plate boundaries.

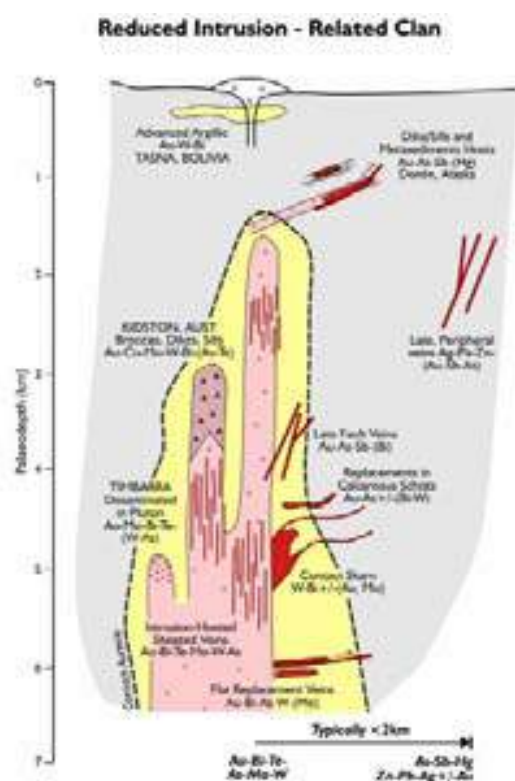


Figure 17 – Modeling of Intrusion-Related Gold Mineralization
 (Robert, *et al.*, 2007)

As an example of the complexity involved, the deposits of the Pine Creek, Tanami, and Telfer Districts in the Northern Territory are not actually hosted in the associated granitoids but in the associated country rock. In addition, the Charters Towers goldfield has been described as both an epithermal to shallow magmatic-hydrothermal deposit and as being of orogenic origin, but the latter was excluded on the basis of the higher salinity and relatively higher pressures and greater

depths (relative to epithermal deposits) inferred from ore-stage fluid inclusions (Goldfarb *et al.*, 2005; and Kreuzer, 2003).

Mapping and petrological research, reported by Towsey (2005) indicates that the mineralized system is very large, over 40 km across in the Charters Towers region, which is just a small section of the Lolworth region. According to Kreuzer (2003), a number of samples from the Charters Towers mines and the Rishton-Hadleigh Castle mines were isotope dated and found to be the same age within an indistinguishable range, indicating synchronous formation of auriferous veins dated at 404-408 million years ago (Late Silurian to Early Devonian geological age).

Kreuzer (2003) has also made a number of additional conclusions on the mineralization in the District that relate directly or indirectly to potential mineralization in the Lolworth region and subject tenement as well. These are:

- Nitrogen isotope data indicates that the granitoid-hosted gold mineralization is derived from deep-seated, granitic plutons or metamorphics, and has risen through the crust to its present position uncontaminated by near-surface ground water, although some hydrothermal involvement would be expected around the periphery of the granitic batholiths.
- Fluid inclusion studies on vein samples from the mines in the Charters Towers area using petrography, microthermometry and laser Raman spectroscopy indicate that formation pressures of the gold-bearing veins are equivalent to depths of 5 to 14 km. Mineralogical studies on gangue rock, alteration and metamorphic minerals support this range. The preferred depth range of formation is $5 \text{ km} \pm 2 \text{ km}$. (This is supported by Peters and Golding, 1989).
- Oxygen and hydrogen isotope fractionation data indicate a formation temperature ranging from 170°C to 360°C with a preferred value of 310°C . This temperature range is supported by studies of fluid inclusions, textures and wall-rock alteration mineralogy (also see Peters and Golding, 1989).
- The low-permeability intrusions of the Lolworth batholith restricted and focused the ascending fluids rising from deep in the Earth's crust. Sudden fault rupturing focused the fluid flow into the active lode structures, precipitating gold and base metals by fluid mixing and subsequent chemical and pressure changes to the fluid.

- Geological and geophysical data indicate that the Charters Towers mineralization was not subjected to further significant deformation after the gold mineralization formed.
- The host structures in the Charters Towers area are characterized by vertical continuity to at least 1.3 km based on company drilling and previous mine workings (Towsey, 2005; and Reid, 1917),
- The veins are located on the margins of gravity lows that coincide with distinct intrusions or complex igneous bodies. (Towsey, 2005; and Kreuzer, 2003).
- The deposits are hosted by country rock comprising mainly oxidized I-type granites, granodiorites and tonalities. I-type granites are derived by re-melting of original igneous rock. (Kreuzer, 2003, Peters, 1987; and Towsey, 2005).

In studies on wall-rock alteration by Kreuzer (2003), and by Corbett and Leach (1995), indicate that the fluid was slightly acidic to near neutral (pH 5-6). They apparently agree that the oxidizing fluids have produced the red “hematite” alteration, destroying magnetite where it is in contact with the fluids and creating local magnetic lows. This creates a geophysical signature for exploration, of demagnetized areas adjacent to gravity lows (Towsey, 2005).

The current exposure of the Lolworth Batholith is at its roof zone, meaning that there is a high probability that most of the gold-bearing system is intact (and has not been eroded away and dispersed); also see Towsey (2005) and Hutton, *et al.*, (1997).

Studies by Dowling and Morrison (1989) and by Kreuzer (2003), and reported by Towsey (2005) of quartz veins from over 200 gold mines in North Queensland indicate that the Charters Towers gold-bearing veins, and by analogy those of Mt. Emu and the subject area, are typical of granitic rather than sub-volcanic hosts. There is a consensus by those reporting that the potential for additional gold-bearing veins of economic significance to be discovered away from the gold deposits in the immediate Charters Towers area, which suggests that the outlying areas may contain undiscovered deposits of economic interest.

Exploratory drilling in the Charters Towers area has mainly been at approximately 50 m spacing on section lines approximately 200 m apart. Earlier drilling targeted known vein systems that had been outlined by surface outcrop mapping, previous mine plans, costeaning, and drilling to

intersect previous shafts and prospecting pits. Holes were spaced at intervals of 100 m to 500 m apart where the vein system was confidently expected (Towsey, 2005).

11.4 Risks Involved

It is important to emphasize that lodes of the major centers of gold mineralization, such as at Charters Towers, have been mined down dip for more than 900 meters vertically. Drilling has intersected mineralization grading over 20 g/t gold at depths of over 1,200 meters. Although the host rocks for the mineralization have different, local names when compared to those in the subject area (separated by 155 km), the date of mineralization is the same. Exploring for deep zones is cash-intensive and of high risk (see Morrison, *et al.*, 2004; and Snowden, *et al.*, 2002), but the rewards can be profitable, as confirmed by the number of companies that are currently active in the Charters Towers area and elsewhere in Queensland. This is usually confirmed by the number of technical publications that provide exploration guidance for the Charters Towers area appearing over the past 10 to 15 years, such as: Peters, 1987a and b; Peters and Golding, 1989; Hutton, *et al.*, 1997; Kreuzer, 2003 and 2005; Towsey, *et al.*, 2002; Towsey, *et al.*, 2004; among others cited previously.

The degree of geological risk involved in any particular project depends to a large extent on the caliber and quantity of applicable publications that are available to guide exploration. Although the White Mountain tenement is located in a relatively remote area of Queensland, this improves the odds of discovering significant gold and other metals because the area has not been investigated to any degree. The number of such publications by year is substantial: Black and Richards, 1972; Clark, 1974; Graf, 1977; Cox, 1981; Levington, 1981; Berge, 1986; Eingaudi, 1987; Dowling and Morrison, 1989; Mulholland, 1990; Wood, *et al.*, 1990; Beams and Jenkins, 1995; Beams, 1995; Dong, *et al.*, 1995; Orr, 1995; Lang, 1997; Robert, *et al.*, 1997; Harvey, 1998; Perkins and Kennedy, 1998; Wall, 2000; Goldfarb, *et al.*, 2001; Large, *et al.*, 2001; Hart, *et al.*, 2002; Orr and Orr, 2004; Dominy and Johansen, 2005; Dominy and Petersen, 2005; Goldfarb, *et al.*, 2005; Hart, 2005; Pearce, *et al.*, 2006; Robert, *et al.*, 2007; Taylor, 2007; Anon, 2008; Lam, 2010; and Allan, *et al.*, 2011, among others in addition to those cited previously.

Section 12.0 Drilling Activities

The exploration program at the White Mountain EPM is still at a relatively early stage. No drilling has been conducted on the EPM to date by the current tenement holder, WBG. Drilling has been conducted in the 1980s by INCO on the Bradley's Jubilation site. After drilling one hole to a depth of about 135 m, INCO surrendered the property although favorable targets remained. About two km to the north of Bradleys Jubilation, within an area of rhyolite, and near the contact of the rhyolite with a sandstone-grit sequence, gold is associated with an easterly trending zone of brecciation (which forms the crest of a hill), which is about 750 m long and about 200 m wide, according to Berkman and Saunders, 1994. This area has not been further evaluated to date.

In other areas of the tenement, the Diecon Mine area was drilled by Loloma Mining after dump and rock-chip samples indicated anomalous gold, silver, copper, and lead. Two reverse-circulation (RC) holes were drilled to depths of 58 and 49 meters but produced only minor gold values (0.04 g/t). The Clements Copper (and gold) prospect showed rock-chip samples of 2.4 g/t gold and 256 g/t silver. One RC hole was drilled to a depth of 40 m but produced a maximum gold value of 0.04 g/t. The Edward prospect showed shallow workings of antimony within a northwesterly trending quartz vein. One RC hole was drilled which showed a maximum assay of 0.4 g/t gold over a one-meter interval. The drilling depths have typically been less than 150 m.

Section 13.0 Sampling Method and Approach

The exploration program on the White Mountain EPM is still at a relatively early stage. No sampling has been conducted on the EPM to date by the current EPM holder. Analyses and other data produced from earlier exploration programs or mining should be considered as of historical interest only. Any mining production records from the White Mountain mine or other workings in the area are likely to be accurate and reliable only to a limited extent since there is no current way to confirm such reporting on the methods of sample preparation employed at the time, or on the quality of the laboratory or methods employed to determine gold content, or on the security and veracity of the sampling results reported in the historical records.

Section 14.0 Sample Preparation, Analyses, and Security

As indicated in Section 13.0 above, the exploration program on the White Mountain tenement is still at a relatively early stage. No sampling or drilling has been conducted on the EPM to date by the current EPM holder. Analyses and other data produced from earlier programs or mining should be considered as of historical interest only. Mining production records from the White Mountain mine or other workings in the area are likely to be accurate and reliable only to a limited extent since there is no current way to confirm such reporting on the methods of sample preparation employed at the time, or on the quality of the laboratory or methods employed to determine gold content, or on the security and veracity of the sampling results reported in the historical records.

Section 15.0 Sample Data Verification

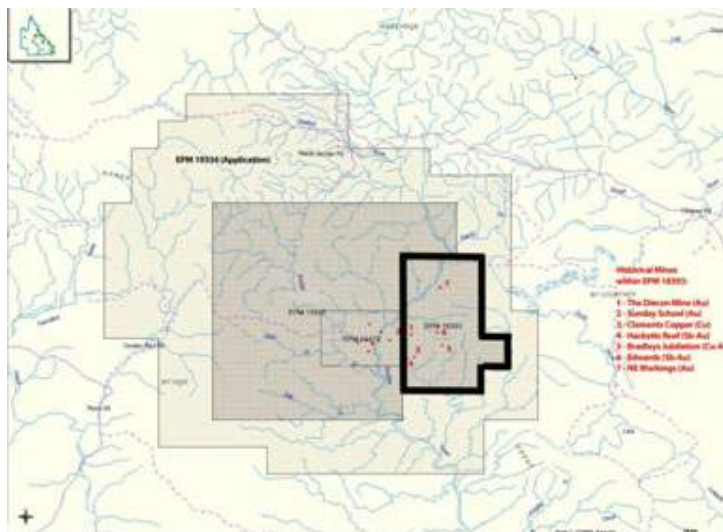
As indicated in Section 14.0 above, the exploration program on the White Mountain EPM is still at a relatively early stage. No sampling or drilling has been conducted on the tenement to date by the EPM holder. Analyses and other data produced from earlier programs or mining should be considered as of historical interest only. Mining production records from the White Mountain mine or other workings in the area are likely to be accurate and reliable only to a limited extent since there is no current way to confirm such reporting.

Section 16.0 Adjacent Properties (Tenements)

Five tenements (EPMs) are immediately adjacent to and surround the White Mountain EPM. One of these EPMs is in the Application stage, see Table 7 and Figure 18.

Table 7
Current Tenements Adjacent to White Mountain EPM*
 (See Figure 18 for Locations * As of March 6, 2012)

RELATIVE TO WHITE MOUNTAIN	EPM#	HOLDER	STATUS*	INITIAL DATE	SUB BLOCKS
East, South, & North	19334	Mantle Mining Corporation Ltd.	Application	15 Aug, 2011	100
West & North	15527	Mantle Mining Corporation Ltd.	Granted	30 Nov., 2007	54
Central West	14179	Zulu Gold Mining Pty Ltd.	Granted	25 Nov., 2004	6



**Figure 18 - EPMs Adjacent to and around White Mountain Tenement,
 with Selected Historical Mining Prospects shown in red.**
 (Left click to expand view.)

Section 17.0 Mineral Processing and Metallurgical Testing

No metallurgical testing on mineralization has been conducted on the White Mountain EPM because exploration is still at a relatively early stage. The metallurgy on gold samples from workings adjacent to the west indicates the gold is refractory and is associated with arsenopyrite, which will require subsequent processing to free the gold (see Berkman and Saunders, 1994). The size of the deposit would have to be large in order to justify the high processing costs of refractory gold.

Section 18.0 Mineral Resource and Mineral Reserve Estimates

The exploration program on the White Mountain tenement is still at a relatively early stage. No mineral resource and mineral reserve estimates can be conducted until significant mineralization has been encountered, drilled and cored.

Section 19.0 Other Relevant Data and Information

There are no other relevant data or information that the authors are aware of that should be included in this report. I2M has endeavored to locate and review all relevant and appropriate documents as listed in Section 22 - References that would provide information on the relative exploration potential of the subject tenement, but we do not assert that we have considered all such information that may be in existence. Therefore, we reserve the right to revise or alter our opinions should new information become available that could materially impact our views on the subject tenement.

Section 20.0 Interpretations and Conclusions

After reviewing the historical mining and mineral exploration activities and associated company reports dealing with the known mineralization within and to the west of the tenement area, we have concluded that the White Mountain tenement has substantial potential for mineralization of potential economic importance. Although many past company exploration programs were superficial and inconclusive in nature, a few of the companies did conduct detailed surface sampling, some of which produced favorable results, but they were not followed up. In some areas, drilling was conducted on the subject tenement, but not to any comprehensive extent although merited by strong geological and geophysical evidence. The lack of sufficient funding was the likely reason for not following up many of these prospects.

By the late 1990s, with advanced airborne and ground magnetics and IP surveying (and associated software for data modeling), exploration conducted at a more sophisticated level could well result in more effective targeting of sites for drilling than in previous efforts. INCO located a gossan of some 60 m in length that assayed 1.5% nickel and 1.2% copper but only drilled one hole before relinquishing the tenement. In 2004, Giralia Resources engaged a reinterpretation of existing geophysical data that produced a previously unknown strong magnetic anomaly east of the Bradley's Jubilation prospect that trended toward the southeast. By combining additional drilling with further geological and structural interpretations associated with the known mineralization and new magnetic anomaly, the chances of discovering a significant ore body would be clearly improved.

With improved commodity prices bringing better funding to exploration programs allow numerous opportunities to evaluate mineral properties in greater detail and at greater depths than before and thereby increases the likelihood of discovering new deposits that have been overlooked in the past. The case histories of the mines and earlier exploration discussed in this report provides clear evidence that a concerted effort and commitment to provide the appropriate funding for exploration are appropriate steps to be taken by WBG management.

Based on our review of the information available, the White Mountain tenement is an example of where previous exploration programs have not explored the property in sufficient detail to determine its potential, leaving a number of exploration leads for the WBG management to now pursue.

Several key geological elements are present in the White Mountain tenement:

- 1) the numerous shows of polymetallic mineralization and widespread surface geochemical anomalies that remain to be followed up, and
- 2) the presence of mineralized shear zones north of the new magnetic anomaly with several known intersecting mineralized faults and veins that remain to be followed up.

20.1 The White Mountain Trends

There are numerous prospects on the subject property. The first task would be to prioritize the most favorable prospects for more detailed geological examination in the office and in the field. These areas would be targeted for field surveys followed by airborne and/ ground magnetics, IP surveys or other geophysical surveys. The number of legitimate prospects and their possible extensions suggest the existence of significant mineralization at depth.

20.2 Target Areas

Four preliminary target areas selected on the basis of aerial photo interpretations, historical mine proximity, and airborne magnetics within the EPM have been designated by I2M as obvious areas of special interest in Figure 19.

The initial target areas are the quartz-vein systems within the Upland Granodiorite mined in historical workings on the tenement, although these, and numerous other small mines in the tenement immediately adjacent to the subject EPM, have been evaluated in passing by many companies over the years. Before these are evaluated once again, all available information on the previous mining and later exploration should be assembled and evaluated in detail to avoid duplicating efforts made by previous companies. Should work on and around these workings produce evidence that follow-up drilling is justified then funds should be made available to pursue the new leads with drilling deeper into the anomalous, mineralized intervals mined earlier. The trend of the shear zones in the adjacent property is illustrated by the red arrows in Figure 19.



Figure 19 - Areas of Interest: White Mountain Historical Mine Sites and Geological Units of Special Interest (Left click to expanded view online).

New research by So, *et. al.*, (2005), indicates that thin, vertical quartz veins, some carrying significant gold and other metals are known to extend to depths exceeding 1,000 m in the Muguk Mine, Korea, especially within shear zones of granitic/granodioritic rocks. Other investigations by Baker, *et al.*, (2006), suggests that at the Pajingo Mine area, located 185 km southeast of the subject EPM, the textural and chemical zonation of pyrite may be useful in exploring proximity

within epithermal gold in quartz veins. These works, and others (Bobis, *et al.*, 1995 for example), should be raising the interest of the industry to re-evaluate gold prospects in thin quartz veins that may prove to be more extensive than previous considered.

The second area of interest, outlined in a red in Figure 19, appears to be a granitic unit involved in mineralization occurring at the Edward prospect and at Bradley's Jubilation workings (also shown in Figure 19, use expanded view); both prospects produced a variety of ore-related minerals that included gold, nickel, antimony, molybdenum, and other anomalous metals. The presence of such metals indicates that conditions were present for major mineralization at depth. These historical mining operations quite likely only tested the upper intervals of what could be a series of mineralized zones at depth. This would be consistent with the history of many other recent mines in northeast Queensland.

The third area shown by a red diamond pattern in Figure 19 is over a trend of an especially strong magnetic high in the form of a ridge emanating from the southeast of the subject tenement. This obviously is caused by iron-rich magnetic minerals within the Cape River Metamorphics Complex, which is in fault contact with the Fat Hen Creek Complex that contain various rock types that have also been heavily altered into a range of metamorphic rocks and associated minerals (see Figure 20).

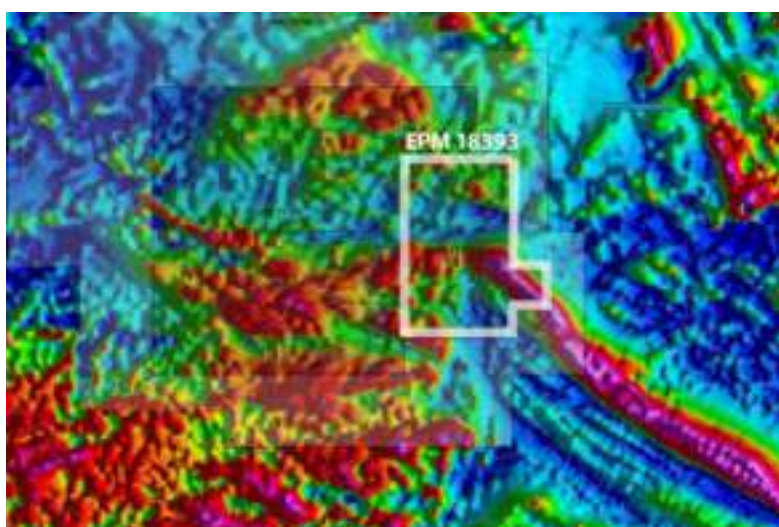


Figure 20 – 1998 Magnetism Map for White Mountain Tenement and Environs.
(Source: QDEX)

The contact between these two units represents a significant target of possible skarn-type and nearby multi-metal sulfide mineralization. If in fault contact then they are most likely the host structures for hydrothermal fluids carrying a range of metals.

In support of the presence of magnetite in the subject unit, in an area to the south of the subject tenement, along the eastern boundary of the Cape Rive Complex, Shelton and O'Rourke (1983) reported a large quartz body occupying a ridge close to a contact of an adamellite (within the Fat Hen Creek Complex) with the Cape River Metamorphics Complex. The fractured quartz showed strong specular hematite (with goethitic and jarositic staining). Iridescent pyrite (and chalcopyrite?) was reported with boxwork fabric suggesting original molybdenite. This is significant because the hematite may also contain magnetite, and associated metals that could be the source of the strong magnetic anomaly within the subject tenement.

The reports of gold, antimony, nickel, silver and lead, zinc, molybdenum, and copper in the area indicate a magmatic association for the mineralization along the numerous shear zones in the vicinity. The magnetic low areas (shown in blue) adjacent to the magnetic high area are prime candidates for drilling sites for sulphide mineralization (see Figure 19).

As mentioned earlier, Hannan (2007) indicates that the area exhibits a nickel-bearing gossan on the north end of the magnetic anomaly. North of the Bradley's Jubilation prospect, there is a north-northeast-trending series of structures apparent on the Google map (Figure 21). This intersection of two features is considered to be a possible locus of economic mineralization.

Locating where, and if, this mineralization has accumulated in bodies of economic interest is the primary goal of the exploration to be conducted on this tenement. Ground reconnaissance for locating altered ground, surface geophysics involving magnetics and various forms of induced polarization (IP) should, from our vantage point, lead future exploration programs. On the basis that the magnetics map (see Figure 20) was made available by the Queensland Government in 1998, only a few of the many companies exploring this area over the years had the benefit of the map, if in fact they were aware of its availability after it was produced by Giralia Resources and released via QDEX (Angus, 1996).

The fourth type of target is designated in a blue pattern in Figure 19 (and in Figure 21). This area appears to exhibit shear zones and associated faulting that would be available to serve as avenues for migrating mineralization. A low-altitude examination of the aerial photo at the northern end of the magnetic anomaly also indicates numerous joints and faulting (see Figure 21).

The adjacent area to the north of the faulted zone exhibits an especially low magnetic area which runs east-west through the area, and which is typical of sites of multi-metal sulfide mineralization (see Figure 20). Follow-up geophysics and drilling are merited in this area.



Figure 21 - Joints and Faulting at the Northern Terminus of the Magnetic Anomaly.
(After Google Map – Lineaments Emphasized)

Giralia Resources held a tenement in the subject area during the mid-2000s and apparently didn't have the funds to conduct extensive exploration, although Brewster (2007) of Carpentaria Exploration, in farming in the tenement from Giralia, considered the magnetics map in its exploration program. In fact, Carpentaria Exploration promoted and extolled the virtues of their tenement (part of which overlapped the magnetic ridge) in a formal independent geologists (IG) report that was included in a prospectus for the initial public offering (IPO) of Carpentaria Exploration Limited in going public on the Australian Stock Exchange (ASX) in 2007. However, Carpentaria Exploration soon returned the property to Giralia Resources to pursue other projects in New South Wales and South Australia, etc. without conducting further exploration (see Anon,

2008). It should be emphasized that Carpentaria Gold Pty Ltd. is not related to Carpentaria Exploration Ltd., which is an ASX-listed public company.

The White Mountain tenement is highly prospective and warrants further exploration for vein-style and multi-metal stockwork-hosted and massive sulphide deposits. This is based on the view that:

- 1) earlier exploration has resulted in demonstrating that gold of mineable grades is in the system, which serves to increase the likelihood of discovering economic mineralized zones at depth during future exploration programs,
- 2) underexplored areas involving a strong magnetic ridge and the areas around such anomaly are quality targets for exploration, and
- 3) exploration methods employing recently developed geological models of mineralization and new geophysical tools have not yet be applied in the priority areas of the subject tenement.

Section 21.0 Recommendations

21.1 Exploration Strategy

The general exploration strategy that should be applied is to use all available data and information from the historical record in the formation of WBG exploration plans. Areas within the subject tenement should be assigned priorities and then systematically pursued while appropriately documenting the resulting data and information for possible use in nearby areas.

We recommend following this same procedure together with the models developed by Beams (1995), see Figure 22 and his subsequent reports cited in Section 22 - References.

We also recommend that:

- 1) surface geochemical surveys are limited to particular target areas identified after the reports of previous company activities have been re-examined in detail and the target areas prioritized. Any altered zones encountered should be investigated geologically in detail with XRF detectors (such as the Niton) with internal GPS or equivalent,

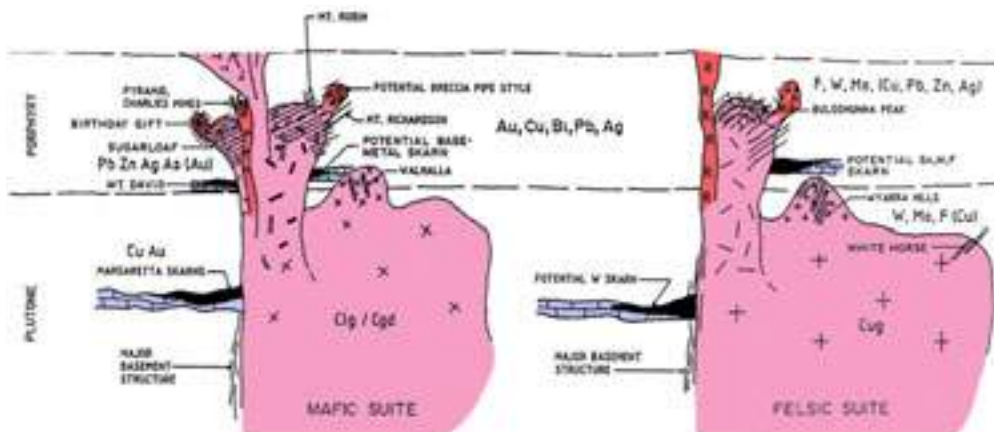


Figure 22 - Primary Models of Mineralization for the White Mountain EPM
(Beams, 1995)

- 2) ground geophysics should be applied over priority areas of the tenement. Ground EM surveys, including Lamontagne's UTEM and Crone's Pulse EM surveys should be applied in the search for moderately to strongly conductive assemblages of massive sulfides. The depth penetration of these surveys varies between 200 and 400 meters, depending on the size and concentration of the sulfides involved in breccia pipes or shear zones, and
- 3) reverse circulation and diamond coring of appropriate targets should then be conducted and then followed up by borehole geophysics (either downhole EM or IP) to further target either mineralized intersections or near-hole geophysical anomalies. This makes full use of drilling beyond obtaining core samples. Investigating the White Mountain prospects may require a number drill sites along the trends to test for possible blind targets.

Also, the exploration expertise by the WBG principal consultant, Terra Search, provides WBG with a competitive advantage in exploration. Terra Search, a fully independent, privately-owned mineral exploration services company led by well-known senior personnel, has operated throughout Australia since 1987. Terra Search personnel operate out of offices in Townsville with a field depot in Charters Towers, which is within a few hours' drive to the subject EPM. Terra Search has the equipment and demonstrated technical expertise to manage the exploration program. Field crews are experienced in working in the more remote areas of northern Queensland.

Since Charters Towers is a hub for exploration in the general area, commonly needed equipment, supplies, and emergency assistance is about 180 km from the subject tenement, by way of the paved Flinders Highway and Homestead roads (or about 155 km by direct flight). Improved tracks access the tenement area. Smaller communities, such as Pentland and Hughenden, offering basic needs are located along the main highway as well. Other needs are generally met in Townsville located further northeast along the Flinders Highway at a distance of about 115 km from Charters Towers, Queensland.

21.2 Development Strategy

The target of the exploration is to identify and develop gold and base-metal deposits of sufficient size and ore grade to be of economic interest to the WBG Management. The typical gold deposits in Canada and elsewhere in the world have been classified by tonnage and gold grade based on moderately high gold prices (Dubé and Gosselin, 2006). Now, smaller deposits are being considered for development because the price of gold is high and is expected to remain so for decades.

Based on our experience in exploration and development of gold prospects, we encourage WBG management to provide sufficient funds for the appropriate field work, followed by geophysical surveys and, should they produce favorable target zones, to drill all priority areas identified within the White Mountain tenement to depths that may be deeper than has previously been considered in past exploration programs.

We have prepared an estimated budget for the first two years of the exploration program on the subject tenement (see Table 8). Geophysical surveys would be conducted during the first and second years of the program, and drilling would be anticipated during Year 3 of the program. This budget is more aggressive than the annual expenditures proposed in the EPM application documents on the basis that two field teams and other functions could be performing concurrent field tasks on separate priority areas within the subject tenement. This would allow exploration to move along at a faster pace than with only one field team. Coordination of historical data with new data will become an important data-keeping function of the WBG technical management personnel and their consultants.

Access roads will likely need to be constructed in unexplored areas; field camps will need to be stocked with supplies and water at strategic points in the various priority areas, not only to provide support to the field crews, but also to provide the appropriate support for any emergencies that may occur in the field. Handheld-radio units, GPS and locator beacons should be standard equipment for the field crews.

Table 8
Recommended 2-Year Program Costs: White Mountain EPM Exploration

TASK CATEGORY	YEAR 1	YEAR 2
Geological Reconnaissance and Mapping	\$25,000.	\$70,000.
Geophysics (Air & Ground Magnetics & IP)	35,000.	100,000.
Preliminary Drilling Planning	-	-
Geological Supervision & Yearly Report	50,000.	65,000.
Drilling & Field Supplies	-	-
Laboratory & Assays	30,000.	35,000.
Backhoe & Bulldozer & Roadwork	<u>25,000.</u>	<u>10,000.</u>
SubTotal:	\$165,000.	\$280,000.
Contingency @ 10%	<u>16,500.</u>	<u>28,000.</u>
Total:	\$181,500.	\$308,000.

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Section 23.0 Certificates of Competent Persons

Michael D. Campbell, P.G., P.H.
Vice President and Chief Geologist/Hydrogeologist
I2M Associates, LLC

I, Michael D. Campbell, do hereby certify that:

1. I am Vice President and Chief Geologist/Hydrogeologist in the firm of I2M Associates, LLC, based in Seattle, Washington and residing at 1810 Elmen Street, Houston, Texas 77019, see: <http://www.i2massociates.com/michael-d-campbell-pg-ph-curriculum-vitae>
2. I graduated with a Bachelor of Arts in Geology in 1966 from The Ohio State University in Columbus, Ohio, and with a Master of Arts in Geology from Rice University in Houston, Texas in 1976 and have practiced my profession continuously since 1966.
3. I have worked as a geologist and hydrogeologist for my full working career. After graduation, I worked for Continental Oil Company (Australia), Sydney, N.S.W., as Staff Geologist/Hydrogeologist, Minerals and Mining Division (from 1966 to 1969). I was responsible for conducting, coordinating, and implementing prospect evaluations, mapping and sampling programs, well-site operations, and ground-water supply investigations in various parts of Australia, Micronesia (Caroline Islands) and the South Pacific (Coral Sea) for exploration on: phosphate (NW Queensland, west of Mt. Isa, and Northern Territory, phosphate discovery was made in Alroy Station area), potash (Carnarvon Basin), sulfur, coal, precious and base metals, and uranium. Joint-venture programs with Japanese and Korean companies required extensive travel between Australia and Japan and Southeast Asia. I also investigated uranium prospects on the Nullibar Plains of South Australia. I was granted Resident Status in Australia from 1966 to 1969 to work on phosphate and other minerals in Queensland, the Northern Territory and on potash in Western Australia and elsewhere in South East Asia.

After completing the assignment, I was transferred back to the U.S. to work on Conoco's uranium projects in the western U.S. In 1970, I joined Teton Exploration, Div. of United Nuclear Corporation in Casper, Wyoming and served as District Geologist for uranium exploration. From 1972 to the present, I have worked for various engineering and environmental companies involved in natural resource development and mining and on managing and executing environmental projects for industry. In the early 1980s, I served as a senior consultant to an international venture to explore for, acquire, and development gold and silver properties in the U.S. One such property was permitted and placed into production. An especially high-quality gold dore' was produced over a three-year period.

4. I am a licensed Professional Geologist in: Texas, Washington (and as a Professional Hydrogeologist), Alaska, Mississippi, and Wyoming, and I hold national certifications by the American Institute of Professional Geologists and American Institute of Hydrology. I am a Registered Member of the Society for Mining, Metallurgy and Exploration (SME) - a member since 1975, a Fellow of the Society of Economic Geologists, a Fellow in the Geological Society of America, a founding member of the Energy Minerals Division (EMD) of American Association of Petroleum Geologists (AAPG) - currently serving as Chair of the EMD Uranium (Nuclear Minerals) Committee since 2004, and was elected as EMD President (Term: 2010-2011). I have been active in numerous other professional associations and societies, as time permitted over the years, such as the National Ground Water Association (AGWSE), and other professional societies. I have produced numerous presentations and publications (see resume for additional details, Section 25.0 – Appendix VIII).
5. I have read the definition of “Competent Person” as defined in the London Stock Exchange AIM Rules for Companies Guidance Notes for Mining, Oil & Gas Companies, June, 2009, and I certify that by reason of my education, affiliation with a number of relevant professional organizations, and by my past relevant work experience in Australia and elsewhere, I fulfil the requirements to be a “Competent Person” under the AIM Rules for Companies. This report has been prepared in essential compliance with the AIM Note (2009) Appendix 1 and 2.

Furthermore, the information in this report that relates to exploration results is based on information compiled by myself and others. I am a member in good standing of the above professional societies and associations and am a full-time employee of I2M Associates, LLC, based in Seattle and Houston.

I have sufficient experience relevant to the styles of mineralization and types of deposits under consideration and the activities which I qualify as a Competent Person as defined by the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. I fully consent to the inclusion of my name in this report and to the issuance of this report in the form and context in which it appears.

As of the date of this certificate, to the best of my knowledge, information and understanding, this technical report contains all the scientific and technical information that is required to be disclosed to make the technical report not misleading.

6. I made a personal inspection of the White Mountain tenement in Queensland during the week of March 26, 2012.

7. I have not had any prior involvement with the Wishbone Gold Pty Ltd. or other holdings by the company involved in this project. Therefore, I am independent of Wishbone Gold Pty Ltd. and any and all of its predecessors.
8. As of the date of this certificate, to the best of my knowledge, information and understanding, this CP Report contains all the scientific and technical information that is required to be disclosed to make this document not misleading.
9. I consent to the filing of this CP Report with any stock exchange and other regulatory authorities and any publication by them for regulatory purposes, including electronic publication in the public company files or on their websites accessible by the public of this CP Report.

Mr. Jeffrey D. King, P.G.
President and Senior Project Manager
I2M Associates, LLC

I, Jeffrey D. King, do hereby certify that:

1. I am President and Senior Program Manager in the firm of I2M Associates, LLC, based in Seattle, Washington, and residing at 8424 E. Meadow Lake Drive, Seattle (Snohomish), WA 98290. See: <http://i2massociates.com/jeffrey-d-king-pg>
2. I graduated with a Bachelor of Arts in Geology in 1979 from Western Washington University in Bellingham, Washington and have practiced my profession continuously from that time.
3. I have worked as a geologist and/or project/operations manager for my full working career. In 1979, I joined Bethlehem Copper (later Cominco) of Vancouver, Canada as a Staff Geologist. I was responsible for conducting, and implementing prospect evaluations, mapping and sampling programs, and well-site operations in the North Cascades of Washington State and central/eastern Nevada. In 1980, I joined the consulting firm of Watts, Griffis and McQuat of Toronto (WGM), Canada as a Senior Exploration Geologist where I was responsible for field operations for WGM's national exploration program searching for rare-earth and other minerals. Also during that time I aided WGM's senior staff on large-scale property evaluations for multiple large clients. In 1982, I was engaged by MolyCorp to work on their regional exploration program for rare-earth minerals and in 1983 I was engaged by Campbell, Foss and Buchanan, Inc. to conduct gold exploration and mine development as well as gold-placer evaluations in the lower states and in Alaska. In 1984, I joined an international venture as Mine Manager at a gold/silver mine in east/central Nevada. In 1986, I was promoted to Vice President of Operations. Since 1988, I have been affiliated with M. D. Campbell and Associates, L.P. as a Senior Program Manager. In early 2010, I formed I2M Associates, LLC and currently serve as President and Senior Program Manager. I have completed numerous mine evaluation and environmental projects over more than 25 years.
4. I am a licensed Professional Geologist in Washington State and a Member of SME (Society for Mining, Metallurgy & Exploration) (see Resume for additional details, Section 25.0 – Appendix VIII).
5. I have read the definition of "Competent Person" as defined in the AIM Rules for Companies Guidance Notes for Mining, Oil & Gas Companies, and I certify that by reason of my education, affiliation with a number of relevant professional organizations, and by my past relevant work experience in Australia and elsewhere, I fulfil the requirements to be a "Competent Person" under the AIM Rules for Companies.

6. I was involved in the preparation and review of the contents and coverage of this CPR and hence serving as co-Author of this CPR.
7. I have not had any prior involvement with the Wishbone Gold Pty Ltd., the company involved in this project. Therefore, I am independent of the Wishbone Gold Pty Ltd. and any and all of its predecessors.
8. As of the date of this certificate, to the best of my knowledge, information and understanding, this CPR contains all the scientific and technical information that is required to be disclosed to make this CPR not misleading.
9. I consent to the filing of this CPR with any stock exchange and other regulatory Authorities and any publication by them for regulatory purposes, including electronic publication in the public company files or on their websites accessible by the public of the technical report.

Signed in Houston, Texas this 10th day of July, 2012. We reserve the right to revise and update this CP Report in the future as new information becomes available or as we deem appropriate.

Sincerely,

I2M Associates, LLC



Michael D. Campbell, P.G., P.H.
Vice President & Chief Geologist



Jeffrey D. King, P.G.
President and Senior Program Manager



Section 24.0 Illustrations (Expanded Views)

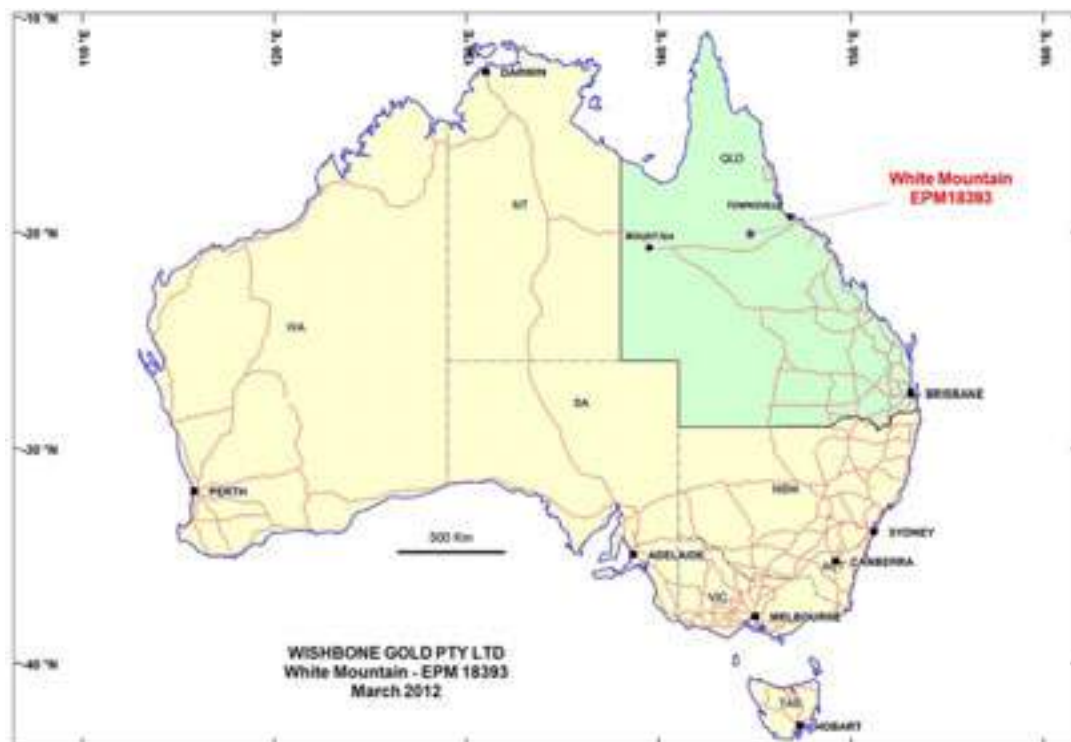


Figure 1 – General Location of the White Mountain Tenement
(from Terra Search, 2012)



Figure 2 - General Location of the White Mountain Tenement
(Google Earth Map) (Expended View)

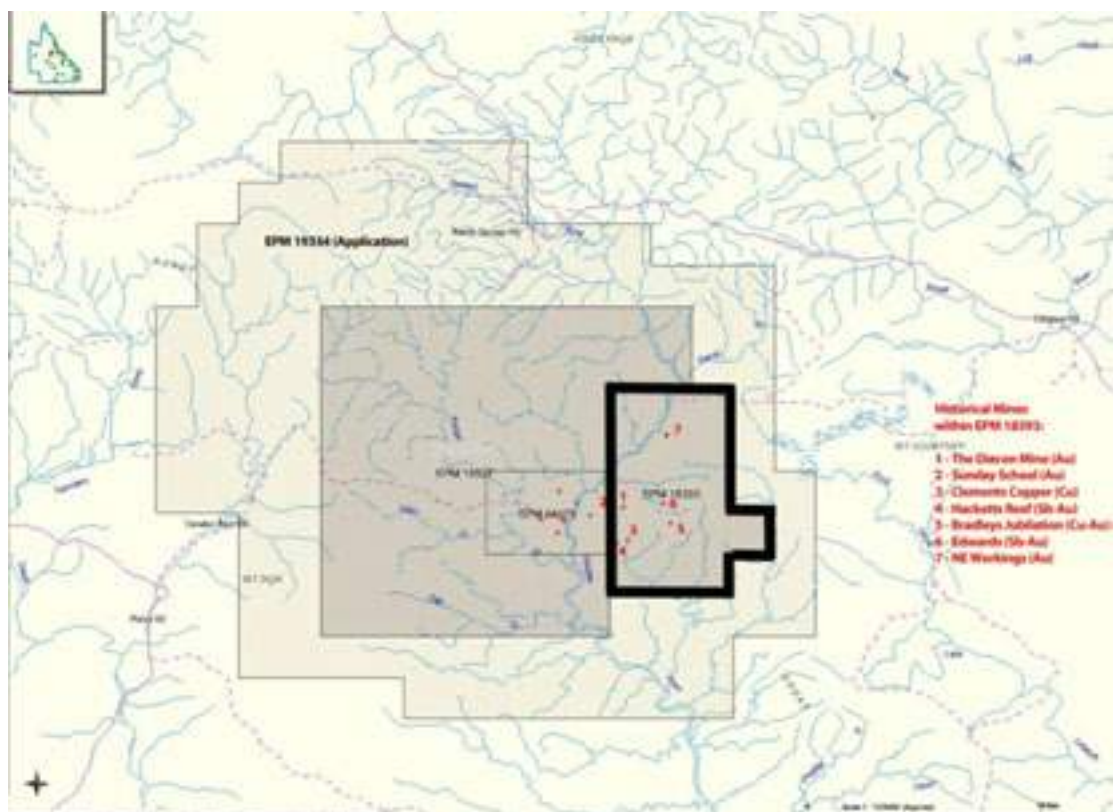


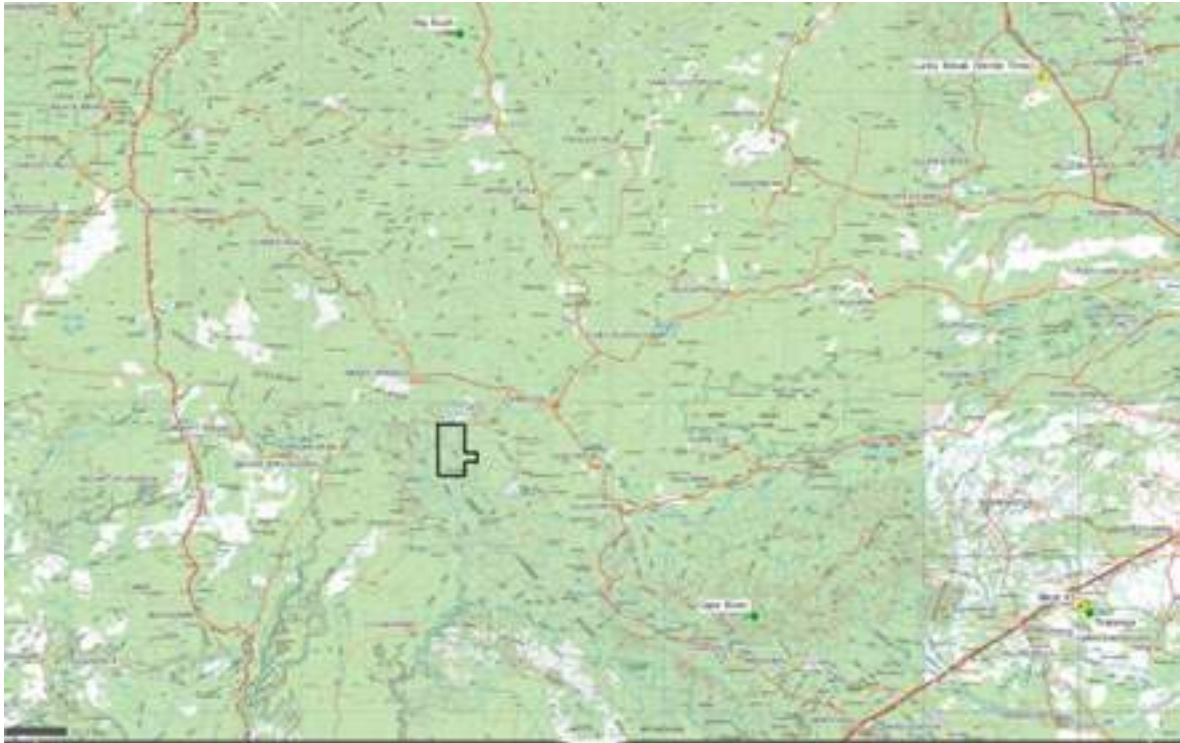
Figure 3 – White Mountain & Surrounding Tenements



**Figure 4 – Site Visit Personnel on the White Mountain Tenement
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(left to right: Dr. Beams, Mr. Campbell, and Mr. Poulden)



Figure 5 – Aerial View of the White Mountain Area
(Google Map- Expanded View – Left Click Online)



**Figure 6A – Regional Topography Showing the White Mountain
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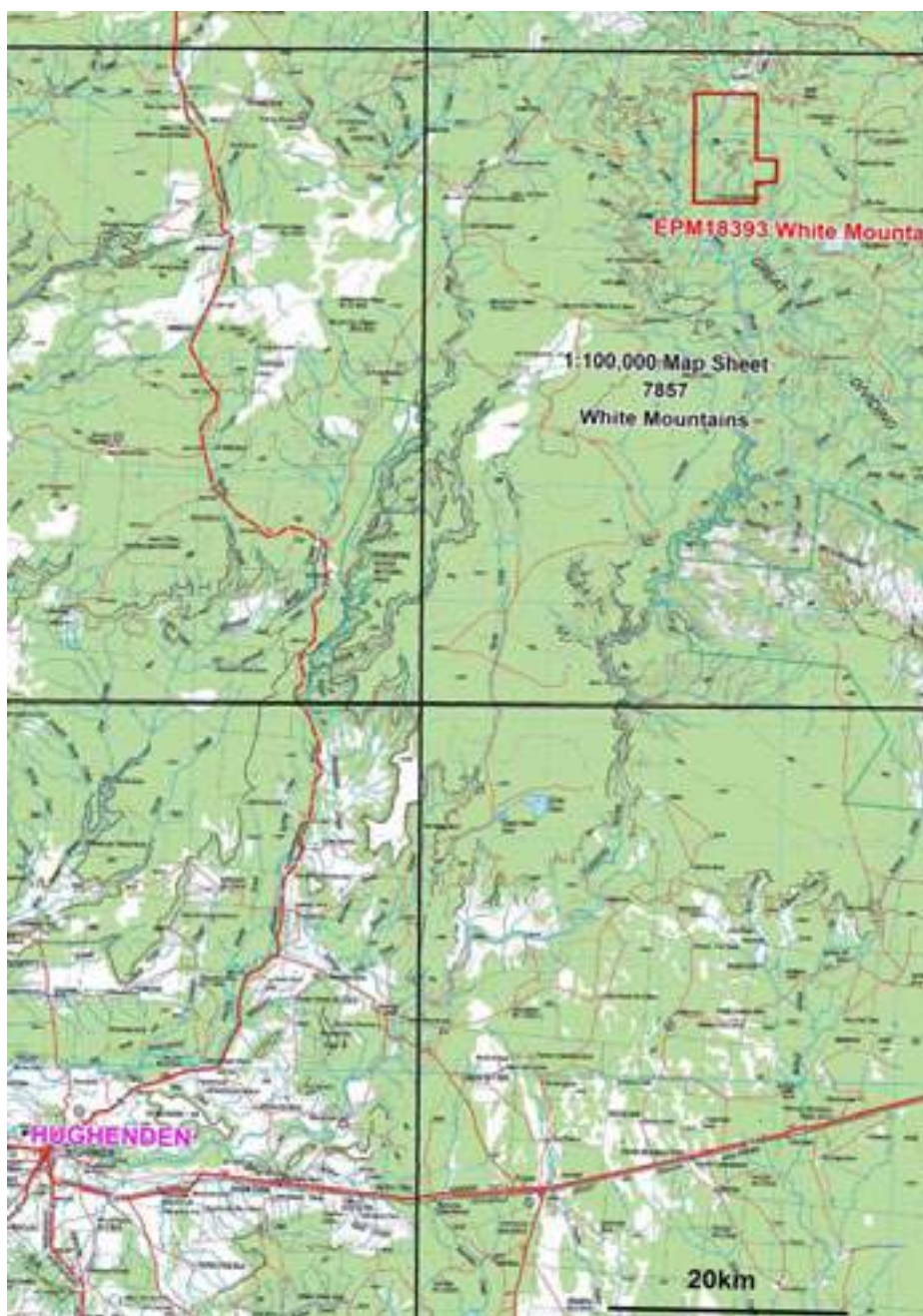


Figure 6B - Regional Topographical Map
(From Terra Search)



Figure 6C – Local Topography with Homesteads, Improved Roads, Tracks, and Streams



Seattle



Figure 7 - Locations of Sub Blocks within White Mountain Tenement

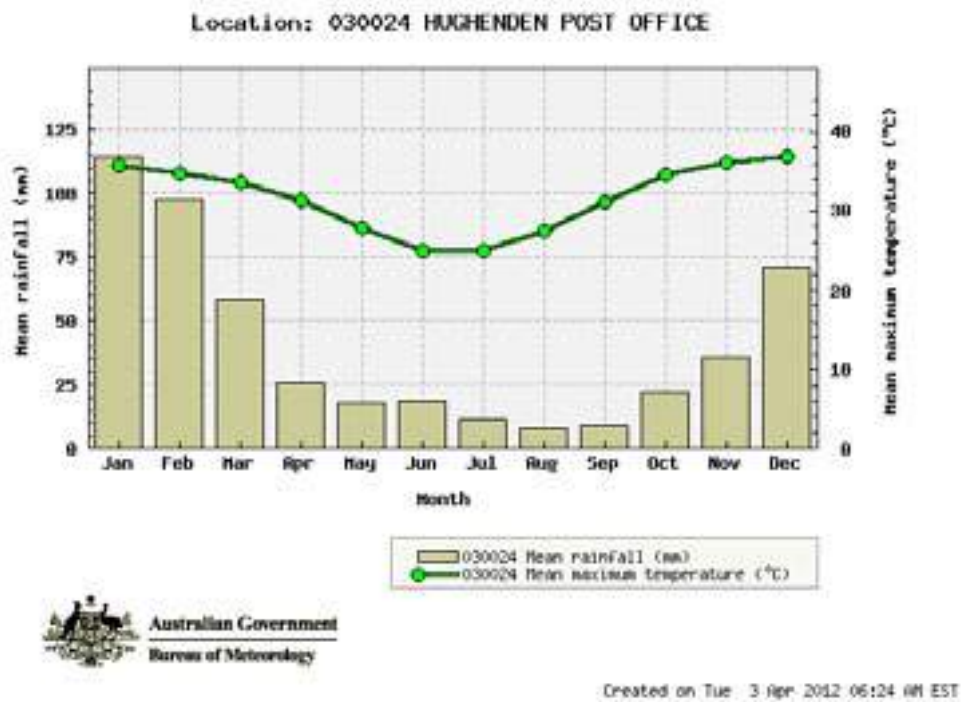
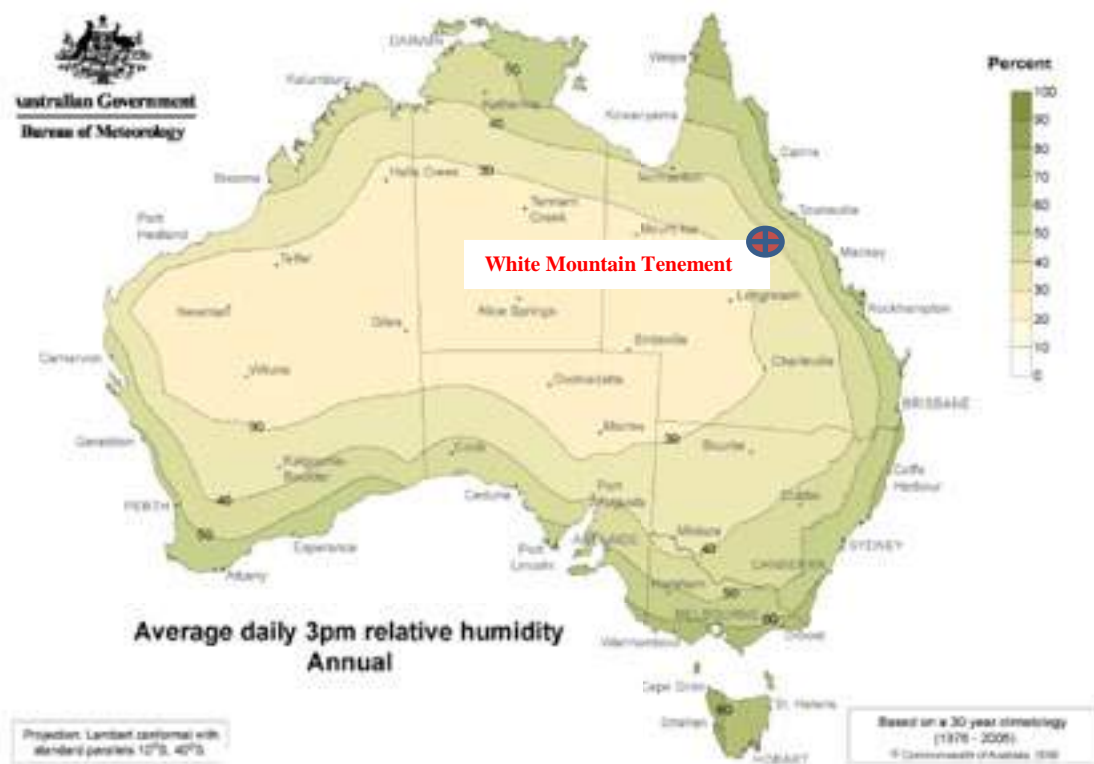
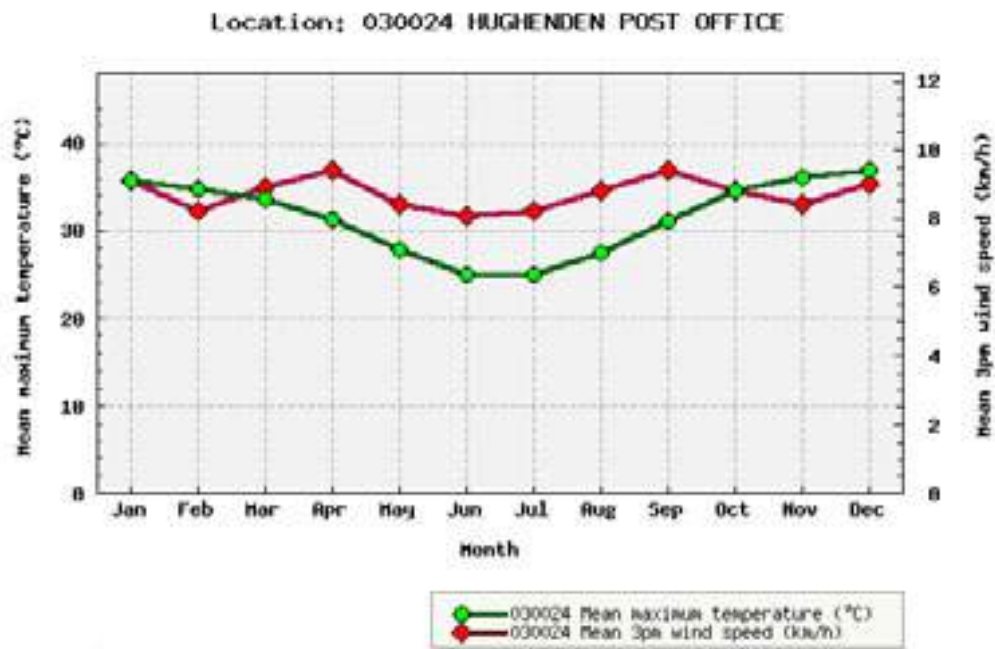


Figure 8 - Mean Maximum Monthly Temperatures and Rainfall



**Figure 9 - Average Daily Relative Humidity
(@ 3:00 PM)**



Australian Government
Bureau of Meteorology

Created on Tue 3 Apr 2012 06:05 AM EST

**Figure 10 - Mean Maximum Monthly Temperature
(@ 3:00 PM) and Mean Daily Solar Exposure**

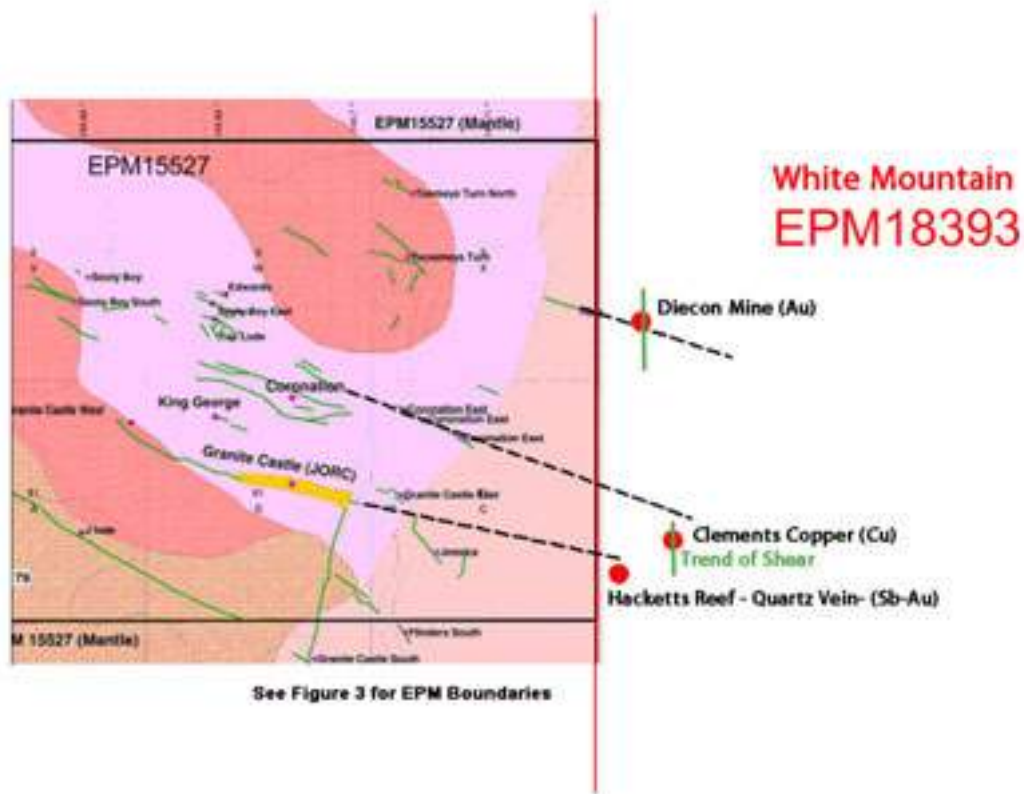


Figure 11A - Generalized Trends entering EPM 18393 from the West.
 (After Mantle Mining Corporate Website)

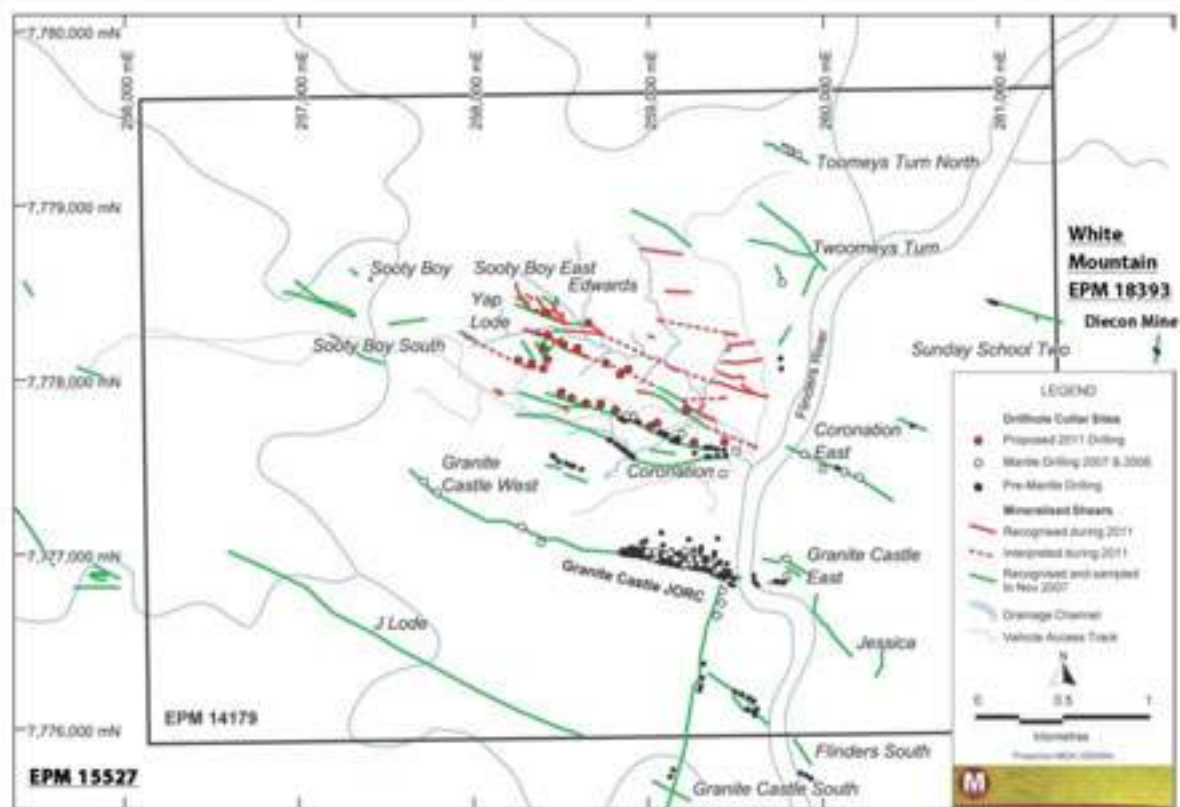


Figure 11B – Drilling Locations and Generalized Trends on Adjacent Property.
 (After Mantle Mining Corporate Website ASX Announcement)

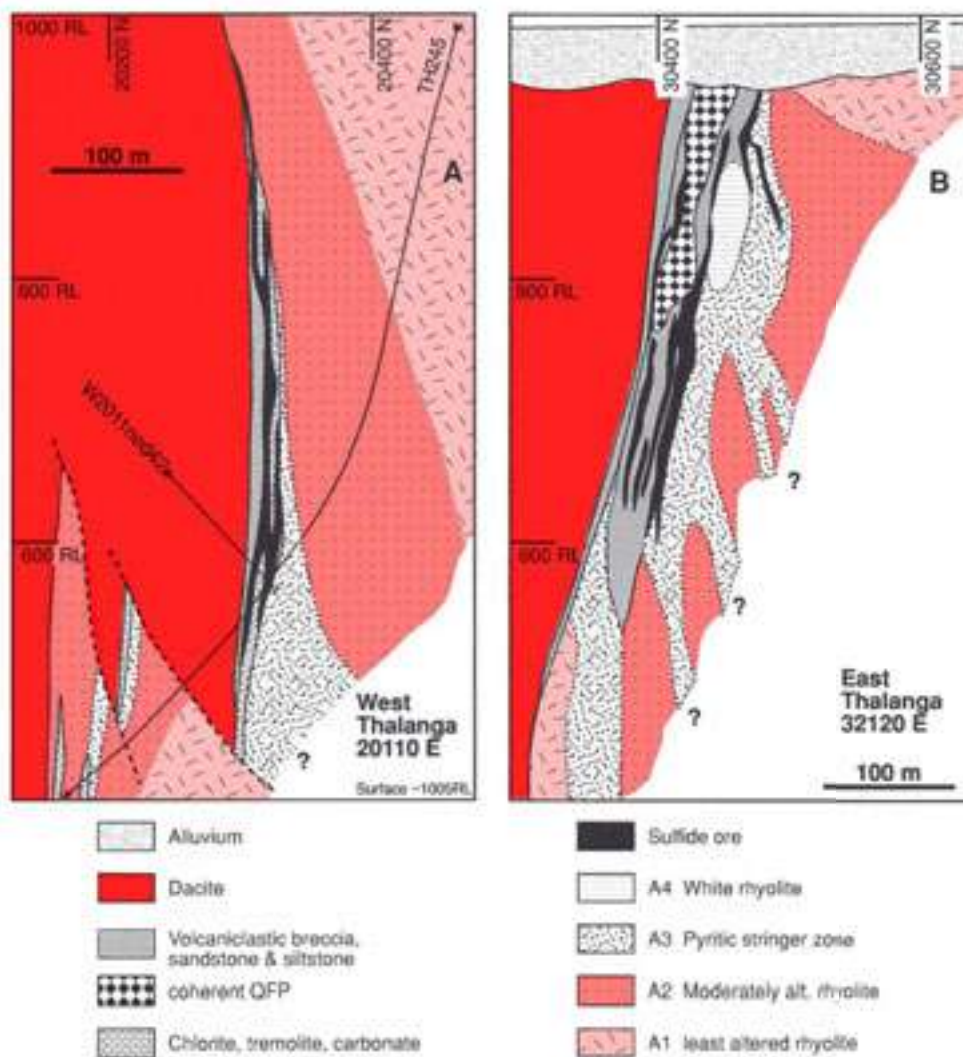


Figure 12A and B – Blind Drilling at the Thalanga Mines Area
 (from Paulick, *et al.*, 2001)

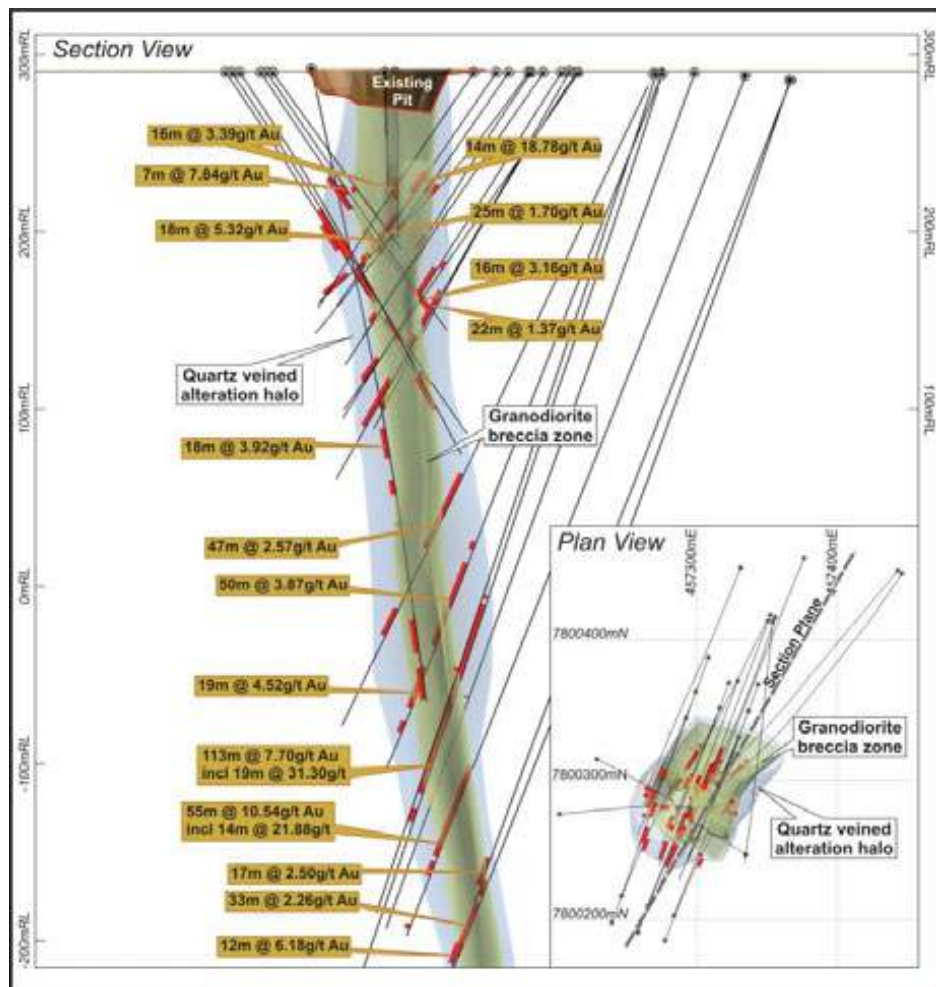


Figure 13 - Cross Section of Drilling Results by Resolute Mining Ltd. at the Welcome Deposit
 (from Resolute Mining Ltd.)

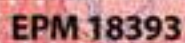
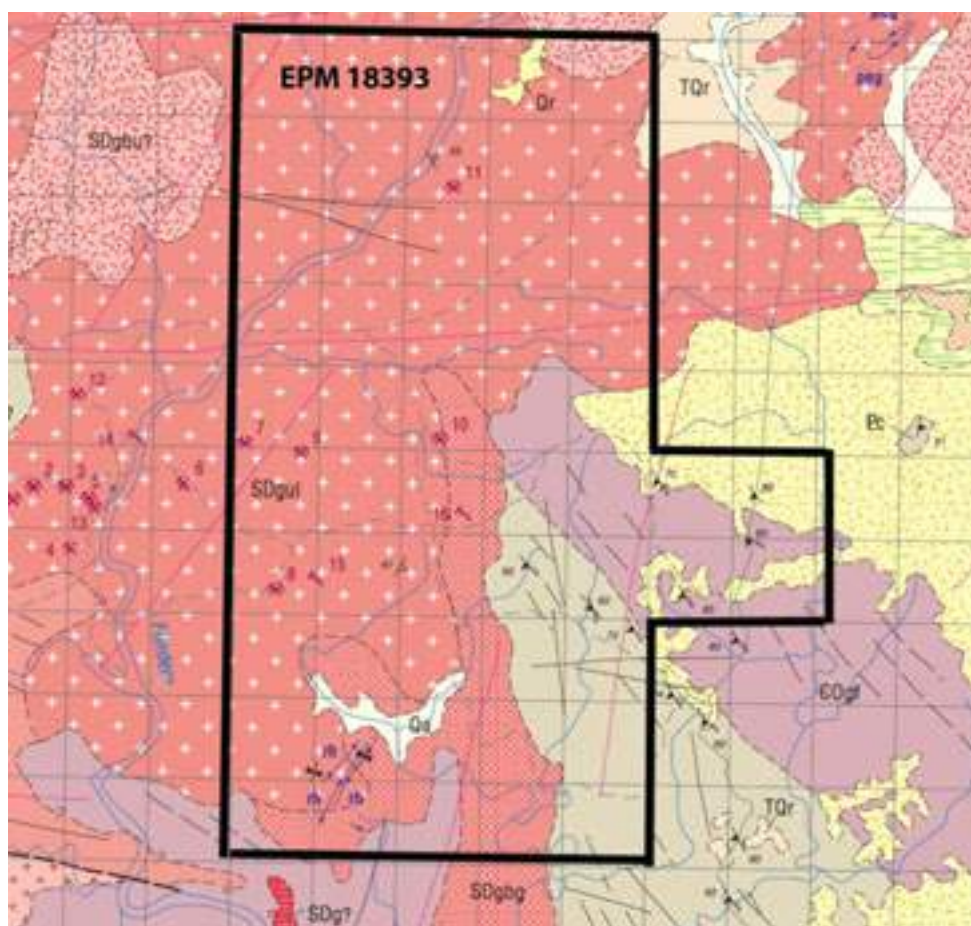


Figure 14 - Regional Geology - White Mountain Tenement Area



**Figure 15 - Local Geology - White Mountain Tenement and Surrounding Areas
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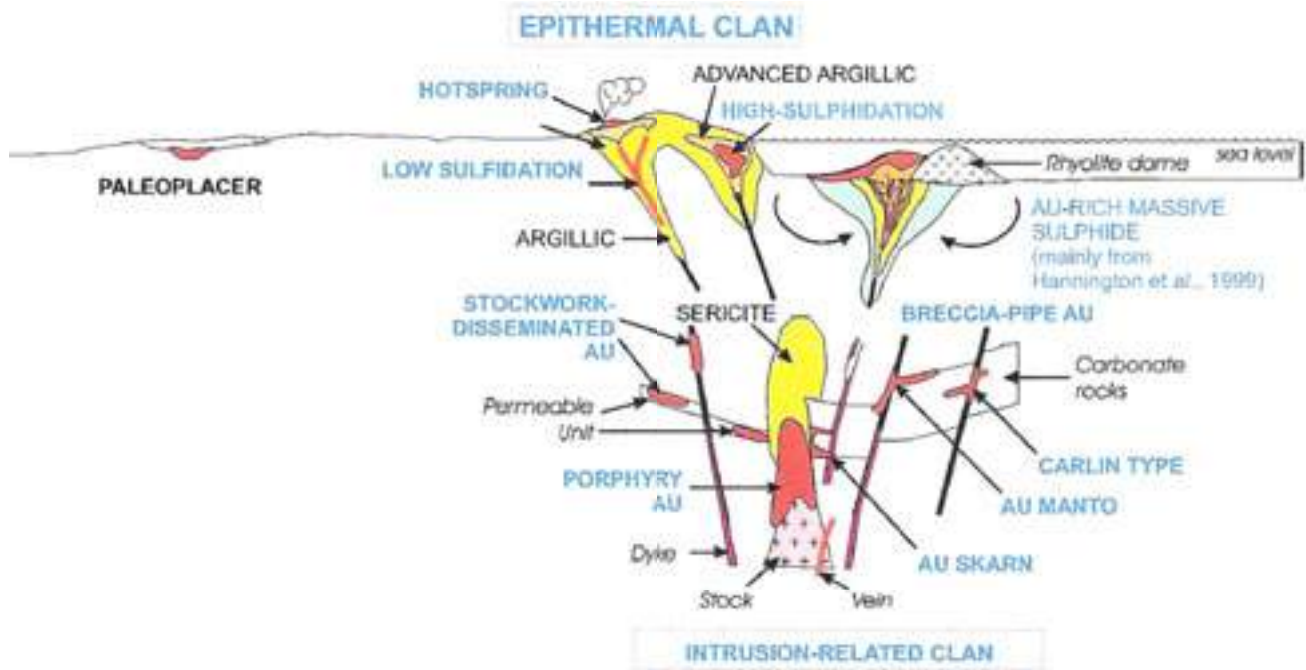


Figure 16 – Epithermal and Intrusion-Related Gold Mineralization
(Robert, *et al.*, 2007)

Reduced Intrusion - Related Clan

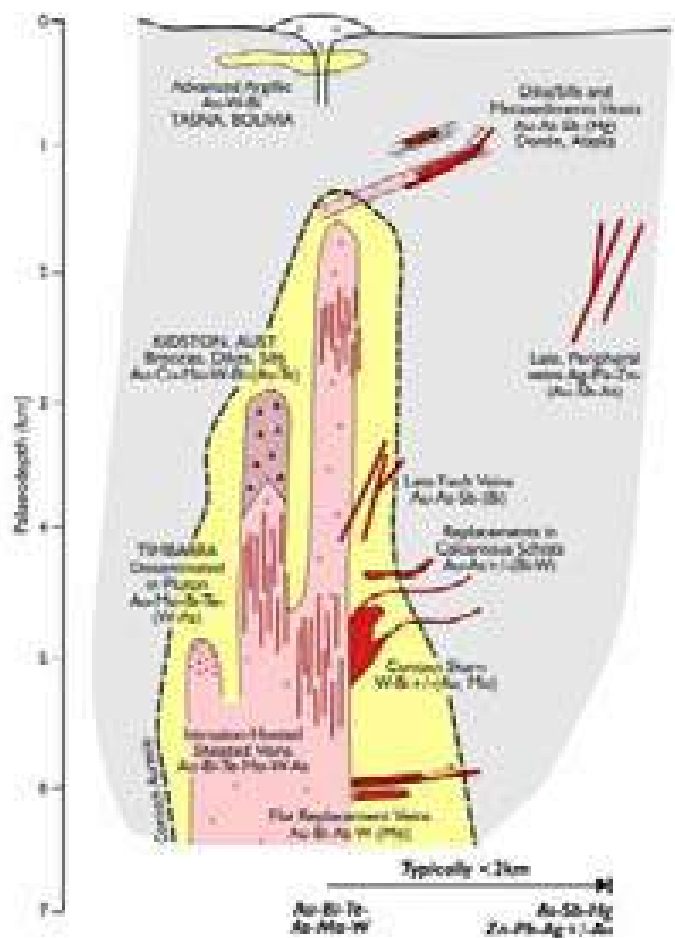
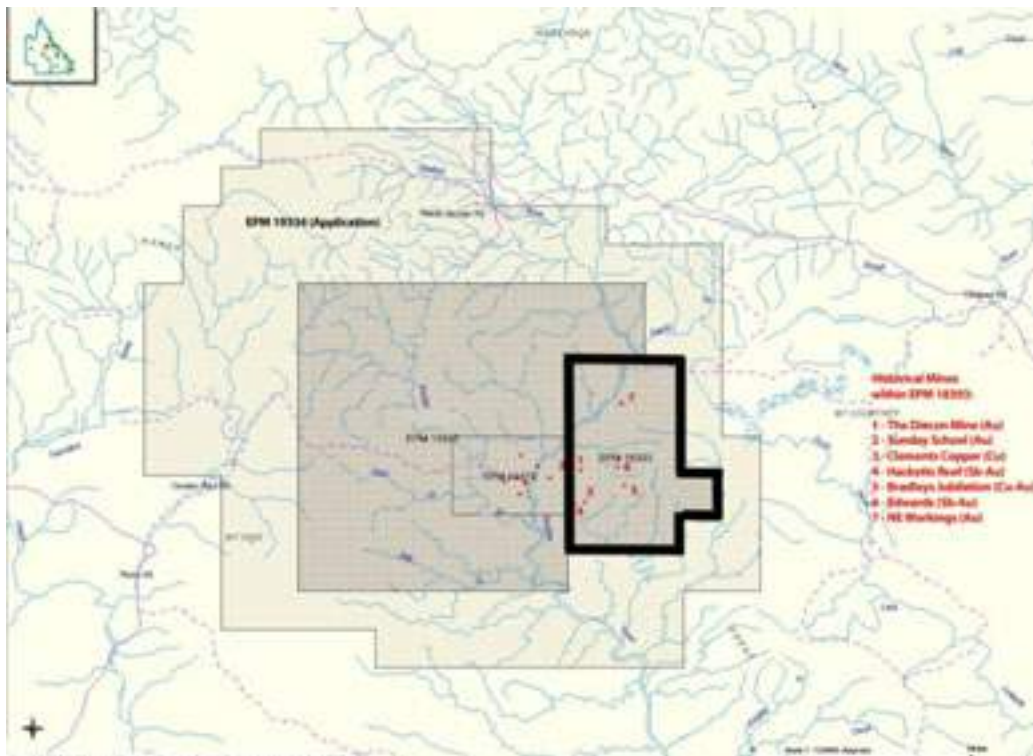


Figure 17 – Modeling of Intrusion-Related Gold Mineralization
(Robert, *et al.*, 2007)



**Figure 18 - EPMs Adjacent to and around White Mountain Tenement,
 with Selected Historical Mining Prospects shown in red.**



Figure 19 - Areas of Interest: White Mountain Historical Mine Sites and Geological Units of Special Interest (Left click to expanded view online).

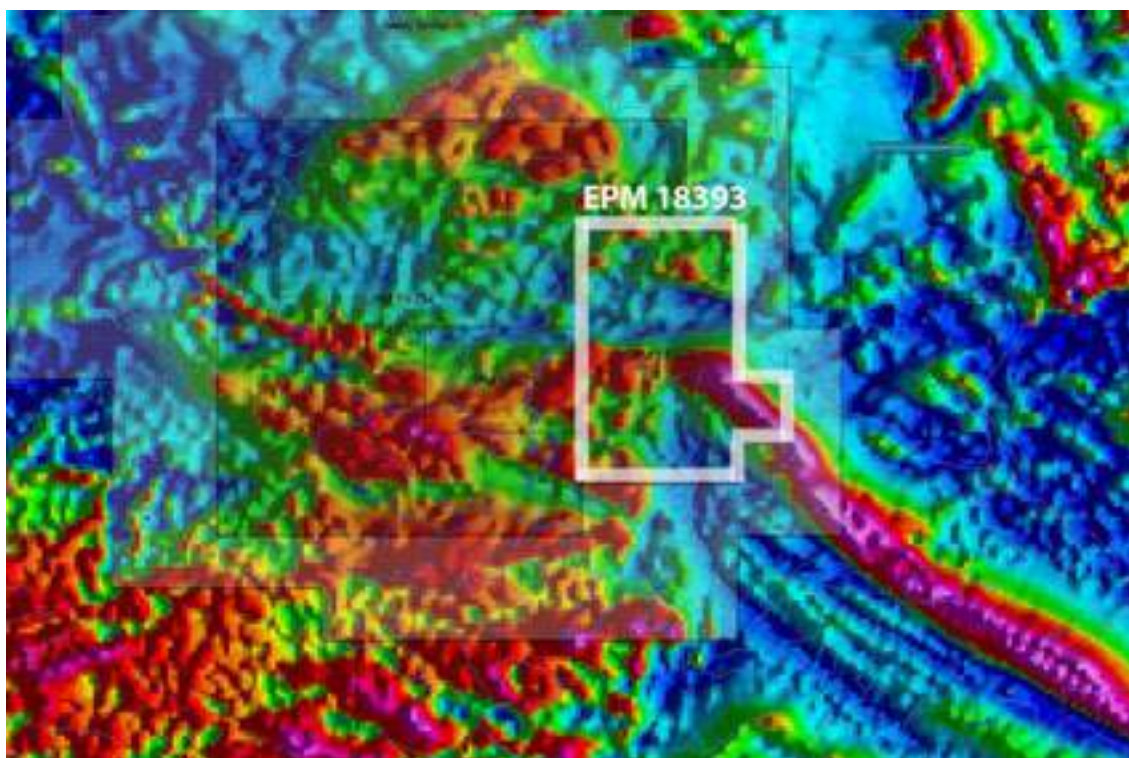


Figure 20 – 1998 Magnetism Map for White Mountain Tenement and Environs.



Figure 21 - Joints and Faulting at the Northern Terminus of the Magnetic Anomaly.
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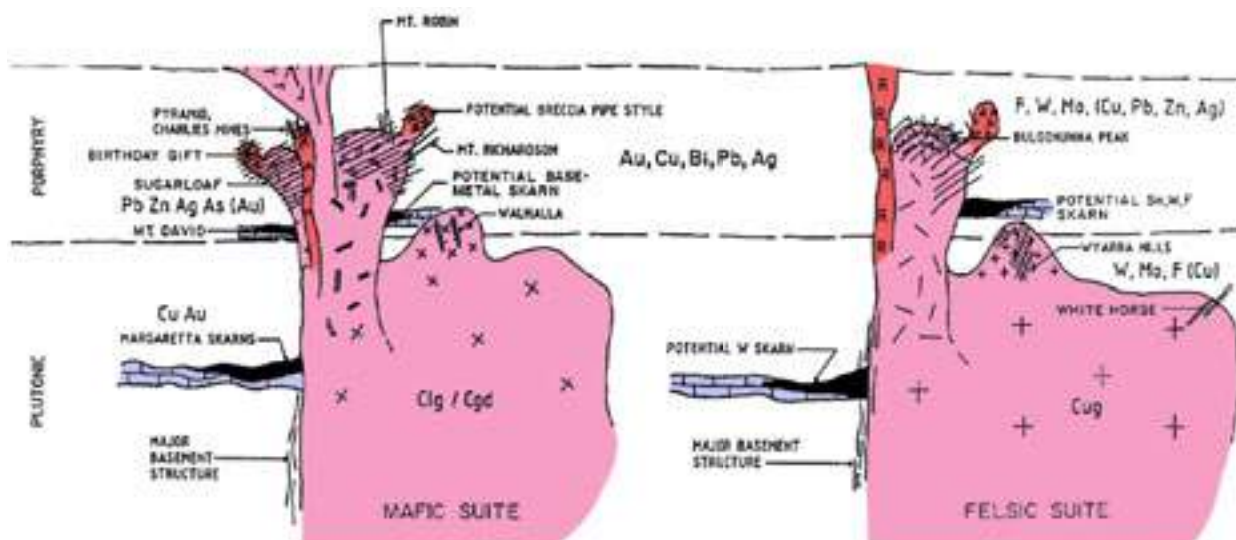


Figure 22 - Primary Models of Gold Mineralization for Guidance at the White Mountain Tenement
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Appendix I – List of Standard Technical Abbreviations



Houston Seattle

Above mean sea level	amsl
Ampere	A
Annum (year)	a
Billion years ago	Ga
Centimeter	cm
Cubic centimeter	cm ³
Cubic feet per second	ft ³ /s or cfs
Cubic foot	ft ³
Cubic meter	m ³
Day	d
Days per week	d/wk
Degree	°
Degrees Celsius	°C
Dry metric ton	dmt
Foot	ft
Gallons per minute (US).....	gpm
Gram	g
Grams per liter	g/L
Grams per tonne	g/t
Greater than	>
Hectare (10,000 m ²)	ha
Horsepower	hp
Hour	h (<i>not</i> hr)
Hours per day	h/d
Hours per week	h/wk
Hours per year	h/a
Kilo (thousand)	k
Kilogram	kg
Kilograms per cubic meter	kg/m ³
Kilograms per hour	kg/h
Kilograms per square meter	kg/m ²
Kilojoule	kJ
Kilometer	km
Kilometres per hour	km/h
Kilonewton	kN
Kilopascal	kPa
Kilovolt	kV
Kilovolt-ampere	kVA
Kilovolts	kV
Kilowatt	kW
Kilowatt hour.....	kWh
Kilowatt hours per tonne (metric ton)	kWh/t
Kilowatt hours per year	kWh/a
Less than	<
Liter	L
Liters per minute	L/m



Houston Seattle

Megabytes per second	Mb/s
Megapascal	MPa
Megavolt-ampere	MVA
Megawatt	MW
Meter	m
Meters above sea level	masl
Meters per minute	m/min
Meters per second	m/s
Micrometer (micron)	µm
Milliamperes	mA
Milligram	mg
Milligrams per litre	mg/L
Milliliter	mL
Millimeter	mm
Million	M
Million tonnes	Mt
Minute (plane angle)	'
Minute (time).....	min
Month	mo
Ounce	oz
Parts per billion	ppb
Parts per million	ppm
Percent	%
Percent moisture (relative humidity)	% RH
Phase (electrical)	Ph
Pound(s)	lb
Second (plane angle)	"
Second (time)	s
Specific gravity	SG
Square centimeter	cm²
Square foot	ft²
Square kilometer	km²
Square meter	m²
Thousand tonnes	kt
Tonne (1,000 kg)	t
Tonnes per day	t/d
Tonnes per hour	t/h
Tonnes per year	t/a
Volt	V
Week	wk
Wet metric ton	wmt

Appendix II - Glossary of Technical Terms

After Towsey, 2005

Glossary of Technical Terms

acid(ic)	In geology, a chemical classification of igneous rocks containing more than 66% silica. In chemistry, having a pH <7.
adamellite	(another term for quartz monzonite) is an intrusive igneous rock that has an approximately equal proportion of orthoclase and plagioclase feldspars with 5-20% quartz.
aeromagnetics	airborne geophysical survey measuring variations in the Earth's magnetic field
age	time unit of the geological time scale. A fourth-order unit, being a sub-division of Epoch, and occasionally sub-divided.
albite	sodium-rich feldspar. Common rock-forming mineral.
alteration	(zone/envelopes) change in mineralogical composition of a rock commonly brought about by reactions with hydrothermal solutions.
andalusite	an aluminum nesosilicate mineral with the chemical formula Al_2SiO_5 . Andalusite is a common regional metamorphic mineral that forms under low pressure and moderate to high temperatures.
anomalous	a departure from the expected norm. In mineral exploration, this term is generally applied to either geochemical or geophysical data (values higher or lower than the norm).
anomaly	in mining terms, refers to geochemical or geophysical data that are values higher or lower than the norm.
arenite	a sedimentary clastic rock with sand grain size between 0.0625 mm (0.00246 in) and 2 mm (0.08 in) and containing less than 15% matrix.
arsenopyrite	an iron arsenic sulfide ($FeAsS$), it can be associated with significant amounts of gold. Consequently it serves as an indicator of gold-bearing quartz veins (reefs). Many arsenopyrite-gold ores are refractory, i.e. the gold is not easily liberated from the mineral matrix.
assay	chemical analysis. Strictly refers to analysis of precious metals by the fire-assay method with a gravimetric finish. Commonly used to mean any chemical analysis.
auriferous	containing gold (from Latin aurum meaning gold)

base metal	generally a metal inferior in value to the precious metals, mainly copper, lead zinc, nickel, tin and aluminum.
basic	igneous rocks, low in silica and rich in mafic minerals
basement	crustal layer of rocks beneath the overlying sedimentary strata
batholith	a large mass of consolidated intrusive igneous material (usually of granitic composition) (see also pluton).
bedding	arrangement of individual rock layers or beds.
bedrock	solid rock underlying soil, alluvium etc.
belt	a zone or band of a particular kind of rock strata exposed on the surface
biotite	black mica. Common rock-forming mineral, often associated with metamorphism or alteration.
block faulting	a type of normal faulting where the crust is divided into structural or fault blocks of different orientation and elevation
block model	the term applied to the final output of a computer based process to reflect the likely configuration of the mineralization and the surrounding material based on three-dimensional blocks.
boiling zone	zone at some vertical depth at which the rock pressure is low enough to allow fluids to boil. Important in epithermal deposits, as this creates a marked change in pressure and temperature, which can change the ore fluid composition and cause minerals to precipitate.
breakeven	in ore reserve estimation, the gold grade at which the mining cost equals the value of the extractable gold. At breakeven grades, the operation makes neither a profit nor a loss. Breakeven can be calculated at various cost levels, such as an operating breakeven (the grade required to continue operations) or total cost breakeven (which takes into account overheads such as depreciation, amortization, cost of capital, off-site overheads, interest, tax etc).
cadastre locations	A map showing boundaries of Homestead properties,
Cambrian	time unit of the geological time scale, about 500-600 million years ago. Oldest subdivision of the Paleozoic Era.

carbonate	compound of carbon and oxygen with one or metals, especially calcium(CaCO_3), magnesium (MgCO_3) and iron (FeCO_3).
Carboniferous	time unit of the geological time scale, a geological period, 360 to 286 million years ago. A sub-division of the Paleozoic Era
chalcopyrite	a copper iron sulfide mineral (CuFeS_2) that crystallizes in the tetragonal system. Chalcopyrite is present in volcanogenic massive sulfide ore deposits and sedimentary exhalative deposits, formed by deposition of copper during hydrothermal circulation chlorite dark green iron magnesium mineral, often associated with metamorphism or alteration.
clast	particle or fragment
clastic	composed of particles or fragments
cleavage	planar fracture or parting in rock formed by deformation
co-magmatic	formed during the same igneous event.
cordierite	a magnesium iron aluminum cyclosilicate mineral in a solid-solution series between the magnesium-rich and iron-rich varieties, typically occurring in contact or regional metamorphism of argillaceous rocks. It is especially common in hornfels produced by contact metamorphism of mudstones.
costeaning	The removal of soil and subsoil to expose rock formations in prospecting for quartz veins (reefs) or lodes. Also, proving an ore deposit or vein by trenching across its outcrop at approximate right angles and lastly, tracing a lode by pits sunk through overburden to underlying rock.
country rock	the enclosing rock around a body of ore
craton	a stable part of the Earth's crust, in which deformation has been only visible for a prolonged period.
Cretaceous	time unit of the Geological Time Scale, a geological Period, about 144 to 65 million years ago, a sub-division of the Mesozoic Era.
cross-cut	mining passage constructed at right angles to the general trend of the ore body (see also drive, shaft, rise and winze)
cross-section	a section, usually vertical, through an ore body or geological model at right angles to the dip of the unit

cut-off	the estimated lowest grade of ore that can be mined and treated profitably in a mining operation.
cuttings	broken pieces of rock generated by a drill bit during drilling. Forms the main part of percussion drill samples.
density	mass divided by volume. Measured here in tonnes per cubic meter.
Devonian	time unit of the Geological Time Scale, a geological Period, 416 – 359 million years ago
diamond drilling	method of obtaining a cylindrical core of rock by drilling with a diamond impregnated bit.
dilution	reduction in grade resulting from admixture of lower grade material during mining or rock-breaking processes.
disseminated	mineralization more or less evenly distributed throughout a rock.
drill cross section	a section perpendicular to strike on which the trace of drill holes are plotted.
drill intercepts	the intersections (usually of the target mineralization) made within an exploration drill hole.
drive	horizontal mining passage or access way underground, oriented along the length or general trend of the ore body (noun and verb)(see also cross-cut).
dyke	a tabular body of igneous rock, cross cutting the host strata at a high angle.
epigenetic	mineral deposit of later origin than the enclosing rocks.
fault	a fracture in rocks along which rocks on one side have been moved relative to the rocks on the other.
feasibility study	a comprehensive study of technical, financial, economic and legislative matters of sufficient depth and accuracy to provide the basis for financing.
felsic	igneous rock composed principally of feldspars and quartz.
ferruginous	rich in iron.
fire assay	assay procedure involving roasting of a sample in a furnace to ensure complete extraction of all the contained metal.

fluid inclusion	bubbles of gas and/or liquid, sometimes containing crystals, within mineral grains that can be used to determine the temperature and pressure of formation of the mineral and provide data on the chemical composition of the original fluids.
foliation	laminated structure in rocks caused by alignment of platy mineral grains, usually as a result of deformation and/or metamorphism
footwall	the wall or surface on the underside of an inclined geological feature such as a fault, vein, ore-body or stope.
fracture	a break in the rock that may show shearing or not. May be a joint, without movement on either side of the fracture.
Fry analysis	Fry analysis is a statistical method of correlating data points to see if there is a preferred direction. It offers a visual approach to quantify characteristic spatial trends for groups of point objects. See Fry, N. 1979. <i>Random point distributions and strain measurement in rocks. Tectonophysics</i> Vol. 60, pp. 806-807.
gabbro	coarse grained dark igneous rock of basic composition. A coarse-grained variety of basalt.
galena	lead sulphide mineral, an ore of lead often containing silver.
gangue	waste minerals associated with ore
geological mapping	the recording in the field of geological information on a map.
geophysical techniques	-the exploration of an area in which physical properties (e.g. resistivity, conductivity, magnetic properties) unique to the rocks in the area are quantitatively measured by one or more methods.
geostatistics	mineral resource estimation method. A computer based method wherein particular relationships between sample points are established and employed to project the influence of the sample points. Based on the application of statistics to the variation in grade of ore bodies.
gossan	intensely oxidized, weathered or decomposed rock or soil, usually the upper and exposed part of an ore deposit or mineral vein visible on the surface.

granite, granitic	coarse grained igneous rock composed of quartz and feldspar with varying amounts of ferromagnesian minerals such as biotite or hornblende, with or without muscovite. Adjective is 'granitic'.
granitoid	field term for a body of rock of granitic composition (containing quartz).
gravity survey	geophysical survey technique measuring variations in the Earth's gravitational field, due to variations in rock densities.
greywacke	a variety of sandstone generally characterized by its hardness, dark color, and poorly sorted angular grains of quartz, feldspar, and small rock fragments or lithic fragments set in a compact, clay-fine matrix.
greisen	a highly altered granitic rock or pegmatite, formed by autogenic alteration of a granite and is a class of skarn. Greisens are prospective for mineralisation because the last fluids of granite crystallization tend to concentrate incompatible elements such as tin, tungsten, molybdenum and fluorine, as well as metals such as gold, silver, and occasionally copper.
hanging wall	the wall or surface on the upper side of an inclined geological feature such as a fault, vein, ore body or stope.
head grades	a general term referring to the grade of ore delivered to the processing plant.
hornfels	a hard, very fine grained rock which is the group designation for a series of contact metamorphic rocks which have been baked and indurated by intrusive igneous masses.
hydrothermal	pertaining to heated water (hot aqueous solutions), associated with the formation of mineral deposits or the alteration of rocks.
igneous	rocks formed by solidification from the molten state deep underground.
Indicated Resource	an 'Indicated Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

Inferred Resource	an ‘Inferred Mineral Resource’ is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.
in-situ	term used to describe rocks and minerals found in their original position of formation. Or, mineral resources considered to be “in place.”
intermediate	igneous rocks between acid and basic in composition.
intrusive	an igneous rock that has intruded previously existing rocks.
isochron	a term used in the determination of radiometric age dates. If the plot comparing daughter/non-isotope ratios with parent/non-isotope ratios falls on a straight line, that line “of equal time” is called an isochron.
isoclinal folds	intensely folded rock layers where the inter-limb angle is between 10° and zero, giving the impression of parallel rock layers.
isotope	different atoms of the same element, having the same atomic number but different atomic weights. The ratios of different isotopes in rocks and minerals can be used to estimate the age of the specimen or the time of crystallization or thermal events.
joint	fracture in rock along which no appreciable movement has occurred.
JORC Code	the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, The JORC Code 2004 Edition”, a report of the joint committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Australian Mining Industry Council. It is a comprehensive integrated exposition on geological resources and ore reserves, and adherence to the Code is a requirement under the Australian Stock Exchange Listing Rules.
km	kilometer(s)
level	underground horizon at which an ore body is opened up and from which mining proceeds.

lineament	long major topographic feature identified on aerial photograph, which may or may not be a fault or joint.
lithic	pertaining to or formed of rock
lithological	pertaining to the type of rock.
lode	tabular or vein-like deposit of valuable mineral between well-defined walls.
mafic	describing silicate mineral or rock that is rich in magnesium and iron. Most mafic minerals are dark in color and the relative density is greater than 3. Common rock-forming mafic minerals include: olivine, pyroxene, amphibole, and biotite. Common mafic rocks include basalt, dolerite, and gabbro.
Measured Resource	a 'Measured Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and/or grade continuity.
metamorphism	an assemblage of rocks that have been subjected to intense heat and pressure of sufficient duration to alter the pre-existing minerals to different mineral types that were stable in such environments.
microthermometry	determination of the temperature of formation of minerals by examining, heating and cooling fluid inclusions under a microscope.
migmatite	a rock at the frontier between igneous and metamorphic rocks. Migmatites form under extreme temperature conditions during prograde metamorphism, where partial melting occurs in pre-existing rocks.
mineralization	the introduction of valuable minerals into a rock body
muscovite	a white mica mineral
nugget	fragment of native gold, often water-worn
nugget effect	a bias produced in geostatistics caused by isolated high values
open cut	synonymous with open pit

open pit	mine excavation or quarry, open to the surface
Ordovician	time unit of the Geological Time Scale, a geological Period from 500 to 440 million years ago, a sub-division of the Paleozoic Era
ore	rock or mineral(s) that can be extracted at a profit. Often applied (incorrectly) to mineralization in general.
Ore Reserve	an 'Ore Reserve' is the economically mineable part of a Measured or Indicated Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves
ore shoot	Pods of mineralized material, often high grade, within a vein
orthoclase	potassium feldspar
outcrop	a body of rock exposed at the ground surface
oxidized	near surface or after-mining decomposition of rocks, minerals or metals by exposure to the atmosphere and ground water.
Paleozoic	Time unit of the Geological Time Scale, a geological Era from 600-251 million years ago
pegmatite	coarse grained igneous rocks, similar to granite, often very coarse grained, rarely with crystals tens of meters in length. May contain rare or unusual minerals or metals. Often occurs as dykes or veins.
percussion drilling	method of drilling using a hammering action with rotation, forcing dust and cuttings to the hole collar by compressed air. Usually refers to open hole percussion drilling, where cuttings return outside the drill rods. See also RAB drilling and RC drilling
Permian	Time unit of the Geological Time Scale, a Period from 280-251 million years ago, a sub-division of the Paleozoic Era

petrography	the study of rocks under the microscope
petrology	the study of the origin, structure and occurrence of rocks
pH	literally, “power of Hydrogen”. A measure of the concentration of hydrogen ions in solution that determines acidity or alkalinity. The pH ranges from 0 to 14, with 7 being neutral. Acids have a pH less than 7 and alkalis greater than 7
plagioclase	group of feldspar minerals ranging from sodium-rich to calcium-rich with mixed compositions in between
potassic alteration	type of alteration due to introduction or increase of the alkali metal potassium.
portal	surface entrance to a tunnel or drive.
pre-feasibility study	a relatively comprehensive analysis which is qualified by the uncertainty of fundamental criteria and assumptions to the degree that it cannot be the basis for a final financial analysis
Probable Ore Reserve	a ‘Probable Ore Reserve’ is the economically mineable part of an Indicated, and in some circumstances Measured, Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. A Probable Ore Reserve has a lower level of confidence than a Proved Ore Reserve.
prospect	an area that warranted or warrants detailed exploration.
Proved Ore Reserve	a ‘Proved Ore Reserve’ is the economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.

pyrite	an iron sulphide mineral, often associated with economic mineralization. Occasionally used as an ore of sulphur. With inclusion high amounts of arsenic, the mineral becomes arsenopyrite.
pyroxene	family of silicate minerals that usually contain iron and magnesium and commonly calcium.
quartz	very common minerals composed of silica SiO ₂ . Amethyst is a variety of the well-known amethystine color. Aventurine is a quartz spangled form with scales of mica, hematite, or other minerals. False topaz or citrine is a yellow quartz. Rock crystal is a clear variety. Rose quartz is a pink variety, and cairngorm is a brownish variety. Tiger-eye is crocidolite (an asbestos-like material) replaced by silica and iron oxide. Quartz is the name of the mineral prefixed to the names of many rocks that contain it, such as quartz porphyry, quartz diorite.
RAB drilling	see Rotary Air Blast
raise	see Rise
RC drilling	see Reverse Circulation
recovered grades	means the eventual recovery after mining dilution and processing losses measured against plant feed tonnes.
recovery (drilling)	proportion (%) of core or cuttings actually recovered from a cored interval, compared to the maximum theoretical quantity.
recovery factors	the mining and metallurgical factors affecting recovery of gold through a plan of grade-quantity control of ore or metal relative to its other constituents.
reef	in older mining terms, a white gold-bearing quartz vein.
reserves (ore)	see Proved or Probable Ore Reserves. It is recommended that the reader study the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, The JORC Code 2004 Edition", a report of the joint committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Australian Mining Industry Council for a comprehensive integrated exposition on geological resources and ore reserves. The various resource categories are classified according to the level of geological information, and thus the confidence, underlying the estimate.

The Inferred Resources cannot become a Reserve. The Proved and Probable Reserves are derived respectively from the Measured and Indicated Resource after the application of sufficient technical, financial, marketing, economic, legislative, legal and environmental factors to be confident that their mining and processing would be economically viable. However, it should be appreciated that the Code does not define a level of profitability.

resource	see Measured, Indicated or Inferred Mineral Resource. Mineralization to which conceptual tonnage and grade figures are assigned, but for which exploration data are inadequate to estimate ore reserves.
reverse-circulation drilling	Method of drilling whereby rock chips are recovered by pressurized air returning inside the drill rods.
reverse fault.	a fault that dips towards the block that has been relatively raised.
rise, raise	a vertical or inclined underground shaft or access way between levels mined from the bottom up.
rock-chip sampling	obtaining a sample, generally for assay, by breaking chips off a rock face.
Rotary Air Blast (RAB) Drilling	Method of drilling soft rocks in which the cuttings from the bit are carried to the surface by pressurized air returning outside the drill rods.
schist	type of fine grained metamorphic rock with laminated fabric similar to slate but often showing a sheen.
scoping study	a study having the objective of defining what options, if any, should be subject to intensive analysis.
sediment	particles deposited from suspension in water, wind or ice consisting of clay or quartz particles.
sequence	group of sedimentary rocks.
sericite	fine grained variety of mica generally formed by metamorphic processes.
S.G.	Specific Gravity
shaft	a vertical or inclined passage from the surface by which a mine is entered and through which ore or ventilation air is transported.

shear	zone in which rocks have been deformed by lateral movement along innumerable parallel planes.
sheeted vein	groups of closely spaced distinct parallel fractures filled with mineral matter and separated by layers of barren rock.
silicified	referring to rocks in which a significant proportion of the original constituent minerals have been replaced by silica.
Silurian	time unit of the Geological Time Scale, a Period from about 438 to 408 million years ago.
skarn	rock type refers to calcium-bearing rocks containing a range of silicate minerals, and is most often formed at the contact zone between intrusions of granodiorites, granites, or other high-temperature intrusives with limestone or other calcareous units.
Specific Gravity	mass divided by volume at a specified temperature compared to an equal amount of water which is assigned an SG of 1.0. Equivalent to density (mass per unit volume), measured here in tonnes per cubic meter.
sphalerite	zinc sulphide mineral.
staurolite	a complex iron, aluminum nesosilicate mineral with iron, zinc and magnesium in variable ratios. It is an index mineral for intermediate- to high-grade metamorphics.
stockwork	interlocking network of tabular veins or lobes.
stope	mine excavation from which ore is being or has been extracted.
stratigraphy	study of stratified rocks, especially their age, correlation and character.
stream sediment survey	systematic sampling of sediments within drainage channels, used to locate traces of mineralization which have weathered from the ore zone and been shed into the drainage channels.
strike	the azimuth of a surface, bed or layer of rocks in the horizontal plane.
stringer	narrow vein or irregular filament of mineral traversing a rock mass.
sulphides	minerals comprising a chemical combination of sulphur and metals.
supergene	as in supergene enrichment, is a process occurring relatively near the surface where ground-water circulation occurs with concomitant oxidation

and chemical weathering. The descending ground water oxidizes the primary (hypogene) sulfide ore minerals and redistribute the metallic ore elements where they enrich the base of the oxidized portion of the deposit.

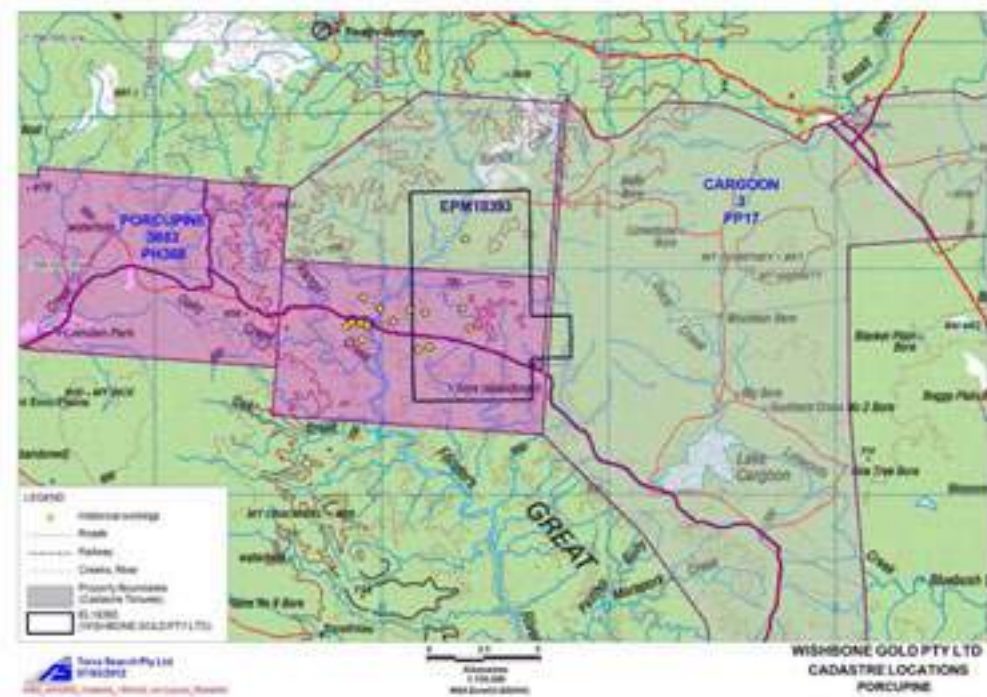
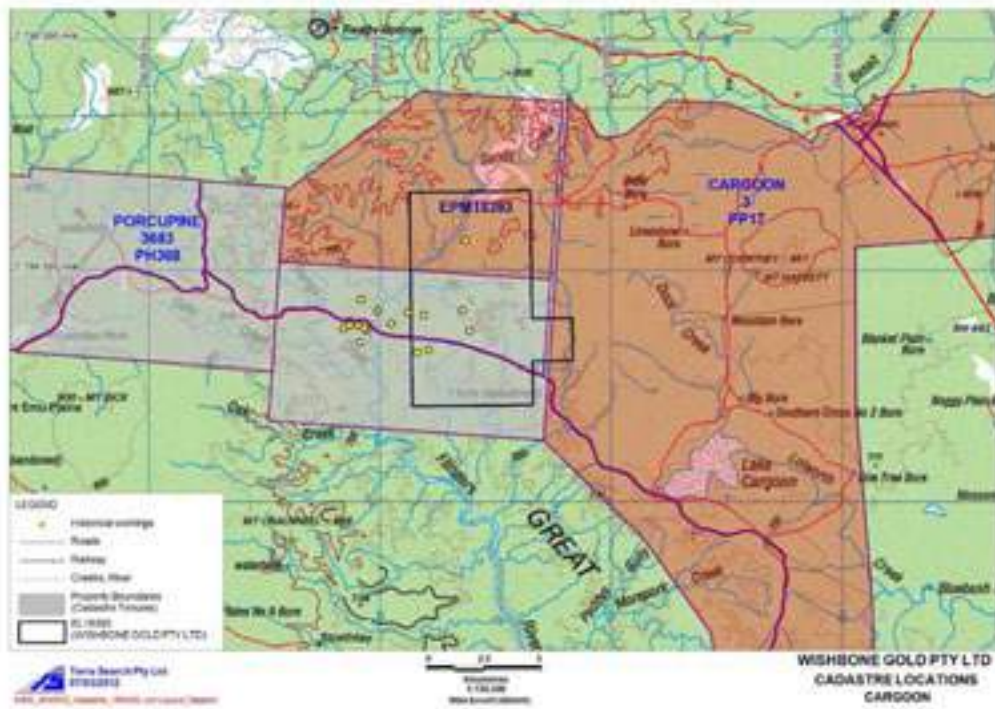
syenite	medium to coarse-grained, acidic igneous rock, containing less silica than a granite.
tailings	material rejected from a treatment plant after the recoverable valuable minerals have been extracted.
tonalite	igneous rock similar to granite but containing mainly calcium feldspar rather than alkali (sodium and potassium) feldspar.
true width	width or thickness of a lode or other formation measured at right angles to its sides (see also apparent width)
variogram	a statistical model, usually presented as a graph, that describes the average Inferred Mineral
variography	a statistical study of the way in which metal or grade distribution varies within a deposit and the relationship between adjacent samples. It is used in order to determine grade continuity within a geological or computer model of the ore body, and to estimate the range of influence of samples.
vein	a narrow dyke-like intrusion of mineral traversing a rock mass of different material.
volcanic	class of igneous rocks that have flowed out or have been ejected at or near the earth's surface, as from a volcano.
volcanoclastic	description of a clastic sediment containing material of volcanic origin.
volcanogenic.	of volcano origin.
wall rock	rock mass adjacent to a fault, fault zone or lode.
winze	a vertical or inclined underground shaft or access way between levels mined from the top down.

**Appendix III – Homestead Station Contact Information
and Cadastre Locations**
(from Terra Search)

Homestead Identifications: White Mountain Tenement

(from Terra Search)

PROPERTY					CONTACT
EPM	Property Name	Lot	Plan	Property Address	Landowner
White Mountains					
18393	Cargoos Old PL	3	PP17	Gregory Springs Road The Cape, Q, 4816	Cargoos Old PL Owner: Bart Wilkinson Cassiopeia Str, MS 163 Clermont, Q,
18393	Camden Park	3683	PH368	Mount Emu Rd, Porcupine, Q, 4821	Camden Park Grazing PL- Wayne Neilsen
	located within focus area				



Appendix IV – Historical EPM Exploration Methods

(from Terra Search)



Houston Seattle

Summary of mineral exploration under Exploration Permit, Authority to Prospect and Mining Lease Tenure

Title (AP for MIA & EPM unless stated)	Company	Date Created	Exploration Target	Mineral Prospect(s)	Exploration Techniques						Company Report No. (CR)
					Geology	Geophysics	Geochem	No. of Samples	Drilling, A, 4400, 75m	Research & Assess.	
670	Nickel Mines Ltd	1/1/06	Cu, Pb, Zn, Ag	The Archer	C		4 s	0			4183
813	Continental Mining & Exploration N.L.	20/6/70	Cu, Pb, Zn				4 s	3			3337
1056/1017	Indecon Australia Pty Ltd	13/4/72	Cu, Pb, Zn		A	ML1	4	3			4500
1074	International Nickel Ltd	27/7/72	Cu, Pb, Zn	Mineral Creek, Calif Creek, Shesha Creek	A, B, C	N	4 s	2			4432
1088	Australia Ltd	27/4/72	Cu, Pb, Zn	Shesha Creek			4 s	2			
1090	Econ Exploration & Production Australia Inc.	9/8/72	Cu, Pb, Zn	Waddy Hill		Q, M	4 s	3	F		4734
1402	Econ Exploration & Production Australia Inc.	9/8/72	Cu, Pb, Zn		A		4 s	1			3401, 4488, 6318, 6681, 6944
1544	La Nickel Australia Pty Ltd	2/8/75	Cu, Pb, Zn	Thalanga, Waddy Hill, Orygla Hill, New Horocast, Daggap, Crook Creek, North Lamb, North Range, Thalanga East, Thandoyan No. 1, 2, 3, 4	A, B, E, F	L, L, N, K, M, R	4 s	4	64		3731, 3974, 6174, 6241, 7093, 6777
1590	Penneroys (Australia) Pty Ltd		Cu, Pb, Zn	Orygla Hill	A	L, N		2	5/71		6776, 7094
2014	Penneroys (Australia) Pty Ltd	18/9/78	Cu, Pb, Zn	Thalanga East, Thalanga, Orygla Hill	A, B	N, K	4 s	3	8		7030, 7040, 7044, 7781, 10074



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Item	Description	Quantity	Unit	Estimate	Category	Subcategory	Material	Method	Notes	Remarks
001	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
002	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
003	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
004	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
005	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
006	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
007	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
008	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
009	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
010	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
011	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
012	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
013	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
014	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
015	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
016	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
017	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
018	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
019	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing
020	Stationing (Stationing)	100	ft	100	Stationing	Stationing	Stationing	Stationing	Stationing	Stationing

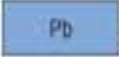
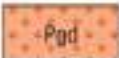

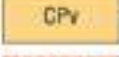




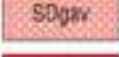



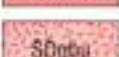
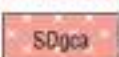

S.No	Name of the Project	Project Type	Project Period	Project Details				Project Status	Project Cost (Rs.)
				Project Start Date	Project End Date	Project Duration (Months)	Project Completion (%)		
1	Project A	Construction	2018-2020	2018-01-01	2020-12-31	24	100	Completed	10000000
2	Project B	Construction	2019-2021	2019-01-01	2021-12-31	24	100	Completed	15000000
3	Project C	Construction	2020-2022	2020-01-01	2022-12-31	24	100	Completed	20000000
4	Project D	Construction	2021-2023	2021-01-01	2023-12-31	24	100	Completed	25000000
5	Project E	Construction	2022-2024	2022-01-01	2024-12-31	24	100	Completed	30000000
6	Project F	Construction	2023-2025	2023-01-01	2025-12-31	24	100	Completed	35000000
7	Project G	Construction	2024-2026	2024-01-01	2026-12-31	24	100	Completed	40000000
8	Project H	Construction	2025-2027	2025-01-01	2027-12-31	24	100	Completed	45000000
9	Project I	Construction	2026-2028	2026-01-01	2028-12-31	24	100	Completed	50000000
10	Project J	Construction	2027-2029	2027-01-01	2029-12-31	24	100	Completed	55000000

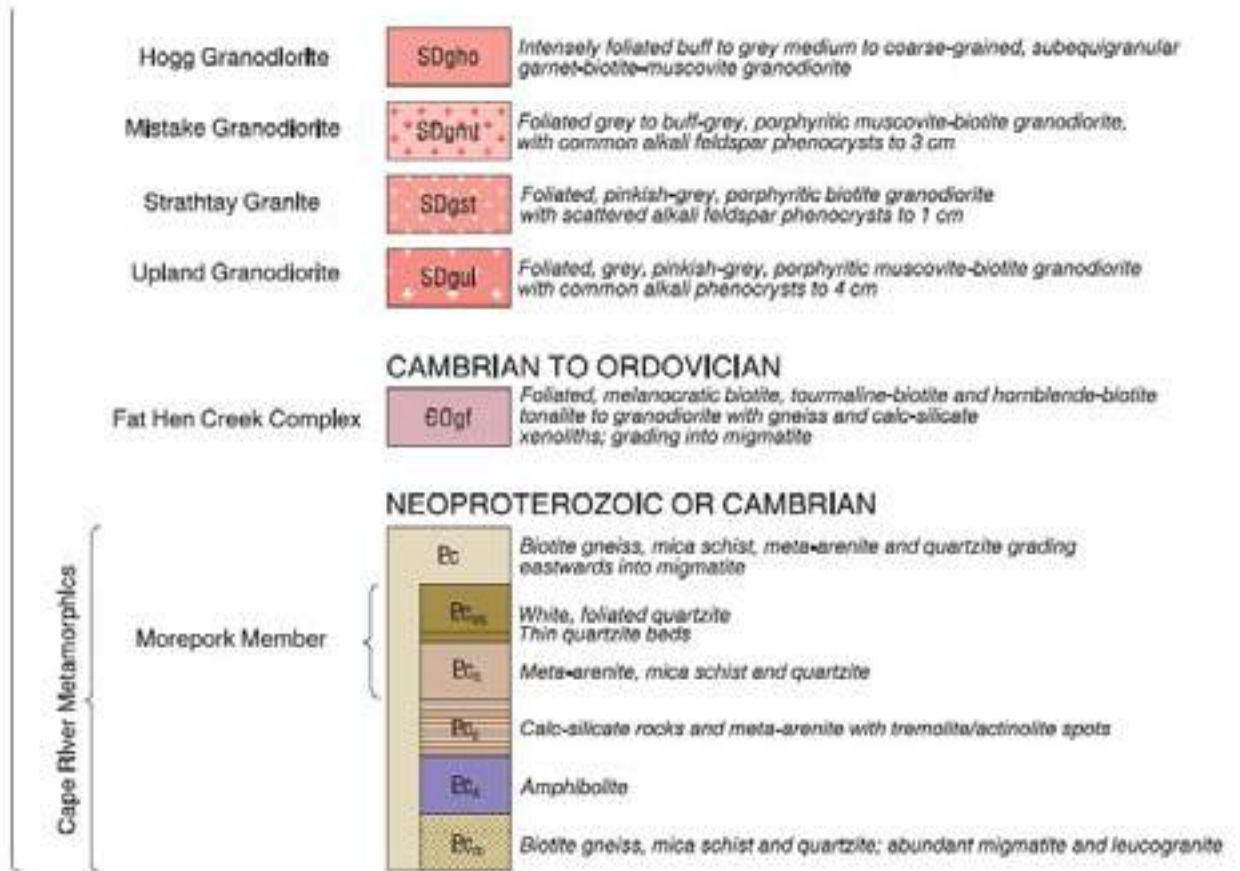
Country	Year	Population (millions)	Urban population (millions)	Urban population (%)	Population density (per sq km)	Population density (per sq mile)
Algeria	1980	10.0	4.0	40.0	100	260
Algeria	1985	10.5	4.5	42.9	105	272
Algeria	1990	11.0	5.0	45.5	110	284
Algeria	1995	11.5	5.5	47.8	115	297
Algeria	2000	12.0	6.0	50.0	120	310
Algeria	2005	12.5	6.5	52.0	125	322
Algeria	2010	13.0	7.0	53.8	130	335
Algeria	2015	13.5	7.5	55.6	135	348
Algeria	2020	14.0	8.0	57.1	140	360
Algeria	2025	14.5	8.5	58.6	145	373
Algeria	2030	15.0	9.0	60.0	150	385
Algeria	2035	15.5	9.5	61.3	155	398
Algeria	2040	16.0	10.0	62.5	160	410
Algeria	2045	16.5	10.5	63.6	165	423
Algeria	2050	17.0	11.0	64.7	170	435
Algeria	2055	17.5	11.5	65.7	175	448
Algeria	2060	18.0	12.0	66.7	180	460
Algeria	2065	18.5	12.5	67.6	185	473
Algeria	2070	19.0	13.0	68.4	190	485
Algeria	2075	19.5	13.5	69.2	195	498
Algeria	2080	20.0	14.0	70.0	200	510
Algeria	2085	20.5	14.5	70.7	205	523
Algeria	2090	21.0	15.0	71.4	210	535
Algeria	2095	21.5	15.5	72.1	215	548
Algeria	2100	22.0	16.0	72.7	220	560
Algeria	2105	22.5	16.5	73.3	225	573
Algeria	2110	23.0	17.0	73.9	230	585
Algeria	2115	23.5	17.5	74.5	235	598
Algeria	2120	24.0	18.0	75.0	240	610
Algeria	2125	24.5	18.5	75.5	245	623
Algeria	2130	25.0	19.0	76.0	250	635
Algeria	2135	25.5	19.5	76.5	255	648
Algeria	2140	26.0	20.0	76.9	260	660
Algeria	2145	26.5	20.5	77.3	265	673
Algeria	2150	27.0	21.0	77.8	270	685
Algeria	2155	27.5	21.5	78.2	275	698
Algeria	2160	28.0	22.0	78.6	280	710
Algeria	2165	28.5	22.5	78.9	285	723
Algeria	2170	29.0	23.0	79.3	290	735
Algeria	2175	29.5	23.5	79.7	295	748
Algeria	2180	30.0	24.0	80.0	300	760
Algeria	2185	30.5	24.5	80.3	305	773
Algeria	2190	31.0	25.0	80.6	310	785
Algeria	2195	31.5	25.5	81.0	315	798
Algeria	2200	32.0	26.0	81.3	320	810
Algeria	2205	32.5	26.5	81.6	325	823
Algeria	2210	33.0	27.0	81.8	330	835
Algeria	2215	33.5	27.5	82.1	335	848
Algeria	2220	34.0	28.0	82.4	340	860
Algeria	2225	34.5	28.5	82.6	345	873
Algeria	2230	35.0	29.0	82.9	350	885
Algeria	2235	35.5	29.5	83.1	355	898
Algeria	2240	36.0	30.0	83.3	360	910
Algeria	2245	36.5	30.5	83.6	365	923
Algeria	2250	37.0	31.0	83.8	370	935
Algeria	2255	37.5	31.5	84.0	375	948
Algeria	2260	38.0	32.0	84.2	380	960
Algeria	2265	38.5	32.5	84.4	385	973
Algeria	2270	39.0	33.0	84.6	390	985
Algeria	2275	39.5	33.5	84.8	395	998
Algeria	2280	40.0	34.0	85.0	400	1010
Algeria	2285	40.5	34.5	85.2	405	1023
Algeria	2290	41.0	35.0	85.4	410	1035
Algeria	2295	41.5	35.5	85.6	415	1048
Algeria	2300	42.0	36.0	85.7	420	1060
Algeria	2305	42.5	36.5	85.9	425	1073
Algeria	2310	43.0	37.0	86.0	430	1085
Algeria	2315	43.5	37.5	86.2	435	1098
Algeria	2320	44.0	38.0	86.4	440	1110
Algeria	2325	44.5	38.5	86.5	445	1123
Algeria	2330	45.0	39.0	86.7	450	1135
Algeria	2335	45.5	39.5	86.8	455	1148
Algeria	2340	46.0	40.0	86.9	460	1160
Algeria	2345	46.5	40.5	87.1	465	1173
Algeria	2350	47.0	41.0	87.2	470	1185
Algeria	2355	47.5	41.5	87.4	475	1198
Algeria	2360	48.0	42.0	87.5	480	1210
Algeria	2365	48.5	42.5	87.6	485	1223
Algeria	2370	49.0	43.0	87.8	490	1235
Algeria	2375	49.5	43.5	87.9	495	1248
Algeria	2380	50.0	44.0	88.0	500	1260
Algeria	2385	50.5	44.5	88.1	505	1273
Algeria	2390	51.0	45.0	88.2	510	1285
Algeria	2395	51.5	45.5	88.3	515	1298
Algeria	2400	52.0	46.0	88.5	520	1310
Algeria	2405	52.5	46.5	88.6	525	1323
Algeria	2410	53.0	47.0	88.7	530	1335
Algeria	2415	53.5	47.5	88.8	535	1348
Algeria	2420	54.0	48.0	88.9	540	1360
Algeria	2425	54.5	48.5	89.0	545	1373
Algeria	2430	55.0	49.0	89.1	550	1385
Algeria	2435	55.5	49.5	89.2	555	1398
Algeria	2440	56.0	50.0	89.3	560	1410
Algeria	2445	56.5	50.5	89.4	565	1423
Algeria	2450	57.0	51.0	89.5	570	1435
Algeria	2455	57.5	51.5	89.6	575	1448
Algeria	2460	58.0	52.0	89.7	580	1460
Algeria	2465	58.5	52.5	89.8	585	1473
Algeria	2470	59.0	53.0	89.9	590	1485
Algeria	2475	59.5	53.5	90.0	595	1498
Algeria	2480	60.0	54.0	90.0	600	1510
Algeria	2485	60.5	54.5	90.1	605	1523
Algeria	2490	61.0	55.0	90.2	610	1535
Algeria	2495	61.5	55.5	90.3	615	1548
Algeria	2500	62.0	56.0	90.3	620	1560
Algeria	2505	62.5	56.5	90.4	625	1573
Algeria	2510	63.0	57.0	90.5	630	1585
Algeria	2515	63.5	57.5	90.6	635	1598
Algeria	2520	64.0	58.0	90.6	640	1610
Algeria	2525	64.5	58.5	90.7	645	1623
Algeria	2530	65.0	59.0	90.8	650	1635
Algeria	2535	65.5	59.5	90.9	655	1648
Algeria	2540	66.0	60.0	90.9	660	1660
Algeria	2545	66.5	60.5	91.0	665	1673
Algeria	2550	67.0	61.0	91.0	670	1685
Algeria	2555	67.5	61.5	91.1	675	1698
Algeria	2560	68.0	62.0	91.2	680	1710
Algeria	2565	68.5	62.5	91.3	685	1723
Algeria	2570	69.0	63.0	91.3	690	1735
Algeria	2575	69.5	63.5	91.4	695	1748
Algeria	2580	70.0	64.0	91.4	700	1760
Algeria	2585	70.5	64.5	91.5	705	1773
Algeria	2590	71.0	65.0	91.6	710	1785
Algeria	2595	71.5	65.5	91.6	715	1798
Algeria	2600	72.0	66.0	91.7	720	1810
Algeria	2605	72.5	66.5	91.7	725	1823
Algeria	2610	73.0	67.0	91.8	730	1835
Algeria	2615	73.5	67.5	91.9	735	1848
Algeria	2620	74.0	68.0	91.9	740	1860
Algeria	2625	74.5	68.5	92.0	745	1873
Algeria	2630	75.0	69.0	92.0	750	1885
Algeria	2635	75.5	69.5	92.1	755	1898
Algeria	2640	76.0	70.0	92.1	760	1910
Algeria	2645	76.5	70.5	92.2	765	1923
Algeria	2650	77.0	71.0	92.2	770	1935
Algeria	2655	77.5	71.5	92.3	775	1948
Algeria	2660	78.0	72.0	92.3	780	1960
Algeria	2665	78.5	72.5	92.4	785	1973
Algeria	2670	79.0	73.0	92.4	790	1985
Algeria	2675	79.5	73.5	92.5	795	1998
Algeria	2680	80.0	74.0	92.5	800	2010
Algeria	2685	80.5	74.5	92.6	805	2023
Algeria	2690	81.0	75.0	92.6	810	2035
Algeria	2695	81.5	75.5	92.7	815	2048
Algeria	2700	82.0	76.0	92.7	820	2060
Algeria	2705	82.5	76.5	92.8	825	2073
Algeria	2710	83.0	77.0	92.8	830	2085
Algeria	2715	83.5	77.5	92.9	835	2098
Algeria	2720	84.0	78.0	92.9	840	2110
Algeria	2725	84.5	78.5	93.0	845	2123
Algeria	2730	85.0	79.0	93.0	850	2135
Algeria	2735	85.5	79.5	93.1	855	2148
Algeria	2740	86.0	80.0	93.1	860	2160
Algeria	2745	86.5	80.5	93.2	865	2173
Algeria	2750	87.0	81.0	93.2	870	2185
Algeria	2755	87.5	81.5	93.3	875	2198
Algeria	2760	88.0	82.0	93.3	880	2210
Algeria	2765	88.5	82.5	93.4	885	2223
Algeria	2770	89.0	83.0	93.4	890	2235
Algeria	2775	89.5	83.5	93.5	895	2248
Algeria	2780	90.0	84.0	93.5	900	2260
Algeria	2785	90.5	84.5	93.6	905	2273
Algeria	2790	91.0	85.0	93.6	910	2285
Algeria	2795	91.5	85.5	93.7	915	2298
Algeria	2800	92.0	86.0	93.7	920	2310
Algeria	2805	92.5	86.5	93.8	925	2323
Algeria	2810	93.0	87.0	93.8	930	2335
Algeria	2815	93.5	87.5	93.9	935	2348
Algeria	2820	94.0	88.0	93.9	940	2360
Algeria	2825	94.5	88.5	94.0	945	2373
Algeria	2830	95.0	89.0	94.0	950	2385
Algeria	2835	95.5	89.5	94.1	955	2398
Algeria	2840	96.0	90.0	94.1	960	2410
Algeria	2845	96.5	90.5	94.2	965	2423
Algeria	2850	97.0	91.0	94.2	970	2435
Algeria	2855	97.5	91.5	94.3	975	2448
Algeria	2860	98.0	92.0	94.3	980	2460
Algeria	2865	98.5	92.5	94.4	985	2473
Algeria	2870	99.0	93.0	94.4	990	2485
Algeria	2875	99.5	93.5	94.5	995	2498
Algeria	2880	100.0	94.0	94.5	1000	2510
Algeria	2885	100.5	94.5	94.6	1005	2523
Algeria	2890	101.0	95.0	94.6	1010	2535
Algeria	2895	101.5	95.5	94.7	1015	2548
Algeria	2900	102.0	96.0	94.7	1020	2560
Algeria	2905	102.5	96.5	94.8	1025	2573
Algeria	2910	103.0	97.0	94.8	1030	2585
Algeria	2915	103.5	97.5	94.9	1035	2598
Algeria	2920	104.0	98.0	94.9	1040	2610
Algeria	2925	104.5	98.5	95.0	1045	2623
Algeria	2930					

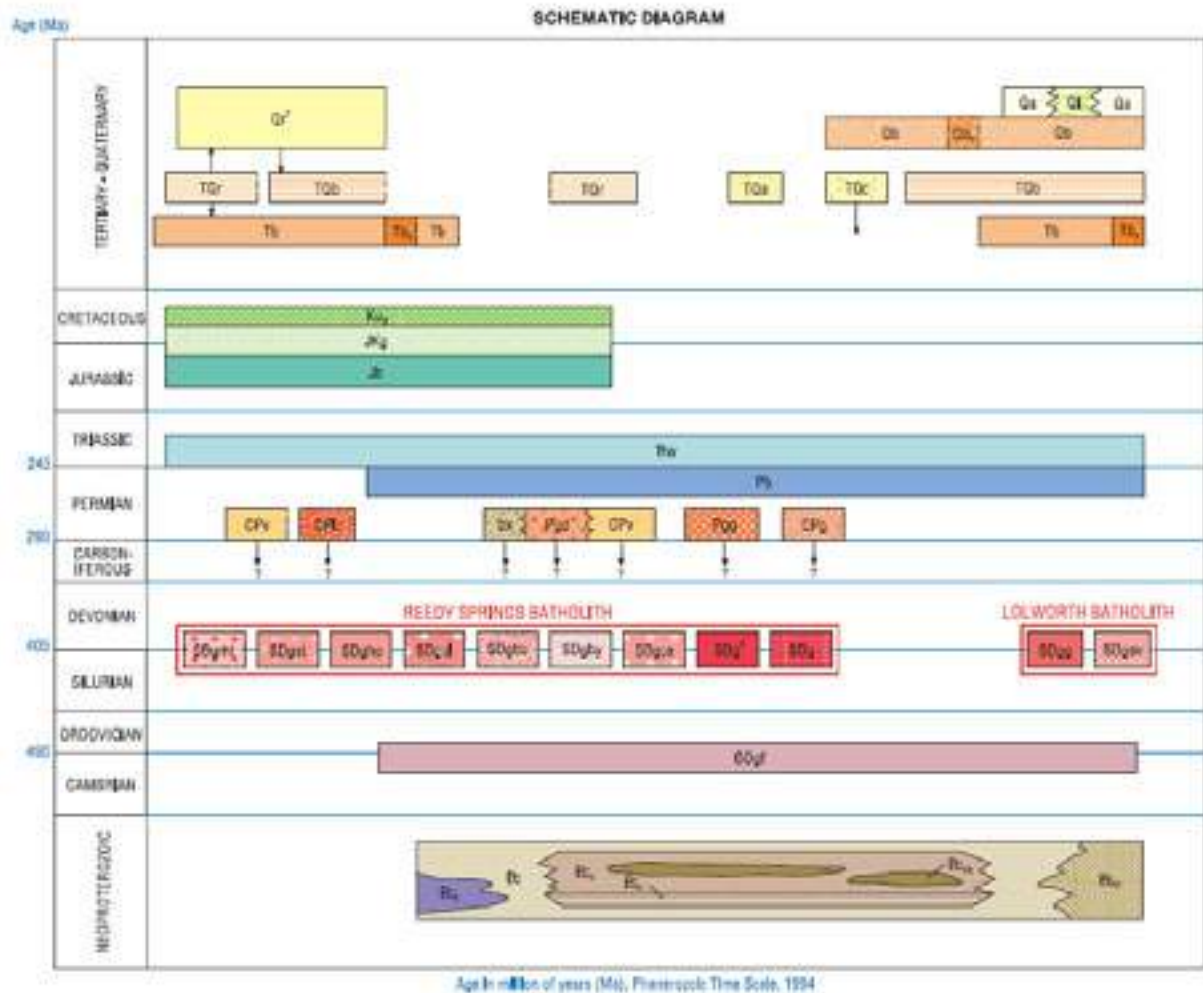
Appendix V – Legend of Geologic Units Occurring in and around the EPM

Legend of Geologic Units used in Maps

Note: Figures 14 and 15: Geological legends and age relationships diagram shown below for the geologic maps covering the White Mountain area.

PALAEOZOIC	LATE PERMIAN		
	Betts Creek beds		Lithic to quartzose sandstone, micaceous siltstone, conglomerate, mudstone, carbonaceous shale and coal
	LATE CARBONIFEROUS TO PERMIAN		
	Deep Water Creek Granophyre		Pink miarolitic granophyre
			Brecciated quartzite and meta-arenite, ranging from crackle-breccia to clast-in-matrix breccia
			Brown, grey to purple, generally crystal-rich rhyolitic ignimbrite (in north); lithic-rich dacitic tuff and breccia with abundant basement-derived lithic clasts, minor rhyolitic ignimbrite
	Gypsy Pocket Granodiorite		Grey hornblende-biotite granodiorite
			Intrusive rhyolite and minor dacite; aphyric to porphyritic and locally flow-banded
			White to pale grey, medium-grained biotite granodiorite
	SILURIAN TO DEVONIAN		
	Grasstree Leucogranite		Pink to white muscovite, garnet, leucogranite, pegmatite, aplite; commonly forming layered complexes and dykes
	Davey Creek Granite		Pink to grey, medium-grained, slightly porphyritic, muscovite-biotite granite
			Pink, medium-grained, muscovite leucogranite
			Mainly biotite and muscovite-biotite granite
	Baby Granodiorite		Foliated pinkish-grey to greenish-grey, sparsely porphyritic muscovite-biotite, biotite-muscovite and garnet-biotite-muscovite
	Big Bore Granodiorite		Grey, medium-grained, porphyritic biotite granodiorite
	Bubbling Granodiorite		Foliated white to pink, medium-grained, porphyritic muscovite-biotite and biotite-muscovite granodiorite and granite, with equant pink alkali feldspar phenocrysts to 1 cm, quartz and muscovite to 6 mm; common biotite-rich schlieren
	Cargoon Granodiorite		Grey, medium-grained, porphyritic hornblende-biotite granodiorite to tonalite with scattered phenocrysts of plagioclase to 1.5 cm





Appendix VI – Field Photos

(on the White Mountain Tenement)



General Vicinity of Bradley's Jubilation Mine Workings



Clements Copper Mine Workings



Altered Sulphide Vein Showing Malachite (Green)
(<http://en.wikipedia.org/wiki/Malachite>)





Edward Mine Workings (Showing altered sulphide vein – above)





Aerial View of Central Area of Tenement (looking southeast)



**Aerial View of Central Area of Tenement (looking southwest)
(Flinders River on upper right))**



Flinders River in Flood Stage (Looking South)

**Appendix VII – Classification of Gold Deposits
in the
Lolworth- Ravenswood Province
(from Terra Search Pty Ltd.)**

Stratigraphic Column with Classification of Gold Deposits in the Lohrworth-Ravenswood Province from Metals (1986)

Appendix VIII - Curriculum Vitae for:

Michael D. Campbell, P.G., P.H.

and

Jeffrey D. King, P.G.

Curriculum Vitae

Michael D. Campbell, P.G., P.H.,
Vice President and Chief Geologist/Hydrogeologist
I2M Associates, LLC
<http://www.I2MAssociates.com>
Houston Office

Telephone: 713-807-0021
Cell Phone: 713-248-1708
Fax: 713-807-0985
Email: mdc@I2MAssociates.com

Education

1976, M.A., in Geology and Geophysics, Rice University under an *Eleanor and Mills Bennett Fellowship in Hydrology* for Research and Seminars in Hydrogeology and Associated Disciplines. 31 Graduate Hours Toward Ph.D., Houston, TX, Thesis: *Paleoenvironmental and Diagenetic Implications of Selected Siderite Zones and Associated Sediments in the Upper Atoka Formation, Arkoma Basin, Oklahoma-Arkansas*, 124 p. (Continuing Research)

1966, B.A., in Geology, The Ohio State University with Courses and Research in Hydrology, Hydrogeology and Associated Environmental Programs. German Secondary Field of Specialty, Columbus, OH. Began college in 1960 in southern California (at San Bernardino Valley College), taking undergraduate courses including: geology, chemistry, engineering drawing, etc. Transferred to OSU in 1962.

Professional Memberships / Affiliations

Association of Ground Water Scientists and Engineers (AGWSE)
American Association of Petroleum Geologists (Emeritus)
(Div. of Environmental Geosciences & Energy Minerals - Founding Member, 1977)
Society of Economic Geologists (SEG-Fellow)
Society of Mining, Metallurgy, and Exploration (AIME-SME Registered Member)
Geological Society of America (GSA-Fellow)
Association of Geoscientists for International Development (AGID)
Houston Geological Society (HGS)
Association of Environmental & Engineering Geologists (AEEG)
International Association Hydrogeologists (IAH)
American Institute of Hydrogeologists (AIH)
American Institute of Professional Geologists (AIPG)
International Society of Environmental Forensics (ISEF)

Texas Association Professional Geoscientists (TAPG)

Professional Certification / Registration

Professional Geologist (AIPG-#3330)
Professional Hydrogeologist (AIH-#480) (Recertification-2004)
Professional Geologist (Wyoming-#546)
Professional Geologist (Mississippi-#347)
Professional Hydrogeologist (Washington-#866)
Professional Geologist (Washington-#866)
Professional Geoscientist (Texas-#53)
Professional Geologist (Alaska-#606)
Registered Member – (SME -#479440RM)

Professional Honors, Awards and Committees

Who's Who in the Southwest (First Listed: 18th Edition - 1982, etc.)
Who's Who in America (First Listed: 49th Edition - 1995, through 58th Edition for 2004)
Who's Who in Technology (1982, etc.) Listing: (see CV)
American Men & Women of Science Listing (here) (1st Listed: 14th Ed. -1979, etc.)
Men of Achievement (International) (First Listed: 10th Edition - 1984)
American Institute of Professional Geologists (1975, etc.)
American Institute of Hydrology (1984, etc.)
Ohioana Book Award in Science (1975)
Citation by Law Engineering as Corporate Hydrogeologist (1990)
Citation by Class of the Institute of Environmental Technology (1992 & 1994)
Public Service Award - Outstanding Contributions, Texas Section, AIPG (1998)
Chairman, Environmental & Mining Sessions, AIPG Annual Mtg, Houston, Tx, Oct., 1997
Chairman, Internet Committee, Texas Section, AIPG (1998-Present)
Chairman, Internet Resources Committee, Texas Section, AEG (2003-Present)
Shlemon Mentor Hall of Fame in Applied Geoscience, GSA Mtg., Texas A&M U., March 16, 2004. Poster at GSA Mtg., Denver
Fellow, Geological Society of America, April, 2004
Distinguished Alumni Hall of Fame: LHS59.org
Mann Mentor in Hydrogeology, GSA South-Central Section Mtg., Trinity U., April 1, 2005
Chairman, Uranium Committee, EMD-AAPG (2004-Present)
President (2010-2011), EMD-AAPG
Registered Member, Society for Mining, Metallurgy & Exploration (SME)
Fellow, Society of Economic Geologists (SEG)

Continuing Professional Education / Training

Mr. Campbell has attended, presented papers, or served as session chairman in the following technical conferences. He has also maintained the appropriate certifications in health and safety training. Click [here](#) to review.

Career Summary

Mr. Campbell is well-known nationally and internationally for his work as a technical leader, program manager, consultant and lecturer in hydrogeology, mining, and associated environmental and geotechnical fields. He has gained a wide range of interdisciplinary experience in business and technical management in the environmental (regulatory, geological and hydrogeological), mining, and financial fields spanning more than 40 years.

Mr. Campbell has published widely, most notably: *Water Well Technology* (McGraw-Hill) and *Rural Water Systems Planning and Engineering Guide* (Commission on Rural Water). In the mid to late 1970's, he served on the Editorial Board of the journal: *Ground Water* for eight years and served as cofounder and first Director of Research of the NWWA Research Facility at Rice University. In the late 1970's, he also produced the text: *Geology [and Environmental Considerations] of Alternate Energy Resources* (Houston Geological Society) and many other publications and consulting reports over the years on a variety of applied hydrogeologic, geologic, mining, and injection well and hazardous waste subjects. He maintains an extensive library of more than 300,000 citations on environmental and mining topics covering the U.S. and overseas.

Mr. Campbell interrupted his graduate studies after the master's degree (Ph.D. work at Rice University in 1976) to join a major engineering and environmental consulting company as Director, Alternate Energy, Mining and Environmental Programs. During this period, he also served as an invited technical expert and lecturer for UNESCO-sponsored water-supply projects conducted in many parts of the world (e.g., Sweden, Italy, India, Tanzania, Brazil, etc.). Mr. Campbell provided management consulting for a mining project in Nevada (with revenues/expenses of more than \$8 million/year) and as a principal consultant for exploration, mining, processing/refining and environmental activities. Over the past 15 years, Mr. Campbell has provided senior technical guidance, review, training, litigation support and consultation on numerous hydrogeological, water supply, and hazardous waste projects involved in both RCRA and CERCLA programs for major law firms and consulting engineering and environmental companies as well as industry.

Chronological Professional Experience

During the mid to late 1960's, after graduating from The Ohio State University, Mr. Campbell worked for a major American oil and minerals company (Conoco Mining Group) in Australia

and Southeast Asia, successfully conducting / managing field exploration programs, drilling operations, and water-supply investigations for development projects involving industrial and energy minerals, and precious and base metals (discovery credited for phosphate in the NT). In the late 1960's to early 1970's, after returning to the U.S., he served three years as District Geologist for the Eastern U.S. and Canada with a major uranium exploration and mining company in Wyoming (Teton, Div. United Nuclear). While there, he conducted research on hydrochemistry associated with roll-front uranium occurrences and successfully applied the results to the company's field program nationwide with new prospect areas in the Eastern U.S., (reported on in a chapter in the 1977 HGS text on frontier uranium exploration).

During the 1970's, Mr. Campbell subsequently conducted various exploration programs as a consultant in the U.S. for companies such as Texas Eastern Nuclear (U.S. and Sudan), General Crude Oil Company (Div. International Paper) for lignite and other commodities on targets ranging from uranium, rare earth minerals, sulfur, industrial minerals to base metals and precious metals. During 1974-1977, he was awarded a Mills Bennett Fellowship to Rice University, where he subsequently received a Master's degree in geology, and during which he managed a major uranium and rare-earth exploration project in Alaska.

In 1983, Mr. Campbell and two associates from the Canadian group, WGM, Inc., formed a consulting firm and conducted numerous domestic and international geologic, mining, economic, and hydrogeologic investigations, including mineral property valuations and exploration programs (rediscovery credited), mine operational and financial management projects, via mineral-reserve analyses, preliminary feasibility studies, environmental investigations of various types, and other geotechnical investigations.

During the early 1990's, Mr. Campbell served as Regional Technical Manager for DuPont, and after a few years opened a private practice providing consulting services on a range of natural resources for industry and the legal community, and as an expert witness in more than 40 cases. Actual activities can be monitored by reviewing his list of publications and reports.

In the early 2000s, Mr. Campbell was appointed as Chairman of the AAPG Energy Minerals Division (EMD) Committee on Uranium (and Nuclear Minerals), a position he continues hold. In 2009, he was subsequently elected President of the EMD and has recently completed his term (2010-2011).

In 2010, after some 17 years operating a private practice via M. D. Campbell and Associates, L.P., he joined I2M Associates, LLC based in Seattle with an office in Houston for the purpose of developing projects as a result of the renewed interest in world-wide exploration and development of mineral commodities and the associated environmental issues.

Mr. Campbell's current CV, including all publications /presentations /reports, is included in the link: <http://i2massociates.com/michael-d-campbell-pg-ph-curriculum-vitae>

Recent Mineral Publications / Presentations / Major Reports:

Selected professional publications / presentations / major reports of the past 10 years are listed below:

Campbell, M. D., and M. A. Wiley, 2011, "Uranium and Nuclear Minerals," in *Unconventional Energy Resources: 2011 Review* by the Energy Minerals Division, American Assoc. Petroleum Geologists, *Journal of Natural Resources Research*, Vol. 20., No. 4, December, pp. 279-328. ([Paper](#), pp. 311-328).

Campbell, M. D., and J. D. King, 2011, "Iron Glen Project: Northeast Queensland, Australia," Competent Persons Report (CPR) / N 43-101 Report for Iron Glen Mining Pty Ltd., Allenby Capital Limited and Strategic Minerals plc, London, England, by I2M Associates, LLC, Houston and Seattle, May 2, 199 p.

Campbell, M. D., 2011, "State of the Uranium Industry in the U.S. & the World: Updated - 2011," Presented at the April Meeting of the Ohio Geological Society, Ramada Plaza Hotel & Conference Center, Columbus, Ohio, April 21, ([PDF](#)).

Wise, H. M., and M. D. Campbell, 2011, "State of the Uranium Industry in the U.S. and the World," AAPG Conference and Exhibition, Houston, EMD Session, April 12. ([PDF](#)).

Campbell, M. D. and H. M. Wise, 2010, "Uranium Recovery Realities in the U.S. - A Review," Invited Presentation for the Dinner Meeting of the Houston Geological Society's Engineering and Environmental Group, May 18, Houston, Texas, 51 p. ([Click here](#)).

Campbell, M. D., J. D. King, H.M. Wise, B. Handley, and M. David Campbell, 2009, "The Role of Nuclear Power in Space Exploration and the Associated Environmental Safeguards: An Overview," Report of the Uranium Committee, Energy Minerals Division to the Astrogeology Committee of AAPG. Presented at the Conference of the AAPG-Energy Minerals Division and Astrogeology Committee Sessions, June 8-10, held in Denver, CO. ([Click here](#)).

Campbell, M. D., B. Handley, H. M. Wise, J. D. King, and M. David Campbell, 2009, "Developing Industrial Minerals, Nuclear Minerals and Commodities of Interest via Off-World Exploration and Mining," Paper/Poster at the Conference of the American Association of Petroleum Geologist (AAPG), Energy Minerals Division Sessions, June 9, Denver, CO., 27 p. ([Click here](#)).

Campbell, M.D., and J. D. King, 2009, "AusPotash Corporation: Adavale Basin Potash, Queensland, Australia," 43-101 Report, by M. D. Campbell and Associates, L.P., Houston, July, 113 p.

- Campbell, M. D., 2009, "Uranium," in *Unconventional Energy Resources: 2007–2008 Review*, Energy Minerals Division, American Association of Petroleum Geologists, of the *Journal of Natural Resources Research*, Vol. 18., No. 1, January. (Uranium section in [Paper](#)).
- Campbell, M. D., *et al.*, 2008, "Nuclear Fuel Exploration, In Situ Recovery, and Environmental Issues in context with the National Energy Needs through Year 2040," *Proc. Texas Commission of Environmental Quality Conference and Trade Fair*, Session: "Underground Injection Control," Invited Paper, Austin, Texas, April 30, 2008 ([Click here](#)).
- Campbell, M. D., *et al.*, 2008 "The Nature and Extent of Uranium Reserves and Resources and Their Environmental Development in the U.S. and Overseas," AAPG – Energy Minerals Division Conference, April 23, 2008, Session: "Uranium Geology and Associated Ground Water Issues", San Antonio, Texas ([Click here](#)). Updated and published in AIPG's *Professional Geologist* in 2009 ([here](#)).
- Campbell, M. D., *et al.*, 2007, "Uranium In-Situ Leach Development and Associated Environmental Issues," *Proc. Gulf Coast Geological Societies Conference*, Fall, Corpus Christi, Texas, 17 p. PDF Version: ([here](#)).
- Campbell, M. D., 2007, "Pressure on the Electrical Grid and 3rd Quarter, 2006 Uranium Concentrate Production", in *Unconventional Energy Resources and Geospatial Information: 2006 Review*. The American Association of Petroleum Geologists, Energy Minerals Division, *Natural Resources Research*, Vol.16., No. 3, September. ([Paper](#)).
- Campbell, M. D. and M. David Campbell, 2005, "Uranium Industry Re-Development and Expansion in the Early 21st Century: Supplying Fuel for the Expansion of Nuclear Power in *the U.S., The Environment vs. The Paradigm*," Rocky Mountain Natural Gas Strategy Conference & Investment Forum, Session 1, Presented by Colorado Oil & Gas Association, August 1-3, Denver, Colorado, 44 p.
- Campbell, M. D., *et al.*, 2005, *Recent Uranium Industry Developments, Exploration, Mining and Environmental Programs in the U.S. and Overseas*, Energy Minerals Division, AAPG, Uranium Committee 2005 Report, March 25, ([here](#)).
- Campbell, M. D., 2004, Professional Memorial: Ted H. Foss, Ph.D., P.G., Geological Society of America Memorials, Vol. 33, April, pp. 17-22. ([here](#)).
- Campbell, M. D., 2004, Preliminary Examination of Mineralogical Samples from Rwanda, April 24, 32 p. (Confidential Client from Rwanda).

Historical Mineral Publications / Presentations / Major Reports:

Those publications/reports of historical interest (1968 to 1996) are presented via a link, click [here](#).

Curriculum Vitae

Jeffrey D. King, P.G.

President and Senior Program Manager

I2M Associates, LLC

<http://www.I2MAssociates.com>

Seattle Office

Telephone: 713-807-0021

Cell Phone: 713-248-1708

Fax: 713-807-0985

Email: JDKing@I2MAssociates.com

Education

1979, B.A. in Geology, Western Washington University, WA

Summary of Experience

Mr. King has over 25 years of technical and managerial experience in the natural resource field. Mr. King has extensive experience in developing successful regulatory- and landowner-negotiation and public-relations programs, has conducted or directly managed all aspects of site permitting, and has been involved in the financial and technical evaluation of mining properties for a major mining company and other projects. He has also founded, developed and operated two successful companies. He is licensed as a Professional Geologist in the State of Washington (#1727) and a member of the Society of Mining, Metallurgy and Exploration (SME).

Mining Experience

Mr. King developed mining process expertise in the late 1970's and early 1980's. During this time he worked for Companies such as Bethlehem Copper, Union Oil (MolyCorp) and the mining consulting firms for Watts, Griffis and McOuat and Campbell, Foss and Buchanan, Inc. including gold mining and gold placer evaluation in the lower states and in Alaska. In 1984, Mr. King was named mine manager of a gold and silver mine in Nevada. He served in that capacity until 1986 when he was named Vice President of Operations.

Selected technical presentations on metals and potash by Mr. King are cited below:

Campbell, M. D., and J. D. King, 2011, "Iron Glen Project: Northeast Queensland, Australia," Competent Persons Report (CPR) / N 43-101 Report for Iron Glen Mining Pty Ltd., Allenby Capital Limited and Strategic Minerals plc, London, England, by I2M Associates, LLC, Houston and Seattle, May 2, 199 p.

Campbell, M. D., J. D. King, H. M. Wise, R. I. Rackley, and B. Handley, 2009 "The Nature and Extent of Uranium Reserves and Resources and Their Environmental Development in the U.S. and Overseas," AAPG – Energy Minerals Division 2008 Report, revised for publishing in AIPG's *The Professional Geologist*, Vol. 46, No. 5, September/October, pp. 42-51 - Peer Reviewed. ([Click here](#))

Campbell, M. D. and J. D. King, 2009, "AusPotash Corporation Project: Adavale Basin, Queensland, Australia, NI 43-101 Report, by M. D. Campbell and Associates, L.P., Houston and Seattle, July 8, 113 p. ([Click here](#)).

Campbell, M. D., J. D. King, *et al.*, 2008, "The Nature and Extent of Uranium Reserves and Resources and their Environmental Development in the U.S. and Overseas", *Proc. Conference of the American Association of Petroleum Geologists (AAPG), Energy Minerals Division*, April 23, San Antonio, Texas, 14 p. ([PDF](#)).

Campbell, M. D., H. M. Wise, and J. D. King, 2008, "Nuclear Fuel Exploration, In Situ Recovery, and Environmental Issues in Context with the National Energy Needs through Year 2040", *Proc. Texas Commission on Environmental Quality Conference and Trade Fair*, April 30, An Invited Presentation, Austin, Texas ([PDF](#)).

Environmental Experience

Between 1990 and 1998 Mr. King worked for the DuPont Company directing environmental projects in Washington, Oregon, Alaska and British Columbia, Canada. In 1998, Mr. King formed Pacific Environmental and Redevelopment Corporation to focus on large-scale projects involving the redevelopment of formerly contaminated properties. In completing these projects, Mr. King has developed or managed a team of resources and associates with experience ranging from environmental sciences to master-planned community and golf-course construction.

One such environmental project managed by Mr. King involved the environmental clean-up of an industrial site south of Tacoma, Washington. Once the contaminants were removed, Mr. King oversaw the construction of a golf course followed by the construction of quality homes. The golf course was completed in 2006 and has just won the "Top Ten New Courses in the World" Award for 2007, given by *Travel and Leisure Golf Magazine* (See Announcement (CV).

In late 1990, he served with M. D. Campbell and Associates, L.P. as a Senior Program Manager. In 2010, he formed I2M Associates, LLC and presently serves in a management role for the company as President and Senior Project Manager, and in a variety of other management functions, including corporate oversight, project management and assessment, property evaluations, and field investigations of mining and large environmental projects.

XXX

PART V

SECTION A

ACCOUNTANTS' REPORT ON WISHBONE GOLD PLC



The Directors
Wishbone Gold Plc
57/63 Line Wall Road
Gibraltar

The Directors
Shore Capital & Corporate Limited
Bond Street House
Clifford Street
London
W1S 4JU

The Directors
Shore Capital Stockbrokers Limited
Bond Street House
14 Clifford Street
London
W1S 4JU

10 July 2012

Dear Sirs

We report on the consolidated financial information of Wishbone Gold Plc (the “Company”) and its subsidiary Wishbone Gold Pty Ltd (collectively the “Group”) for the years ended 31 December 2011 and 2010, together with the financial information of the Company for the two month period from incorporation to 31 December 2009 (prior to the Group coming into existence). The Group was formed following the acquisition of Wishbone Gold Pty Ltd by the Company on 6 December 2010. Consequently, this report shows financial information for the Company in the previous financial year to the formation of the Group, as well as financial information the Group for the years ended 31 December 2010 and 2011. All financial information has been prepared for the purpose of its inclusion in the AIM Admission Document dated 10 July 2012 (the “Admission Document”) of the Company on the basis of the accounting policies set out in note 2 to the financial information. This report is required by paragraph (a) of Schedule Two to the AIM Rules for Companies (the “AIM Rules”) and is given for the purposes of complying with the AIM Rules and for no other purpose.

Responsibilities

The directors of the Company (the “Directors”) are responsible for preparing the financial information on the basis of preparation set out in note 2 to the financial information and in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”) applied in accordance with the provision of the Gibraltar Companies Act 1930.

It is our responsibility to form an opinion as to whether the financial information gives a true and fair view for the purposes of the Admission Document and to report our opinion to you.

Save for any responsibility arising under the AIM Rules to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any person other than the addressees of this letter for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with the AIM Rules, consenting to its inclusion in the Admission Document dated 10 July 2012 of the Company.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion the financial information gives, for the purposes of the Admission Document dated 10 July 2012, a true and fair view as at the date stated of Wishbone Gold Plc's consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and consolidated statement of cash flows for the periods ended 31 December 2011 and 2010, and the statement of comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows for the two month period ended 31 December 2009, in accordance with the basis of preparation set out in note 2 to the financial information and in accordance with IFRS and has been prepared in a form that is consistent with the accounting policies adopted by the Company.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules, we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules.

Yours faithfully

Mazars LLP

Chartered Accountants

London

United Kingdom

CONSOLIDATED GROUP AND COMPANY INCOME STATEMENTS

		<i>Group</i> <i>Year ended</i> <i>31 December</i> <i>2011</i> <i>US\$</i>	<i>Group</i> <i>Year ended</i> <i>31 December</i> <i>2010</i> <i>US\$</i>	<i>Company</i> <i>Two month</i> <i>period ended</i> <i>31 December</i> <i>2009</i> <i>US\$</i>
	<i>Notes</i>			
Revenue		—	—	—
Pre-exploration costs expensed		(9,893)	(1,264)	—
Administrative costs		(91,618)	(11,864)	(1,645)
Operating loss	5	(101,511)	(13,128)	(1,645)
Loss before taxation		(101,511)	(13,128)	(1,645)
Taxation	6	—	—	—
Loss for the financial year attributable to equity holders of the parent		<u>(101,511)</u>	<u>(13,128)</u>	<u>(1,645)</u>
Loss per share:				
Basic and diluted (cents)	7	<u>(0.09)</u>	<u>(0.15)</u>	<u>(0.16)</u>

CONSOLIDATED GROUP AND COMPANY STATEMENTS OF COMPREHENSIVE INCOME

	<i>Group Year ended 31 December 2011 US\$</i>	<i>Group Year ended 31 December 2010 US\$</i>	<i>Company Two month period ended 31 December 2009 US\$</i>
Loss for the year	<u>(101,511)</u>	<u>(13,128)</u>	<u>(1,645)</u>
Other comprehensive income			
Exchange differences on translating foreign operations	<u>1,442</u>	<u>1,292</u>	<u>—</u>
Other comprehensive income for the year, net of tax	<u>1,442</u>	<u>1,292</u>	<u>—</u>
Total comprehensive loss for the year attributable to equity holders of the parent	<u><u>(100,069)</u></u>	<u><u>(11,836)</u></u>	<u><u>(1,645)</u></u>

CONSOLIDATED GROUP AND COMPANY STATEMENTS OF FINANCIAL POSITION

		<i>Group as at 31 December 2011 US\$</i>	<i>Group as at 31 December 2010 US\$</i>	<i>Company as at 31 December 2009 US\$</i>
	<i>Notes</i>			
ASSETS				
Non-current assets				
Intangible fixed assets	8	114,935	87,353	—
Total non-current assets		114,935	87,353	—
Current assets				
Other receivables	9	26,095	124	—
Cash and cash equivalents	10	12,008	112,255	—
Total current assets		38,103	112,379	—
TOTAL ASSETS		153,038	199,732	—
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	11	17,760	17,760	160
Share premium		157,469	157,469	1,485
Retained loss		(116,284)	(14,773)	(1,645)
Foreign exchange reserve		2,734	1,292	—
Equity attributable to Shareholders' of the Company		61,679	161,748	—
Current liabilities				
Borrowings	12	36,000	—	—
Trade and other payables	13	55,359	37,984	—
TOTAL LIABILITIES		91,359	37,984	—
TOTAL EQUITY AND LIABILITIES		153,038	199,732	—

CONSOLIDATED GROUP AND COMPANY STATEMENTS OF CHANGES IN EQUITY

	<i>Share capital US\$</i>	<i>Share premium US\$</i>	<i>Retained loss US\$</i>	<i>Foreign exchange reserve US\$</i>	<i>Total equity US\$</i>
Company					
On incorporation	—	—	—	—	—
Loss for the period	—	—	(1,645)	—	(1,645)
Total comprehensive (loss) for the period	—	—	(1,645)	—	(1,645)
Share capital issued in the period	160	1,485	—	—	1,645
At 31 December 2009	160	1,485	(1,645)	—	—
Group					
At 1 January 2010	160	1,485	(1,645)	—	—
Loss for the year	—	—	(13,128)	—	(13,128)
Foreign exchange differences on translation of foreign operations	—	—	—	1,292	1,292
Total comprehensive income/(loss) for the year	160	1,485	(14,773)	1,292	(11,836)
Share capital issued in the year	17,600	155,984	—	—	173,584
At 31 December 2010	17,760	157,469	(14,773)	1,292	161,748
Group					
At 1 January 2011	17,760	157,469	(14,773)	1,292	161,748
Loss for the year	—	—	(101,511)	—	(101,511)
Foreign exchange differences on translation of foreign operations	—	—	—	1,442	1,442
Total comprehensive (loss)/income for the year	—	—	(101,511)	1,442	(100,069)
At 31 December 2011	17,760	157,469	(116,284)	2,734	61,679

Foreign exchange reserve records exchanges differences which arise on translation of foreign operations with a functional currency other than US Dollars; principally Australian Dollars.

CONSOLIDATED GROUP AND COMPANY STATEMENTS OF CASH FLOWS

		<i>Group</i> <i>Year ended</i> <i>31 December</i> <i>2011</i> <i>US\$</i>	<i>Group</i> <i>Year ended</i> <i>31 December</i> <i>2010</i> <i>US\$</i>	<i>Company</i> <i>Two month</i> <i>period ended</i> <i>31 December</i> <i>2009</i> <i>US\$</i>
	<i>Notes</i>			
Cash outflow from operating activities	14	(108,665)	(7,420)	—
Cash flow from investing activities				
Expenditure on exploration activities	8	(27,582)	—	—
Cash inflow on acquisition of subsidiary	20	—	119,675	—
Net cash (used in)/generated by investing activities		(27,582)	119,675	—
Cash flow from financing activities				
Increase in borrowings	12	36,000	—	—
Net cash generated from financing activities		36,000	—	—
Net (decrease)/increase in cash and cash equivalents		(100,247)	112,255	—
Cash and cash equivalents at beginning of the year/period		112,255	—	—
Cash and cash equivalents at end of the year/period		<u>12,008</u>	<u>112,255</u>	<u>—</u>

Major non-cash transaction

On 6 December 2010, the Company purchased the entire share capital of Wishbone Gold Pty Ltd in a share for share transaction with the consideration of US\$173,584; (see note 20).

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

1. Introduction

The consolidated financial information of Wishbone Gold Plc for the years ended 31 December 2010 and 31 December 2011 and financial information on the Company for the two month period ended 31 October 2009 has been approved for issue in accordance with a resolution of the Company's Directors.

The Company (Registration No.103190) was incorporated in Gibraltar under the name of Wishbone Gold Plc as a public company under the Gibraltar Companies Act 1930. The authorised share capital of the Company is £1,000,000 divided into 1,000,000,000 Ordinary shares of £0.001 each. The registered office is located at 57/63 Line Wall Road, Gibraltar. The principal activity of the Company is that of a holding company of a group which is engaged in mineral exploration.

On 6 December 2010, the Company purchased, by way of a share for share exchange, 100% of the share capital of Wishbone Gold Pty Ltd for the fair value consideration of US\$173,584.

2. Summary of significant accounting policies

Statement of compliance

The financial information is prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") including related interpretations and consistently applied throughout the financial periods ended 31 December 2009, 31 December 2010 and 31 December 2011.

Basis of preparation

The financial information of Wishbone Gold Plc ("the Company") and its subsidiary ("the Group") have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") applied in accordance with the provisions of the Gibraltar Companies Act 1930.

IFRS is subject to amendment and interpretation by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") and there is an on-going process of review and endorsement by the European Commission. The accounts have been prepared on the basis of the recognition and measurement principles of IFRS that are applicable for the year commencing 1 January 2012.

The consolidated financial information has been prepared under the historical cost convention modified to include the fair value of assets and liabilities arising from acquisition. The principal accounting policies set out below have been consistently applied to all periods presented.

Going concern

The Group has incurred trading losses during the financial periods ended 31 December 2009, 31 December 2010 and 31 December 2011. The Directors have reviewed the financial performance of the Group since 31 December 2011 and have considered the Group's cash projections for the 12 months from the date of approval of this financial information. In particular they have considered expenditure commitments on exploration tenements as set out in note 17 together with additional funding that the Company received of pre-IPO monies of US\$650k and the draw down of convertible loan notes as disclosed in note 19. Based on these factors, the Directors consider it appropriate to draw up the financial information on a going concern basis. The financial information does not include any adjustments that would result if the going concern assumption was no longer deemed appropriate.

International Financial Reporting Standards in "issue" but not yet effective

The following standards have been issued by the IASB and are not yet effective and are subject to adoption by the European Union.

IFRS 9 – Financial instruments

The standard addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. Wishbone Gold plc is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2015.

IFRS 10 – Consolidated financial statements

IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. Wishbone Gold Plc has yet to assess IFRS 10's full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 January 2013. As a consequence of this change IAS 27 consolidated and separate financial statements has been amended.

IFRS 11 – Joint arrangements

IFRS 11 considers joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. Wishbone Gold Plc has yet to assess IFRS 11's full impact and intends to adopt IFRS 11 no later than the accounting period beginning on or after 1 January 2013. As a consequence of this change IAS 28 accounting for associates has been amended to reflect the accounting for joint ventures under the equity method.

IFRS 12 – Disclosures of interests in other entities

Includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Wishbone Gold Plc has yet to assess IFRS 12's full impact and intends to adopt IFRS 12 no later than the accounting period beginning on or after 1 January 2013. Together with IFRS 10 and 11, IAS 27 and IAS 28 have been revised. In conjunction with the assessment of IFRS 10 and 11, Wishbone Gold Plc does not consider that the adoption of this standard will have a significant impact on the Group.

IFRS 13 – Fair value measurement

IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. Wishbone Gold Plc has yet to assess IFRS 13's full impact and intends to adopt IFRS 13 no later than the accounting period beginning on or after 1 January 2013.

Presentation of Items of Other Comprehensive Income (Amendments to IAS 1)

The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. The amendment is effective as per 1 July 2012 and is not expected to have an effect on performance or the financial position.

Amendments to IFRS 7 Financial Instruments

The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of Wishbone Gold Plc's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment becomes effective for annual periods beginning on or after 1 July 2011. The amendment affects disclosure only and has no impact on Wishbone Gold Plc's financial position or performance.

The following other IFRSs or IFRIC interpretations are not yet effective and would be expected to have no material impact on Wishbone Gold Plc:

Deferred tax: Recovery of Underlying Assets (Amendments to IAS 12)

Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters (Amendments to IFRS 1)

Amendments to IAS 19 Employee Benefits (issued 16 June 2011)

IFRIC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine

Basis of consolidation

The Group's consolidated financial information incorporates the financial information of the Company and its subsidiary prepared to 31 December each year. Control is achieved where the Company has power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the accounts of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions and balances and any unrealised gains and losses arising from intra-group transactions are eliminated in preparing the consolidated accounts.

Business combinations and goodwill

On acquisition, the assets and liabilities and contingent liabilities of subsidiaries are measured at their fair values at the date of acquisition. Any excess of cost of acquisition over the fair value of identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to the income statement in the period of acquisition. Goodwill arising on consolidation is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

Exploration and evaluation assets

Costs arising from exploration and evaluation activities are accumulated separately for each area of interest and only capitalised where such costs are expected to be recovered through successful development, or through sale, or where exploration and evaluation activities have not, at the reporting date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves.

Expenditure capitalised comprises direct costs that have a specific connection with a particular area of interest.

Capitalised expenditure in respect of areas of interest is written off in the income statement when the above criteria do not apply or when the directors assess that the carrying value may exceed the recoverable amount.

Capitalised costs in respect of an area of interest that is abandoned are written off in the period in which the decision to abandon is made.

Once production commences, capitalised expenditure in respect of an area of interest will be amortised on a unit of production basis by reference to the reserves of that area of interest.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of future cash flow have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior periods. A reversal of the impairment loss is recognised in the income statement immediately.

Foreign currencies

The reporting and functional currency of the Company is United States Dollars. Transactions denominated in a foreign currency are translated into US\$ at the rate of exchange ruling at the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the profit and loss account.

On consolidation, the assets and liabilities of foreign operations which have a functional currency other than US\$ are translated into US\$ at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of these subsidiary undertakings are translated at average rates applicable in the period. All resulting exchange differences are recognised as a separate component of equity.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker as required by IFRS 8 “Operating Segments”. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The accounting policies of the reportable segments are consistent with the accounting policies of the Group as a whole. Segment loss represents the loss incurred by each segment without allocation of foreign exchange gains or losses, investment income, interest payable and tax. This is the measure of loss that is reported to the Board of Directors for the purpose of resource allocation and the assessment of segment performance.

When assessing segment performance and considering the allocation of resources, the Board of Directors review information about segment assets and liabilities. For this purpose, all assets and liabilities are allocated to reportable segments; (see note 4).

Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. Provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable. The amount of the impairment is the difference between the asset’s carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate.

Cash and cash equivalents

Cash and cash equivalents comprise on demand deposits held with banks, with an original maturity of three months or less.

Trade and other payables

Trade payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest rate method.

Convertible loan notes

The fair value of the liability component included in short-term borrowings is calculated using a market interest rate for an equivalent non-convertible loan note. The residual amount, if any, representing the value of the equity conversion component, is included in shareholders’ equity in other reserves net of deferred income tax.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial information. However, if the deferred tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates and laws that have been enacted (or substantively enacted) by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of any direct issue costs.

3. Critical accounting estimates and judgements

The critical accounting estimates and judgements made by the Group regarding the future or other key sources of estimation, uncertainty and judgement that may have a significant risk of giving rise to a material adjustment to the carrying values of assets and liabilities within the next financial year are:

Impairment of exploration and evaluation assets

At the reporting date, the exploration and evaluation activities have not reached a stage to allow the Group to assess whether there any indication of impairment exists and therefore has not made a formal estimate of the recoverable amount.

4. Segmental analysis

Management has determined the operating segments by considering the business from both a geographic and product perspective. For management purposes, the Group is currently organised into one operating division: resource evaluation. This division is the business segment for which the Group reports its segment information internally to the Board of Directors. The Group's operations are predominantly in Australia.

5. Operating loss

Is stated after charging:

	<i>Group 2011 US\$</i>	<i>Group 2010 US\$</i>	<i>Company 2009 US\$</i>
Pre-exploration costs	9,893	1,264	—
Consultancy fees	48,306	11,859	—
Accounting and audit fees	24,722	—	—

6. Taxation

	<i>Group 2011 US\$</i>	<i>Group 2010 US\$</i>	<i>Company 2009 US\$</i>
Corporation tax	—	—	—
<i>Taxation reconciliation</i>			
Loss on ordinary activities before taxation	(101,511)	(13,128)	(1,645)
Loss on ordinary activities multiplied by the standard effective tax rate of the Group of 28% (2010: 30%); Company of 2009: 0%	(28,423)	(3,938)	—
<i>Taxation effects of:</i>			
Non-deductible expenditure	17,475	1,119	—
Creation of unrecognised trading losses	10,948	2,819	—

The Group has unused tax losses of approximately US\$39,000 at 31 December 2011 and US\$10,000 at 31 December 2010. A related deferred tax asset has not been recognised in the financial information

due to the uncertainty surrounding its recoverability. The deferred tax asset can be recovered against suitable future trading profits. Tax losses have no expiry date.

The Company is a holding company with no income tax or capital gains.

7. Loss per share

Basic loss per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year/period

	<i>Group 2011 US\$</i>	<i>Group 2010 US\$</i>	<i>Company 2009 US\$</i>
Loss for the purposes of basic loss per share being net loss attributable to equity shareholders of the parent	<u>(101,511)</u>	<u>(13,128)</u>	<u>(1,645)</u>
Loss for the purpose of diluted earnings per share	<u>(101,511)</u>	<u>(13,128)</u>	<u>(1,645)</u>
Number of shares: Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>111,000,000</u>	<u>8,835,616</u>	<u>1,000,000</u>
Basic and diluted (cents)	<u>(0.09)</u>	<u>(0.15)</u>	<u>(0.16)</u>

As there are no diluted potential ordinary shares, there is no difference between the diluted and basic loss per share.

8. Exploration and evaluation assets

	<i>US\$</i>
Arising on acquisition (6 December 2010) – see note 20	<u>87,353</u>
At 31 December 2010	87,353
Additions	<u>27,582</u>
Net book value at 31 December 2011	<u>114,935</u>

9. Other receivables

	<i>Group 2011 US\$</i>	<i>Group 2010 US\$</i>	<i>Company 2009 US\$</i>
Prepayments	<u>26,095</u>	<u>124</u>	<u>—</u>

10. Cash and cash equivalents

	<i>Group 2011 US\$</i>	<i>Group 2010 US\$</i>	<i>Company 2009 US\$</i>
Cash at bank	<u>12,008</u>	<u>112,255</u>	<u>—</u>

11. Share capital

	<i>Group 2011 US\$</i>	<i>Group 2010 US\$</i>	<i>Company 2009 US\$</i>
Authorised			
1,000,000,000 (2010: 1,000,000,000; 2009: 1,000,000,000) ordinary shares of £0.001 each (US\$0.0016)	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>
Allotted and called up			
111,000,000 (2010: 111,000,000; 2009: 1,000,000) ordinary shares of £0.001 each (US\$0.0016)	<u>17,760</u>	<u>17,760</u>	<u>160</u>

On 2 November 2009, Wishbone Gold Plc issued 1,000,000 new ordinary shares of £0.001 on formation of the Company for a total consideration of \$1,645 in settlement of consulting services provided to the Company.

On 6 December 2010, Wishbone Gold Plc issued 110,000,000 new ordinary shares of £0.001 each in a share for share exchange to acquire 100% of Wishbone Gold Pty Limited for a total consideration of \$173,584.

12. Borrowings

	<i>Group 2011 US\$</i>	<i>Group 2010 US\$</i>	<i>Company 2009 US\$</i>
Convertible Loan Note	<u>36,000</u>	<u>—</u>	<u>—</u>

The Convertible Loan Note was issued by Wishbone Gold Plc in the principle amount of £150,000 on 1 December 2010 and may be drawn in £ Sterling or Australian Dollars at any time up to 1 December 2012. The Company may repay the Loan Note at any time without penalty upon no less than four weeks' notice to the note holder, provided no notice of conversion has been issued prior to the actual date of repayment. The Loan Note is convertible at the option of the note holder into ordinary shares of the Company at a price of 2.5p per share. Any drawings are interest free and convertible on demand. The Directors consider that the carrying amount of borrowings approximates to their fair values. The convertible loan note has not been bifurcated as the equity component is not material.

13. Trade and other payables

	<i>Group 2011 US\$</i>	<i>Group 2010 US\$</i>	<i>Company 2009 US\$</i>
Trade payables	50,359	37,984	—
Accruals	5,000	—	—
	<u>55,359</u>	<u>37,984</u>	<u>—</u>

14. Cash outflow from operating activities

	<i>Group</i> <i>2011</i> <i>US\$</i>	<i>Group</i> <i>2010</i> <i>US\$</i>	<i>Company</i> <i>2009</i> <i>US\$</i>
Loss before tax	(101,511)	(13,128)	(1,645)
Consulting fees settled in shares	—	—	1,645
Operating cash flow before changes in working capital	(101,511)	(13,128)	—
(Increase)/decrease in receivables	(25,971)	209	—
Increase in payables	18,817	5,499	—
Net cash outflow from operating activities	<u>(108,665)</u>	<u>(7,420)</u>	<u>(1,645)</u>

15. Staff costs

The Group has no direct employees. Staff costs for the year ended 31 December 2011 were US\$ Nil (2010: US\$ Nil; 2009: US\$Nil).

16. Financial instruments

The Group's financial instruments comprise cash and cash equivalents, borrowings and items such as trade payables which arise directly from its operations. The main purpose of these financial instruments is to provide finance for the Group's operations.

The Group's operations expose it to a variety of financial risks including credit risk, liquidity risk, interest rate risk and foreign currency exchange rate risk. The Directors do not believe the Group is exposed to any material equity price risk. The policies are set by the Board of Directors.

Classification of financial instruments

All Group financial assets are classified as loans and receivables, and are held at amortised cost. All of the Group's financial liabilities classified as other financial liabilities are also held at amortised cost. The carrying value of all financial instruments approximates to their fair value.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. The Group defines capital as being share capital plus reserves. The Board of Directors monitor the level of capital as compared to the Group's commitments and adjusts the level capital as is determined to be necessary, by issuing new shares. The Group is not subject to any externally imposed capital requirements.

Credit risk

The Group's credit risk is primarily attributable to its cash and cash equivalents. However, these are deposited at reputable financial institutions, therefore management do not consider the risk to be significant.

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was: US\$12,008 (2010: US\$112,255; 2009: US\$Nil).

The total of other receivables and cash and cash equivalents constitutes all of the financial assets within the IAS 39 category; loan and receivables held by the Group.

Interest rate risk

The Group's interest bearing assets comprise only cash and cash equivalents and earn interest at a variable rate. The Group has a policy of maintaining debt at fixed rates which are agreed at the time of acquiring debt to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of the policy should the Group's operations change in size or nature.

The only Group borrowing at 31 December 2011 was \$36,000 and there was no borrowing as at 31 December 2010 and 31 December 2009. The borrowing incurs interest at zero per cent.

No sensitivity analysis for interest rate risk has been presented as any changes in the rates of interest applied to cash balances would have no significant effect on either profit or loss or equity.

The Group has not entered into any derivative transactions during the period under review.

Liquidity risk

The Group actively maintains cash balances that are designed to ensure that sufficient available funds for operations and planned expansions. The Group monitors its levels of working capital to ensure that it can meet its debt repayments as they fall due. All of the Group's financial liabilities are measured at amortised cost. The financial liabilities as at the year end were US\$55,359 (2010: US\$37,984; 2009: US\$Nil).

Foreign currency exchange rate risk

The Group undertakes certain transactions in foreign currencies. Hence, exposure to exchange rate fluctuations arise

The Group and Company incurs foreign currency risk on transactions denominated in currencies other than US dollars. The principal currencies that give rise to this risk are pounds sterling and Australian Dollars. Exposure to foreign currency risk at the date of the Group Statement of Financial Position report is as follows:

	<i>Group 2011</i>		<i>Group 2010</i>		<i>Company 2009</i>	
	<i>A\$</i>	<i>US\$ Equivalent</i>	<i>A\$</i>	<i>US\$ Equivalent</i>	<i>A\$</i>	<i>US\$ Equivalent</i>
Financial assets:						
Cash	11,800	12,008	110,459	112,255	—	—
Debtors	25,644	26,095	122	124	—	—
	<u>37,444</u>	<u>38,103</u>	<u>110,581</u>	<u>112,379</u>	<u>—</u>	<u>—</u>
Financial liabilities:						
Trade and other creditors	(49,488)	(50,539)	(37,376)	(37,984)	—	—
	<u>(49,488)</u>	<u>(50,539)</u>	<u>(37,376)</u>	<u>(37,984)</u>	<u>—</u>	<u>—</u>

At 31 December 2011, if Pounds Sterling and Australian Dollar had weakened/strengthened by 15% against the US\$ with all variables held constant, before tax losses for the year would have been US\$2,203 higher/lower (2010: US\$13,129) higher/lower, mainly as a result of foreign exchange gains/losses on translation of Pounds Sterling denominated bank deposits.

17. Commitments

Expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various authorities. These obligations are subject to periodic renegotiation. These obligations are not provided for in the financial information and as at 31 December 2011, 31 December 2010 and 31 December 2009 are payable as follows:

	<i>Group 2011 US\$</i>	<i>Group 2010 US\$</i>	<i>Company 2009 US\$</i>
Within one year	40,704	—	—
After one year but not more than five years	309,352	—	—
Increase in payables	<u>350,650</u>	<u>—</u>	<u>—</u>

18. Related party transactions

Group

Black Swan FZE

Black Swan FZE, a company in which Richard Poulten, a director, has an interest, was paid \$48,306 for the year ended 31 December 2011 and \$54,451 for the year ended 31 December 2010 by Wishbone Gold Pty Limited for consulting services.

The balance outstanding to Black Swan FZE at 31 December 2011 was US\$Nil (2010: US\$35,589; 2009: US\$Nil)

Black Swan Plc

A convertible loan note was issued by the Company on 1 December 2010 with a principal amount of £150k. The loan note is convertible at the option of Black Swan Plc (the Noteholder). Richard Poulten who is the Chairman of Wishbone is also a director of Black Swan Plc. Under the facility, three drawings of US\$36,000 in December 2011, US\$50,000 in January 2012 and £50,000 in March 2012 have so far been lent to Wishbone Gold Plc.

It is intended that the entire value of the loan note will be converted to shares on Admission.

Ashton Nominees

Richard Poulten holds his shares in the Company through the Formidable Trust and these shares are registered in the name of Ashton Nominees Inc. On 6 December 2010, the Company entered into a share sale agreement with Ashton Nominees Inc, (amongst others), pursuant to which Ashton Nominees Inc. transferred its shares in Wishbone Gold Pty Ltd to the Company in exchange for shares in the Company.

Company

On 28 October 2009, 142,857 new ordinary shares were issued at par to Pacific Corporate Management Limited, a company in which Richard Poulten, a Director, has an interest for consulting services provided to the Company.

On 28 October 2009, 142,858 new ordinary shares were issued at par to Black Swan Plc, a company in which Richard Poulten, a Director, has an interest for consulting services provided to the Company.

On 28 October 2009, 142,857 new ordinary shares were issued at par to Prime Nominees Limited, a company in which A Gravett, Director, had an interest for consulting services.

19. Events after the reporting date

It is intended that the loan note issued by Wishbone Plc to Black Swan Plc will be converted to shares upon admission to AIM. In January 2012 US\$50,000 was drawn down and in March 2012, £50,000 was drawn down.

20. Acquisition

On 6 December 2010 Wishbone Gold Plc purchased 100% of the share capital in Wishbone Gold Pty Ltd in a share for share exchange.

Set out below is a table of the book values of assets and liabilities and fair values attributed at the date of acquisition. As the consideration equates to the fair value of the net assets acquired, no goodwill arises on acquisition.

	<i>Book value</i> US\$	<i>Fair value</i> US\$
Assets		
Exploration and evaluation	—	87,353
Cash	119,675	119,675
Service tax	15	15
Sundry assets	318	318
	<hr/> 120,008	<hr/> 207,361
Creditors	(33,777)	(33,777)
	<hr/> 86,231	<hr/> 173,584
Consideration		<hr/> (173,584)
Goodwill		<hr/> <hr/> —

21. Nature of financial information

The financial information of the Group and the Company which have been prepared solely for the purpose of the AIM Admission Document of the Company, contained in this Part V Section A, do not constitute audited statutory accounts.

SECTION B

ACCOUNTANTS' REPORT ON WISHBONE GOLD PTY LTD



The Directors
Wishbone Gold Plc
57/63 Line Wall Road
Gibraltar

The Directors
Shore Capital & Corporate Limited
Bond Street House
Clifford Street
London
W1S 4JU

The Directors
Shore Capital Stockbrokers Limited
Bond Street House
14 Clifford Street
London
W1S 4JU

10 July 2012

Dear Sirs

We report on the financial information of Wishbone Gold Pty Ltd which has been prepared for the purpose of its inclusion in the AIM Admission Document dated 10 July 2012 (the "Admission Document") of Wishbone Gold Plc (the "Company") on the basis of the accounting policies set out in note 2 to the financial information. This report is required by paragraph (a) of Schedule Two to the AIM Rules for Companies (the "AIM Rules") and is given for the purposes of complying with the AIM Rules and for no other purpose.

The financial information is presented for the company for the three month period from incorporation to 31 December 2009 and the year ended 31 December 2010. No financial information on Wishbone Gold Pty Ltd has been provided for the year ended 31 December 2011 as it was acquired by the Company on 6 December 2010 and therefore its financial information for the year ended 31 December 2011 is consolidated with the Group's financial information set out in our report in Section A.

Responsibilities

The directors of the Company (the "Directors") are responsible for preparing the financial information on the basis of preparation set out in note 2 to the financial information and in accordance with International Financial Reporting Standards as adopted in the European Union ("IFRS").

It is our responsibility to form an opinion as to whether the financial information gives a true and fair view for the purposes of the Admission Document and to report our opinion to you.

Save for any responsibility arising under the AIM Rules to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any person other than the addressees of this letter for any loss suffered by any such

person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with the AIM Rules, consenting to its inclusion in the Admission Document dated 10 July 2012 of the Company.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion the financial information gives, for the purposes of the Admission Document dated 10 July 2012, a true and fair view of the statement of financial position of Wishbone Gold Pty Ltd as at the dates stated and of its statement of comprehensive income, statement of changes in equity and statement of cash flows for the periods then ended in accordance with the basis of preparation set out in note 2 to the financial information and in accordance with IFRS and has been prepared in a form that is consistent with the accounting policies adopted by the Company.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules, we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules.

Yours faithfully

Mazars LLP

Chartered Accountants

London

United Kingdom

STATEMENT OF COMPREHENSIVE INCOME

		<i>Year ended</i> <i>31 December</i> <i>2010</i> <i>A\$</i>	<i>Three</i> <i>months ended</i> <i>31 December</i> <i>2009</i> <i>A\$</i>
Revenue	<i>Note</i> 3	—	—
Expenses			
Pre-exploration costs expensed		(6,604)	(2,150)
Administrative expenses		(55,450)	(12,430)
Loss before income tax expense	4	(62,054)	(14,580)
Income tax expense	5	—	—
Loss after income tax expense for the year/period		<u>(62,054)</u>	<u>(14,580)</u>
Other comprehensive income			
Other comprehensive income for the year/period, net of tax		—	—
Total comprehensive loss attributable to equity holders of the company		<u>(62,054)</u>	<u>(14,580)</u>

STATEMENT OF FINANCIAL POSITION

		<i>31 December</i>	<i>31 December</i>
		<i>2010</i>	<i>2009</i>
	<i>Note</i>	<i>A\$</i>	<i>A\$</i>
ASSETS			
Current assets			
Cash and cash equivalents	6	110,459	147,219
Other receivables	7	122	40
TOTAL ASSETS		<u>110,581</u>	<u>147,259</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	8	(37,376)	(12,000)
TOTAL LIABILITIES		<u>(37,376)</u>	<u>(12,000)</u>
NET ASSETS		<u>73,205</u>	<u>135,259</u>
EQUITY			
Contributed equity	9	149,839	149,839
Accumulated losses		(76,634)	(14,580)
TOTAL EQUITY		<u>73,205</u>	<u>135,259</u>

STATEMENT OF CHANGES IN EQUITY

	<i>Note</i>	<i>Contributed equity A\$</i>	<i>Accumulated losses A\$</i>	<i>Total A\$</i>
Balance on incorporation		—	—	—
Shares issued during the period	9	149,839	—	149,839
Loss for the period		—	(14,580)	(14,580)
Total comprehensive loss for the period		—	(14,580)	(14,580)
Balance at 31 December 2009		<u>149,839</u>	<u>(14,580)</u>	<u>135,259</u>
Loss for the year		—	(62,054)	(62,054)
Total comprehensive loss for the year		—	(62,054)	(62,054)
Balance at 31 December 2010		<u>149,839</u>	<u>(76,634)</u>	<u>73,205</u>

STATEMENT OF CASH FLOWS

	<i>Note</i>	<i>2010</i> A\$	<i>2009</i> A\$
Cash flows from operating activities			
Net cash used in operating activities	13b	<u>(36,760)</u>	<u>(2,620)</u>
Cash flows from financing activities			
Proceeds from shares issued		<u>—</u>	<u>149,839</u>
Net cash provided by financing activities		<u>—</u>	<u>149,839</u>
Net (decrease)/increase in cash and cash equivalents		<u>(36,760)</u>	<u>147,219</u>
Cash and cash equivalents at the beginning of the financial period		<u>147,219</u>	<u>—</u>
Cash and cash equivalents at the end of the financial period	6	<u><u>110,459</u></u>	<u><u>147,219</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

1. Introduction

The financial information of Wishbone Gold Pty Ltd (the “company”) for the three month period ended 31 December 2009 and year ended 31 December 2010 has been approved for issue in accordance with a resolution of the company’s Directors.

The company (Registration No.139 754448) was incorporated on 30 September 2009 in Australia under the name of Wishbone Gold Pty Ltd as a proprietary company under the Corporations Act 2001. The registered office is located at RSL Centre PKF, Level 5, 9 Beach Road, Surfers Paradise, Queensland 4217. The principal activity of the company is mineral exploration.

2. Summary of significant accounting policies

Statement of compliance

The financial information is prepared in accordance with International Financial Reporting Standards (“IFRS”) including related interpretations and consistently applied throughout the financial period ended 31 December 2010.

International Financial Reporting Standards in “issue” but not yet effective

The following standards have been issued by the IASB and are not yet effective and are subject to adoption by the European Union.

IFRS 9 – Financial instruments

The standard addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity’s business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. Wishbone Gold Pty Ltd is yet to assess IFRS 9’s full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2015.

IFRS 10 – Consolidated financial statements’

IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. Wishbone Gold Pty Ltd has yet to assess IFRS 10’s full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 January 2013. As a consequence of this change IAS 27 consolidated and separate financial statements has been amended.

IFRS 11 – Joint arrangements

IFRS 11 considers joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. Wishbone

Gold Pty Ltd has yet to assess IFRS 11's full impact and intends to adopt IFRS 11 no later than the accounting period beginning on or after 1 January 2013. As a consequence of this change IAS 28 accounting for associates has been amended to reflect the accounting for joint ventures under the equity method.

IFRS 12 – Disclosures of interests in other entities

Includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. Wishbone Gold Pty Ltd has yet to assess IFRS 12's full impact and intends to adopt IFRS 12 no later than the accounting period beginning on or after 1 January 2013.

Together with IFRS 10 and 11, IAS 27 and IAS 28 have been revised. In conjunction with the assessment of IFRS 10 and 11, Wishbone Gold Plc will assess the effect of these two amendments.

IFRS 13 – Fair value measurement

IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. Wishbone Gold Pty Ltd has yet to assess IFRS 13's full impact and intends to adopt IFRS 13 no later than the accounting period beginning on or after 1 January 2013.

Presentation of Items of Other Comprehensive Income (Amendments to IAS 1)

The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. The amendment is effective as per 1 July 2012 and is not expected to have an effect on performance or the financial position.

Amendments to IFRS 7 Financial Instruments

The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of Wishbone Gold Pty Ltd's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment becomes effective for annual periods beginning on or after 1 July 2011. The amendment affects disclosure only and has no impact on Wishbone Gold Pty Ltd's financial position or performance.

The following other IFRSs or IFRIC interpretations are not yet effective and it would be expected to have no material impact on Wishbone Gold Pty Ltd:

Deferred tax: Recovery of Underlying Assets (Amendments to IAS 12)

Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters (Amendments to IFRS 1)

Amendments to IAS 19 Employee Benefits (issued 16 June 2011)

IFRIC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine

Basis of preparation

The financial information of Wishbone Gold Pty has been prepared in accordance with International Financial Reporting Standards as issued by the IASB ("IFRS") applied in accordance with the provisions of the Corporations Act 2001.

IFRS is subject to amendment and interpretation by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”). The accounts have been prepared on the basis of the recognition and measurement principles of IFRS that are applicable for the year commencing 1 January 2012.

The financial information has been prepared under the historical cost convention. The principal accounting policies set out below have been consistently applied to all periods presented.

Going concern

Due to the on-going exploration activity of the company, it is reliant on the financial support from the parent entity, Wishbone Gold Plc, to remain a going concern.

The Directors are satisfied that adequate plans are in place and that the parent company and its financial guarantors will be able to raise sufficient capital to ensure that the company can meet its debts and obligations as and when they fall due. On this basis the financial information has been prepared on the going concern basis.

Should the company be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial information. The financial information does not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the company be unable to continue as a going concern and meet its debts as and when they fall due.

Foreign currency translation

The financial report is presented in Australian dollars, which is Wishbone Gold Pty Ltd’s functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

Other revenue is recognised when it is received or when right to receive payment is established.

Exploration and evaluation expenditure

Exploration and evaluation expenditure is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

Other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities, attributable to temporary differences and unused tax losses and under and over provision in prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for;

- When the deferred income tax asset of liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and not discounted.

Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial information based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Impairment

The Directors assess impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets.

At the reporting date, the exploration and evaluation activities have not reached a stage to allow the company to assess whether any indication of impairment exists and therefore has not made a formal estimate of recoverable amount.

3. Revenue

There is no revenue generated by the company.

4. Loss before income tax expense

	2010 A\$	2009 A\$
Loss before income tax is stated after charging:		
Consulting fees paid to Black Swan Fze (See note 16)	54,729	12,000

5. Income tax expense

	2010 A\$	2009 A\$
Income tax expense	—	—
<i>Numerical reconciliation of income tax expense to prima facie tax payable:</i>		
Loss before income tax expense	(62,054)	(14,580)
Tax at the Australian tax rate of 30%	(18,616)	(4,374)
Tax effect amounts which are not deductible in calculating taxable income:		
Non deductible expenditure	16,419	3,600
Total deferred taxes asset not recognised	2,197	774
	—	—

6. Cash and cash equivalents

	2010	2009
	A\$	A\$
Cash at bank	<u>110,459</u>	<u>147,219</u>

The company's maximum exposure to credit risk is comprised of cash and other receivables.

7. Other receivables

	2010	2009
	A\$	A\$
GST receivable	<u>122</u>	<u>40</u>
	<u>122</u>	<u>40</u>

Management considers that the GST receivable is recoverable in full and therefore has not included a provision for bad debts.

8. Trade and other payables

	2010	2009
	A\$	A\$
Sundry creditors	<u>37,376</u>	<u>12,000</u>
	<u>37,376</u>	<u>12,000</u>

Management consider that the carrying value of sundry creditors approximates their fair value. They have been classified as other financial liabilities and carried at amortised cost.

Sundry creditors are all due within one year and do not bear any interest.

9. Contributed equity

	2010	2009
	A\$	A\$
At the beginning of the period	149,839	—
Fully paid and issued during the year/period	<u>—</u>	<u>149,839</u>
At reporting date	<u>149,839</u>	<u>149,839</u>

	No of Shares	No of Shares
At the beginning of the reporting period	110,000,000	—
Issued during the period	<u>—</u>	<u>110,000,000</u>
At reporting date	<u>110,000,000</u>	<u>110,000,000</u>

The entity was initially capitalised with 110,000,000 founder shares.

Issued Shares

On 6th December 2010 all the shareholders of the company entered into an agreement to sell all their shares to Wishbone Gold Plc in exchange for a total of 110,000,000 ordinary shares in Wishbone Gold Plc pro-rata to their shareholdings in the company.

10. Contingent liabilities

There were no contingent liabilities outstanding at 31 December 2009 or 31 December 2010.

11. Parent entities

On 6 December 2010, Wishbone Gold Plc acquired 100% share capital in Wishbone Gold Pty Ltd and is the parent entity from this date.

12. Events after the reporting period

No significant events have occurred since balance sheet date which would impact on the financial position of the entity disclosed in the Statement of Financial Position as at 31 December 2010 or on the results and cash flows of the entity for the period ended on that date.

The transactions since 31 December 2010 to admission have been reported in the financial information in Section A of this report.

13. Cash flow statement reconciliation

	2010 A\$	2009 A\$
a. Reconciliation of cash and cash equivalents		
For the purposes of the Cash Flow Statement, cash and cash equivalents includes cash on hand and at bank, net of outstanding bank overdrafts. Cash at the end of the financial period, as shown in the Cash Flow Statement is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and cash equivalents	110,459	147,219
b. Reconciliation of net loss after tax to net cash flows from operations		
Net loss after income tax	(62,054)	(14,580)
<i>Changes in assets and liabilities:</i>		
Increase in other receivables and deposit	(82)	(40)
Increase in payables	25,376	12,000
Net cash used in operating activities	(36,760)	(2,620)

14. Financial instruments

Foreign exchange rate risk

The company does not undertake significant transactions in foreign currencies and therefore has no significant exposure to exchange rate fluctuations.

Interest rate risk

The company's interest bearing assets comprise only cash and cash equivalents and earn interest at a variable rate. The company has a policy of maintaining debt at fixed rates which are agreed at the time of acquiring debt to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of the policy should the company's operations change in size or nature.

No sensitivity analysis for interest rate risk has been presented as any changes in the rates of interest applied to cash balances would have no significant effect on either profit or loss or equity.

The Group has not entered into any derivative transactions during the period under review.

Liquidity risk

The company actively maintains cash balances that are designed to ensure that sufficient available funds for operations and planned expansions. The company monitors its levels of working capital to ensure that it can meet its debt repayments as they fall due. All of the company's financial liabilities all mature are measured at amortised cost. The financial liabilities as at the year end were A\$37,376 (2009: A\$12,000).

15. Capital management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern, to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. The company defines capital as being share capital plus reserves. The Board of Directors monitor the level of capital as compared to the company's commitments and adjusts the level capital as is determined to be necessary, by issuing new shares. The company is not subject to any externally imposed capital requirements.

16. Related party transactions

Black Swan FZE, a company in which Richard Poulden, a director, has an interest, was paid A\$54,729 in the year ended 2010 and A\$12,000 for the period ended 31 December 2009.

The balance outstanding to Black Swan FZE at 31 December 2010 was A\$35,750. (2009: A\$Nil).

17. Nature of financial information

The financial information on the company which have been prepared solely for the purpose of the AIM Admission Document of the Wishbone Gold Plc, contained in this Part V Section B, does not constitute audited statutory accounts.

PART VI

ADDITIONAL INFORMATION

1. Responsibility

- 1.1. The Directors of the Company, whose names and functions appear on page 4 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (having taken all reasonable care to ensure that such is the case) the information contained in this document, for which they are responsible, is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2. Mazars LLP accepts responsibility for its reports contained in each of sections A and B of Part V of this document. To the best of the knowledge of Mazars LLP, which has taken all reasonable care to ensure that such is the case, the information contained in such reports is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3. I2M Associates LLC accepts responsibility for its reports contained in Part IV of this document. To the best of the knowledge of I2M Associates LLC, which has taken all reasonable care to ensure that such is the case, the information contained in such reports is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. The Company

- 2.1. The Company was incorporated as a public company limited by shares in Gibraltar under the Gibraltar Act, on 28 October 2009, with the name “WISHBONE GOLD PLC” and with registered number 103190. The Company is governed by its Memorandum and Articles and the principal legislation under which the Company operates is the Gibraltar Act.
- 2.2. The issued share capital of the Company is 111,000,000 Ordinary Shares which are all fully paid. The par value of each Ordinary Share is £0.001.
- 2.3. The Company’s registered office is at 57/63 Line Wall Road, Gibraltar. The telephone number of the Company’s registered office is +350 2007 9000. The Company’s principal place of business is at 57/63 Line Wall Road, Gibraltar. The telephone number of the Company at its principal place of business is +350 2007 9000. Its website address is www.wishbonegoldplc.com. Information displayed on the Company’s website does not constitute a part of this document.

3. The Group

- 3.1. The Company has the following subsidiary undertaking, which is wholly owned:

<i>Name of Subsidiary</i>	<i>Company Number</i>	<i>Date and place of incorporation</i>	<i>Principal activity</i>
Wishbone Gold Pty Ltd	139754448	Australia 30 September 2009	Exploration for gold and other natural resources

4. Share Capital of the Company

4.1. The Company is the holding company of the Group.

4.2. The authorised and issued share capital of the Company (all of which is fully paid up unless otherwise stated) (i) at the date of this document and (ii) on Admission is/will be:

	<i>Authorised share capital</i>		<i>Issued share capital</i>	
	<i>Number of Ordinary Shares</i>	<i>Amount</i>	<i>Number of Ordinary Shares</i>	<i>Amount</i>
At the date of this document	1,000,000,000	£1,000,000	111,000,000	£111,000
On Admission	1,000,000,000	£1,000,000	170,987,327	£170,987

4.3. Changes in the share capital of the Company preceding the date of this document are as follows:

4.3.1. On incorporation the authorised share capital of the Company was £20,500 divided into 20,500,000 ordinary shares of £0.001 each.

4.3.2. On 28 October 2009, 1,000,000 Ordinary Shares were allotted.

4.3.3. On 9 December 2009, there is a further minute increasing the authorised share capital of the Company to £1,000,000 comprised of 1,000,000,000 ordinary shares of £0.001 each.

4.3.4. On 1 December 2010 the Company issued a convertible loan note in the principal amount of £150,000 to Black Swan Plc, of which Richard Poulden is Chairman. Please refer to paragraph 13 of this Part VI for further details. Conditional on Admission the outstanding amount under the 2010 CLN will be converted into 4,219,355 New Ordinary Shares and no further monies may be borrowed under the 2010 CLN.

4.3.5. On 21 May 2012, the Company allotted and issued 110,000,000 ordinary shares of £0.001 each pursuant to the Share Exchange Agreement, further details of which are set out in paragraph 9.10 of Part VI of this document.

4.3.6. On 27 June 2012 the Company issued £420,251.61 in nominal amount of convertible loan notes (further details of which are set out at paragraph 9 in this Part VI below) which will automatically convert into 30,017,972 Ordinary Shares conditional on Admission.

4.3.7. On 25 June 2012 pursuant to the Placing, the Company has allotted 25,750,000 New Ordinary Shares conditional on Admission.

4.3.8. Pursuant to the Shore Warrant Agreement and the engagement letter with Shore Capital referred to at paragraph 9 below, the Company granted warrants to Shore Capital in respect of 1,709,873 Ordinary Shares, conditional on Admission.

4.4. The authorised share capital of the Company at the date of this document and immediately following Admission will be £1,000,000 divided into 1,000,000,000 Ordinary Shares of which 111,000,000 Ordinary Shares have been issued, credited as fully paid as at the date of this document and it is anticipated that immediately following Admission the issued share capital will be £170,987.327 comprising 170,987,327 Ordinary Shares, credited as fully paid.

4.5. The authorised but unissued share capital of the Company immediately following Admission will be £829,012.673 representing approximately 83 per cent. of the authorised share capital and approximately 485 per cent. of the issued share capital.

- 4.6. Save as disclosed in this document, no commissions, discounts, brokerages or other special terms have been granted by the Company or its subsidiary in connection with the issue or sale of any share or loan capital of the Company or its subsidiary.
- 4.7. There are no shares in the Company which are held by, or on behalf of, the Company and the Company's subsidiary does not hold any shares in the Company.
- 4.8. Certain of the Ordinary Shares issued by the Company (as referred to above) were issued for non-cash consideration in respect of the Share Exchange Agreement.
- 4.9. Save as disclosed in this document no person has any rights to purchase the authorised but unissued capital of the Company and no person has been given an undertaking by the Company to increase its authorised capital.
- 4.10. No shares in the Company are currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 4.11. The Ordinary Shares are in registered form. Following Admission, the Ordinary Shares may be held in either certificated form or, through Depository Interests, in uncertificated form and may be delivered, held and settled in CREST by means of the creation of dematerialised Depository Interests representing such Ordinary Shares, details of which are set out in Paragraph 21 of this Part VI. A register of Ordinary Shares will be maintained by the Registrar and a register of Depository Interests will be maintained by the Depository Interest Registrar.
- 4.12. The Company had 111,000,000 Ordinary Shares in issue on the date of this document. Save as disclosed in this document (in particular in this Part VI), the Company has not used more than 10 per cent. of the issued share capital for the purchase of assets other than cash during the period of the financial information set out in Part V of this document. It is to be noted that the Company has issued in excess of 10 per cent. of the issued share capital for the purchase of assets other than in cash in 2010 by virtue of, *inter alia*, the Share Exchange Agreement referred to in paragraph 9 of this Part VI.
- 4.13. Save as described in this document:
- 4.13.1. the Company does not have in issue any securities not representing share capital nor are there any outstanding convertible securities issued by the Company; and
- 4.13.2. No share capital of the Company is under option or has been granted conditionally or unconditionally to be put under option.
- 4.14. The ISIN number for the Ordinary Shares and Depository Interests is GI000A1JU9R7.

5. Disclosure of Interests

5.1. Directors' and other interests

5.1.1. As at the date of this document and immediately following Admission, the interests (including related financial products as defined in the AIM Rules) of the Directors (including persons connected with the Directors within the meaning of section 252 of the Act) in the issued share capital of the Company are as follows:

<i>Name of Shareholder</i>	<i>Current</i>		<i>Following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Share Capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Enlarged Share Capital</i>
Richard Poulden ¹	44,571,429	40.15	48,790,784	28.53
George Cardona	1,000,000	0.90	7,912,442	4.63
Jonathan Harrison	1,000,000	0.90	4,456,221	2.61
Michael Mainelli ²	1,000,000	0.90	1,000,000	0.58
Alan Gravett	500,000	0.45	500,000	0.29

1. Richard Poulden will be deemed on Admission to be interested in the 48,790,784 Ordinary Shares referred to above as follows (and all such Ordinary Shares (other than those of Black Swan Plc) are registered in the name of Ashton Nominees Inc.):
 - (a) 2,000,000 Ordinary Shares belong to Richard Poulden's infant children;
 - (b) 22,642,857 Ordinary Shares will be held through the Formidable Trust, a trust for the benefit of Richard Poulden and his family; and
 - (c) 24,147,927 Ordinary Shares will be held by Black Swan Plc of which Richard Poulden is the chairman and controls a majority of the shares.
2. 1,000,000 ordinary shares in the Company are held by Hawksford Jersey Limited for the trustees of the Z/Yen Employee Benefits Trust. Michael Mainelli is a director of Z/Yen Group Limited. Z/Yen Group Limited is wholly owned by Z/Yen Holdings Limited, which in turn is wholly owned by Z/Yen Contents Limited. Michael Mainelli holds 46.6% of the issued ordinary shares and 35% of the entire issued share capital (which includes some B shares) in Z/Yen Contents Limited. Michael's wife, Elisabeth Mainelli, owns 20% of the issued ordinary shares and 15% of the entire issued share capital in Z/Yen Contents Limited. Together they own 66.6% of the issued ordinary shares and 50% of the entire issued share capital in Z/Yen Contents Limited.

5.1.2. Save as stated above or as otherwise disclosed in this document:

- (a) none of the Directors (nor any person connected with any of them within the meaning of section 200 of the Gibraltar Act or section 252 of the Act) has any interest, whether beneficial or non-beneficial, in the share or loan capital in the Group or in any related financial product (as defined in the AIM Rules) referenced to the Ordinary Shares;
- (b) there are no outstanding loans granted or guarantees provided by any member of the Group to or for the benefit of the Directors or provided by any Director to any member of the Group;
- (c) none of the Directors has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or leased to, any member of the Group;
- (d) none of the Directors has any option or warrant to subscribe for any shares in the Company; and
- (e) none of the Directors has any interest, direct or indirect, in any contract or arrangement which is or was unusual in its nature or conditions or significant to the business of the Group taken as a whole, which were effected by any member of the Group and which remains in any respect outstanding or unperformed.

- 5.1.3. Save for the material contracts described in paragraph 9 of this Part VI, the consultancy agreements and letters of appointment referred to in paragraph 7 of this Part VI, the lock-in arrangements referred to in paragraph 11 of this Part VI and the related party transactions described in paragraph 13 of this Part VI or as otherwise disclosed in this document, there are no agreements, arrangements or understandings between any of the Directors, recent Directors, Shareholders or recent Shareholders of the Company connected with or dependent upon Admission.

5.2. Major Shareholders

- 5.2.1. As at the date of this document and so far as the Directors are aware, other than the Directors and their connected persons (whose interests are set out in paragraph 5.1 of this Part VI above), the persons set out below are at the date of this document and will immediately following Admission be interested (as defined in Part 6 of FSMA and the Disclosure Rules and Transparency Rules issued by the FSA), directly or indirectly, jointly or severally in three per cent. or more of the issued share capital of the Company:

<i>Name of Shareholder</i>	<i>Current</i>		<i>Following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Share Capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Enlarged Share Capital</i>
Richard Poulден ¹	44,571,429	40.15	48,790,784	28.53
Carousel Holdings International Limited	33,142,857	29.86	33,142,857	19.38
Forbidden City Ltd	—	0.00	11,520,737	6.74
HB Markets Plc	—	0.00	10,750,000	6.29
Prevalence Capital Ltd ²	10,142,857	9.14	10,142,857	5.93
Khalid Faraidooni	10,000,000	9.01	10,000,000	5.85
George Cardona	1,000,000	0.90	7,912,442	4.63
City Equities	—	0.00	7,500,000	4.39
SimplyStockbroking Limited	—	0.00	7,244,240	4.08
John Edward Poulден Settlement Trust ³	5,000,000	4.50	5,000,000	2.92

1. Richard Poulден will be deemed on Admission to be interested in the 48,790,784 Ordinary Shares referred to above as follows (and all such Ordinary Shares (other than those of Black Swan Plc) are registered in the name of Ashton Nominees Inc.):

- 2,000,000 Ordinary Shares belong to Richard Poulден's infant children;
- 22,642,857 Ordinary Shares will be held through the Formidable Trust, a trust for the benefit of Richard Poulден and his family; and
- 24,147,927 Ordinary Shares will be held by Black Swan Plc of which Richard Poulден is the chairman and controls a majority of the shares.

2. Prevalence Capital Ltd is ultimately owned by Barry Everingham, a director of the Company's subsidiary, Wishbone Gold Pty Ltd.

3. John Edward Poulден Settlement Trust is an onshore family trust of which the trustees are Richard Poulден's adult sons Amory and Gervase.

- 5.2.2. Prior to and immediately following Admission, the voting rights of the Company's substantial shareholders do not differ from the voting rights of any other shareholder in the Company.
- 5.2.3. While the Articles provide for Shareholders to notify the Company of any holdings of three per cent. or more, as there are no requirements under the Gibraltar Act for the Directors or Shareholders who hold three per cent. or more of the Company's share capital to notify the Company of their interests in the Company's share capital or changes in such interests, the Company may not always know who holds three per cent. or more of the Company's share capital, and therefore the Company may not always be able to comply with Rule 17 of the AIM Rules for Companies.

5.2.4. Immediately following Admission, Richard Pouliden (and/or his related parties) will control 28.5 per cent. of the voting rights in the Company. The Company, Shore Capital and Richard Pouliden have entered into a relationship agreement to regulate the relationship between them following Admission, as is more fully described in paragraph 9 of Part VI of this document.

6. Additional information on the Directors

6.1. The Directors hold or have held the following directorships and/or partnerships (in addition, where relevant, to being a director of the Company or its subsidiary) within the five years prior to the publication of this document:

<i>Director</i>	<i>Present Directorships/ Partnerships</i>	<i>Past Directorships/ Partnerships</i>
Richard Pouliden	Black Swan Plc Black Swan FZE Casapayer Limited MoneySwap Holdings Limited MoneySwap Plc PCG Entertainment Plc (Gibraltar) PCG Entertainment Plc (Isle of Man) VOIPAY Plc	Adavale Holdings Pty Ltd Arial Aviation Services Limited Australian Gold Holdings Limited Bicarb Sequestration Pty Ltd Circle Opportunities Plc Circle Resource Holdings Ltd CO2 Energy Storage Pty Ltd Crystal River Resources Ltd Derby Salt Pty Ltd Drummond Basin Phosphate Pty Ltd Eyebright Didsbury Limited Eyebright Hesslewood Limited Eyebright Plc Fundy Minerals Limited Queensland Phosphate Ltd Queensland Potash Pty Ltd The I Surgery Network Limited Sirius Exploration Limited Sirius Macedonia Limited Sirius Minerals Plc
George Cardona	Donalink Limited EuroChem A.M. Erglis Limited Hamilton Jets Limited Hamilton Art Limited Harewood House Limited K+S AG Linetrust PTC Limited Linea Limited OJSC EuroChem Mineral and Chemical Company OJSC Siberian Coal Energy Company Siberian Energy Investments Limited SUEK plc Valise Limited Valton Limited Westline PTC Limited	Antilles Limited Cardona Lloyd & Co Limited Cardona Lloyd Europe LLP Cardona Lloyd (Guernsey) Limited Cardona Lloyd Hedge Portfolio Limited Diversified Macro Solutions plc Greencorp SA Linebrook Limited Linesey Limited Martin Currie Pacific Trust plc MDM Bank MDM Holding AG Renewable Energy Generation Limited Visioninc Limited

<i>Director</i>	<i>Present Directorships/ Partnerships</i>	<i>Past Directorships/ Partnerships</i>
Jonathan Harrison	Affinity Arcade Cop, USA Easy Business Consulting Limited PCG Entertainment Plc (Isle of Man)	Auspotash Corporation BT Minerals Holdings Plc Circle Resources Holdings Ltd Circle Resources Plc Crystal River Resources Ltd Fundy Minerals US Inc Fundy Minerals Limited Money Swap Holdings Limited MoneySwap Limited MoneySwap FX Limited Queensland Phosphate Limited Sirius Minerals Limited Sirius Minerals Plc Weight Wins Limited World Mining Services Limited
Michael Mainelli	Financial Laboratory Limited Insenter Limited PCG Entertainment Plc (Isle of Man) Sirius Minerals Plc United Kingdom Accreditation Service Z/Yen Adventures Limited Z/Yen Communications Limited Z/Yen Group Limited Z/Yen Holdings Limited Z/Yen Contents Limited Indezy Z/Yen Partners Limited Z/Yen Risk/Reward Limited Z/Yen Ventures Limited ExtZy Limited Z/Yen Limited	City Axis Limited Eyebright plc Jaffe Associates Limited Milet Publishing Limited The Strategic Planning society Weathersure Limited
Alan Gravett	Alpha Beta Gamma Fund PCC Limited D & D Consulting Limited PCG Entertainment Plc (Gibraltar)	Acitcat Limited (formerly Tactica Management Limited) Aectra Commodities Limited Aectra Distributors Limited Affordable Developments Limited Allenwood Investments Limited Amber Properties Limited Angela Associates Limited Aspen Services LLC Baros Holdings Limited Bayswater Holdings LLC Beauchamp Trading Company Limited Belgravia Investments LLC Benchfield Limited Black Swan plc Bohemian Consultants Limited Braeside Properties Limited Brunswick Investments Limited Buildhi Properties Limited Cedric Investments Inc.

<i>Director</i>	<i>Present Directorships/ Partnerships</i>	<i>Past Directorships/ Partnerships</i>
Alan Gravett (continued)		Chapley Investments Limited Chelwood Limited Churchley Properties Limited Davenport Properties Limited Dependable Foundation Limited, (The) Develica Asia Pacific Limited Develica Deutschland Limited Eagle Lake Properties Limited Elleron Properties Limited Evergreen Investments Group Inc. Financière Industrielle et Garantie S A Forsyth Foundation Limited, (The) Foxholt Limited Garrison Developments Inc. Glenclose Holdings Limited Glenhurst Holdings Limited Greenslope Investments Limited Groveland Limited Half Crown Holdings Limited Hazeltree Limited High Cliff Developments Limited Hillfern Developments Limited Hoylake Limited Jasmine Hill Holdings Limited JBM Investment Holdings Limited Kerry Village Limited Kerrygreen & Gold Organic Products Limited Khyber Limited Kindle Financial Services Limited Kings Lea Investments Limited Leecroft Limited Lemanse Limited Lenox Properties Inc. Lithos Limited Longville Limited Lorac Limited MacNiven & Cameron Group plc Madron Limited Magna Productions Limited Mamba Limited Martino trading Limited Marvel Foundation Limited, (The) Matrix Developments Limited Melway Limited Mollingburn Properties Limited Mortlake Limited Mountain Bear Limited Nauticon Limited New Century Holding Limited

<i>Director</i>	<i>Present Directorships/ Partnerships</i>	<i>Past Directorships/ Partnerships</i>
Alan Gravett (continued)		Nile Foundation Limited, (The) Northside Limited Northstar Invest Limited Norval Limited Novillo Investments Limited Ocean Holdings Group Limited Pensfield Limited Portadown Limited Prime Management Limited Prime Nominees Limited Prime Secretaries Limited Prime Securities Limited Prime Trust Corporation Limited Sandcroft Limited Sandrift Limited Sandy Beach Holdings Limited Sandymount Limited Saturn 3 Limited Savage Property Limited Scimitar Enterprises Limited Seagas Limited Selmar Limited Semlex International Limited Silver Globe Inc. Sladstone Investments Limited Southton Limited Sovereign Consultancy Services Limited Specified Investments Limited Star Developments Limited Steventon Limited Sunborne Limited Tactica Fund PCC plc Tawny Gold Investments Limited Terry Investments Limited Tollingfield Limited Ton Investments Limited Transfield Limited Treadway Limited Trek Developments Limited Tristar Developments Limited Tweson Company Limited Unconditional Holdings Limited Unitrade Properties Limited Upper Valley Properties Limited Westcroft Limited Wigley Holdings Limited Wigram Limited Wild West Trading Company Limited Williams Holdings Limited Xander Limited Zealot Investments Limited

- 6.2. Richard Poulden was a director of Dellfield Digital Limited at the time of its receivership in 1988. The company was dissolved in 2000.
- 6.3. Richard Poulden and Michael Mainelli were directors of Eyebright Plc when it was placed into administration by a resolution of the directors on 17 December 2004.
- 6.4. Alan Gravett was appointed as a director of Tactica Insurance Group plc and Tactica Assurance Limited (re-named OldCo (002) Limited) when these companies entered voluntary liquidation in May 2009. His only role was to organise the meetings to facilitate the liquidations of both companies. Alan Gravett was also a director of Acitcat Limited and Tactica Fund PCC Limited ("Fund") which were placed into members' voluntary liquidation on 15 June 2012. Tactica Fund PCC Limited was a licensed Experienced Investor Fund and Acitcat Limited its management company. The Fund transferred the underlying assets to investors and was subsequently wound up.
- 6.5. Save as disclosed in this document, none of the Directors has:
- 6.5.1. any unspent convictions relating to indictable offences;
 - 6.5.2. had a bankruptcy order made against him or entered into any individual voluntary arrangements;
 - 6.5.3. been a director of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation or administration or entered into a company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company at the time of, or within the twelve months preceding, such events;
 - 6.5.4. been a partner of a firm which has been placed in compulsory liquidation or administration or which has entered into a partnership voluntary arrangement whilst he was a partner of that firm at the time of, or within twelve months preceding, such events;
 - 6.5.5. had any asset belonging to him placed in receivership or been a partner of a partnership whose assets have been placed in receivership whilst he was a partner at the time of, or within twelve months preceding, such receivership; or
 - 6.5.6. been publicly criticised by any statutory or regulatory authority (including any recognised professional body) or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.
- 6.6. Save as disclosed in this document (including paragraphs 9 and 13 of this Part VI), no Director has been interested in any transaction with the Company, which was unusual in its nature or conditions or significant to the business of the Company during the current or previous financial year or during any previous financial year that remains outstanding or unperformed.
- 6.7. Save as disclosed in this document, no loan has been granted to, nor any guarantee provided for the benefit of, any Director by the Company.
- 6.8. Save as disclosed in this document, the Company is not aware of any person or persons who directly or indirectly, jointly or severally, exercise(s) or could exercise control of the Company or any arrangements the operation of which may, at a subsequent date, result in a change in the control of the Company.
- 6.9. Save as disclosed in this document, there are no contracts, existing or proposed, between any Director and the Company or any subsidiary.
- 6.10. Save as disclosed in this document, there is no arrangement under which any Director has agreed to waive future emoluments nor has there been any waiver of emoluments during the financial year immediately preceding the date of this document.

7. Directors' Consultancy Agreements and Directors' letters of appointment

7.1. The following are particulars of the Directors' consultancy agreements and letters of appointment with the Company, including details of the Directors' fees and remuneration:

7.1.1. Richard Poulden's services as Executive Chairman are provided pursuant to an agreement dated 10 July 2012 between the Company and Black Swan FZE, a wholly owned subsidiary of Black Swan Plc of which Richard Poulden is chairman. Pursuant to the agreement the Company agrees to pay Black Swan FZE £25,000 per annum, the Company may settle such fees through the issue of Ordinary Shares at the prevailing market price. The agreement may be terminated on three months' notice by either party. Richard Poulden was appointed as a Director on 2 December 2010.

7.1.2. Jonathan Harrison's services as Finance Director of the Company are provided pursuant to an agreement dated 10 July 2012 between the Company and Easy Business Consulting Limited. Pursuant to the agreement the Company agrees to pay Easy Business Consulting Limited a fee of £25,000 per annum, the Company may settle such fees through the issue of Ordinary Shares at the prevailing market price. The appointment is terminable on three months' notice by either party. Jonathan Harrison was appointed as a Director on 18 April 2012.

7.1.3. On 10 July 2012 George Cardona agreed to act as a Non-executive Director of the Company for a fee of £12,500 per annum, the Company may settle such fees through the issue of Ordinary Shares at the prevailing market price. The appointment is terminable on three months' notice by either party. George Cardona was appointed as a Director on 18 April 2012.

7.1.4. Michael Mainelli's services as a Non-executive Director of the Company are provided pursuant to an agreement dated 10 July 2012 between the Company and Z/Yen Group Limited. Pursuant to the agreement the Company agrees to pay Z/Yen Group Limited a fee of £12,500 per annum, the Company may settle such fees through the issue of Ordinary Shares at the prevailing market price. The appointment is terminable on three months' notice by either party. Michael Mainelli was appointed as a Director on 18 April 2012.

7.1.5. On 10 July 2012 Alan Gravett agreed to act as a Non-executive Director of the Company for a fee of £12,500 per annum, the Company may settle such fees through the issue of Ordinary Shares at the prevailing market price. The appointment is terminable on three months' notice by either party. Alan Gravett was appointed as a Director on 2 November 2009.

7.2. Save as set out above, there are no existing or proposed service contracts between any of the Directors and the Company which provide for benefits upon termination of employment.

8. Summary of Memorandum and Articles of Association

The memorandum of association of the Company sets out a list of objects for which the Company has been established including acting as a general commercial company. For details of the objects, please see the copy of the memorandum of association of the Company which is available for inspection at the Company's website www.wishbonegoldplc.com.

The principal objective of this paragraph 8 is to provide an overview of the Articles. Because the information set out below is in summary form, it does not contain all the information that may be important. A copy of the Articles is available for inspection at the Company's website www.wishbonegoldplc.com.

The Articles were adopted with effect from 23 April 2012. The following is a summary of certain provisions of the Articles:

8.1. *Changes in capital*

The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

The Company may by ordinary resolution:

- 8.1.1. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 8.1.2. sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association subject, nevertheless, to the provisions of the Gibraltar Act;
- 8.1.3. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any incident authorised, and consent required, by law.

8.2. *Transfer of shares*

The instrument of transfer of any share held in certificated form shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of a share until the name of the transferee is entered in the register of members in respect thereof.

Subject to such of the restrictions of the Articles as may be applicable, any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other form which the directors may approve.

The directors may decline to register the transfer of a share (not being a fully paid share) to a person of whom they shall not, acting reasonably, approve, and they may also decline to register the transfer of a share on which the Company has a lien.

The directors may also decline to recognise any instrument of transfer unless:

- 8.2.1. the instrument of transfer of any certificated share is accompanied by the certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer; and
- 8.2.2. the instrument of transfer is in respect of only one class of share.

If the directors refuse to register a transfer they shall within 2 months after the date on which the transfer was lodged with the Company send to the transferor and transferee notice of the refusal.

The registration of transfers may be suspended at such times and for such periods as the directors may from time to time determine, provided always that such registration shall not be suspended in any year for more than 30 days or, where the period for closing the register of members is extended in respect of that year under the Gibraltar Act, for more than that extended period.

The Company shall be entitled to charge a fee not exceeding £1 on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, or other instrument.

8.3. *Procedure for calling general meetings*

The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than 15 months shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held at such time and place as the directors shall appoint.

All general meetings other than annual general meetings shall be called extraordinary general meetings.

The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by the Gibraltar Act. If at any time there are not within Gibraltar sufficient directors capable of acting to form a quorum, any director or any one member of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

An annual general meeting and a meeting called for the passing of a special resolution shall be called by 21 days' notice in writing at the least, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by 14 days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under the Articles of the Company, entitled to receive such notices from the Company.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in the Articles, be deemed to have been duly called if it is so agreed:

- 8.3.1. in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
- 8.3.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have one vote, and on a poll every member shall have one vote for each share of which he is the holder.

In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may, on a poll, vote by proxy.

No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

On a poll votes may be given either personally or by proxy.

The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Company.

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place within Gibraltar as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

8.4. *Qualification of Directors*

The shareholding qualification for directors may be fixed by the Company in general meeting, and unless and until so fixed no qualification shall be required.

8.5. *Borrowing powers*

The directors may exercise all the powers of the company to borrow money, and to mortgage or charge all or any part of its undertaking, property and assets (both present and future), including its uncalled capital and, subject to the Gibraltar Act, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

8.6. *Directors' remuneration*

The remuneration of the directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the Company or in connection with the business of the Company.

8.7. *Directors' interests*

A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract (being a contract of significance in relation to the Company's business) with the Company shall, if his interest in the contract or proposed contract is material, declare the nature of his interest at a meeting of the directors in accordance with the Gibraltar Act.

A director, having declared the nature of his interest at a meeting of the directors, may vote in respect of a matter in which he is so interested and may be counted in the quorum of that meeting.

A director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of director for such period and on such terms (as to remuneration and otherwise) as the directors may determine and no director or intending director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any director is in any way interested, be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such director holding that office or of the fiduciary relationship thereby established.

A director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.

Any director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a director; provided that nothing herein contained shall authorise a director or his firm to act as auditor to the Company.

8.8. *Retirement of Directors*

Subject to the provisions in the Articles, at the annual general meeting of the Company to be held in 2012, and at the annual general meeting in every subsequent year, one-third of the directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest one-third, shall retire from office.

The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

A retiring director shall be eligible for re-election.

The Company at the meeting at which a director retires in the manner aforesaid may fill the vacated office by electing a person thereto, and in default the retiring director shall if offering himself for re-election be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such director shall have been put to the meeting and lost.

No person other than a director retiring at the meeting shall, unless recommended by the directors, be eligible for election to the office of director at any general meeting unless not less than 3 nor more than 21 days before the date appointed for the meeting there shall have been left at the registered office of the Company notice in writing, signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such

person for election, and also notice in writing signed by that person of his willingness to be elected.

The Company may from time to time by ordinary resolution increase or reduce the number of directors, and may also determine in what rotation the increased or reduced number is to go out of office.

The directors shall have power at any time, and from time to time, to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors shall not at any time exceed the number fixed in accordance with the Articles. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation at such meeting.

The Company may by special resolution remove any director before the expiration of his period of office notwithstanding anything in the Articles or in any agreement between the Company and such director. Such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the Company.

The Company may by ordinary resolution appoint another person in place of a director removed from office in accordance with the Articles, and without prejudice to the powers of the directors under the Articles the Company in general meeting may appoint any person to be a director either to fill a casual vacancy or as an additional director. A person appointed in place of a director so removed or to fill such a vacancy shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

8.9. *Dividends*

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.

The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company.

No dividend shall be paid otherwise than out of profits in accordance with the provisions of the Gibraltar Act.

The directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the directors may from time to time think fit. The directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of the Articles, as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

The directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the directors.

Any dividend, bonus, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses, interest or other moneys payable in respect of the shares held by them as joint holders.

No dividend shall bear interest against the Company.

8.10. *Requirement to notify or disclose shareholder interests*

Subject to any requirement under the Gibraltar Act the provisions of Chapter 5 of the Disclosure and Transparency Rules which relate to the requirement of persons to disclose their interests in shares, shall apply to the Company as if its Home State (as defined in such rules) was the United Kingdom and such rules shall be deemed to be incorporated into the Articles and shall bind the Company and the shareholders (other than the Depository).

Subject to any requirement under the Gibraltar Act, the provisions of section 793 of the Act shall be deemed to be incorporated into the Articles and shall bind the Company and the shareholders and references in such section to a public company shall be deemed to be references to the Company.

The provisions of Rule 17 of the AIM Rules for Companies in relation to the disclosure of significant shareholdings (as amended from time to time) shall be deemed incorporated by reference into the Articles and, accordingly, notwithstanding the Gibraltar Act, the significant shareholder notification rules set out in Rule 17 of the AIM Rules for Companies (as amended from time to time) shall apply to the Company.

8.11. *Return of capital on winding up*

If the Company shall be wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Gibraltar Act, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

8.12. *Purchase of own shares*

The Company may, subject to section 73 of the Gibraltar Act, purchase its own shares (including any redeemable shares) and such purchases may be made either out of or otherwise than out of the distributable profits of the Company or the proceeds of a fresh issue of shares and the Company may purchase its own shares (including any redeemable shares) without restriction including in order to: (a) settle or compromise a debt or claim; (b) eliminate a fractional share or fractional entitlement to or of shares; (c) fulfil an agreement in which the Company has an option, or under which the Company is obliged, to purchase shares under an employee share scheme which had previously been approved by the Company in general meeting; or (d) comply with an order of the court.

8.13. *Conversion of shares into stock*

The Company may, subject to section 99 of the Gibraltar Act, by ordinary resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination. The holders of stock may transfer the same, or any part thereof, in the same manner, and subject to the same Articles, as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; and the directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. Such of the Articles of the Company as are applicable to paid-up shares shall apply to stock, and the words “share” and “shareholder” therein shall include “stock” and “stockholder”.

8.14. *Pre-emption rights*

There are no pre-emption rights applicable to the Company in relation to the allotment and/or issue of new shares.

8.15. *Variation of rights*

Subject to the provisions of the Gibraltar Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class.

9. Material contracts

Material contracts not in the ordinary course of business

The following contracts, not being contracts in the ordinary course of business, have been entered into by the Company or any member of the Group in the two years immediately prior to the date of this document, and are, or may be, material:

9.1. The Placing Agreement, further details of which are set out in paragraph 10 of Part VI.

9.2. *Shore Warrant Agreement*

Pursuant to a warrant instrument entered into by the Company dated 10 July 2012, the Company has granted SCC the right, conditional upon Admission, to subscribe for 1,709,873 new Ordinary

Shares representing one per cent. of the Enlarged Share Capital of the Company at the Placing Price to be exercised at any time between the date of issue and the date falling on the fifth anniversary of Admission.

9.3. *Relationship Agreement*

By an agreement dated 10 July 2012 between Richard Poulden, SCC and the Company, conditional on Admission, Richard Poulden undertook to the Company, *inter alia*, to refrain from exercising his voting and other rights to procure that the Company is capable at all times of carrying on its business independently of Richard Poulden and that all transactions between Richard Poulden and the Company are and will be made on arm's length terms. In addition, Mr Poulden undertook not to participate in any gold project anywhere in the world that comes to his attention, in circumstances in which he would have control of the project, unless he has first procured that the Company is given a right of first refusal to participate in the project and the Directors independent of him have resolved that the Company should not participate in it. The agreement will cease to apply if Richard Poulden's and his Affiliates and Connected Persons (each as defined therein) cease to hold 25 per cent. in aggregate of the voting share capital in the Company and/or the Company ceases to be admitted to trading on any market operated by the London Stock Exchange.

9.4. *Lock-in and orderly market agreements*

The lock-in orderly market agreements described in paragraph 11 of this Part VI.

9.5. *Nomad and Broker agreement*

An agreement dated 10 July 2012 made between (1) the Company and (2) Shore Capital, whereby, conditional upon Admission, SCC has agreed to act as nominated adviser and SCS to act as broker to the Company for an annual fee of £40,000 (together with out of pocket expenses) for a minimum period of 12 months from Admission. The agreement is subject to termination on three months' notice by either party at any time after the initial 12 month period.

9.6. *CLN Deed Poll*

By a deed poll dated 27 June 2012 the Company constituted up to US\$4 million in nominal amount of interest-free, unsecured convertible loan notes in the capital of the Company. Such loan notes will automatically convert into Ordinary Shares in the capital of the Company at a discount of 30 per cent. to the Placing Price.

9.7. *CLN Subscription Letters*

Under the CLN Subscription Letters between (1) the Company and (2) certain investors (together the "Investors"), the Investors have agreed to subscribe for £420,251.61 in nominal amount of interest free, unsecured convertible loan notes constituted under the CLN Deed Poll referred to at paragraph 9.6 of Part VI of this document, which, conditional on Admission, will automatically convert into 30,017,972 Ordinary Shares in the capital of the Company (i.e. at a discount of 30 per cent. to the Placing Price. Each Investor makes certain warranties and undertakings to the Company.

9.8. *Depository agreement*

Under a depository agreement dated 6 July 2012 the Company has appointed the Depository to provide depository services in accordance with a trust deed poll dated 6 July 2012. The Depository has determined to constitute and issue from time to time the Depository Interests with a view to facilitating the indirect holding of and settlement of transactions by participants in CREST.

9.9. *Registrar agreement*

Under a registrar agreement dated 6 July 2012 between (1) the Company and (2) the Registrar, the Registrar has agreed to provide services connected with the maintenance of the Company's register, including where shares are issued or transferred and dividends are declared by the Board.

9.10. *Share Exchange Agreement*

Pursuant to a share sale agreement entered into on 6 December 2010, each member of Wishbone Gold Pty Ltd (together the "Members" and each a "Member") entered into a deed of share exchange with the Company whereby each Member agreed to transfer their interest in Wishbone Gold Pty Ltd's shares to the Company in consideration of receiving such number of shares in the Company as is set out in the deed of share exchange.

9.11. *2010 CLN*

The 2010 CLN further details of which are set out in paragraph 13 of Part VI of this document.

9.12. *Tenements*

9.12.1. The Company acquired title to White Mountain on 19 April 2011 and subsequently to Wishbone II on 5 May 2011. For details of the yearly rentals please refer to paragraphs 2.1 and 2.2 of Part I of this Document. The minimum yearly expenditure for each of Wishbone II and White Mountain is as follows:

- Year 1: A\$20,000
- Year 2: A\$29,000
- Year 3: A\$41,000
- Year 4: A\$41,000
- Year 5: A\$41,000

9.12.2 The Tenements have a term of five years. Any non-compliance with the conditions of the Tenements may limit the ability of the Company to successfully seek renewal for a further term of the Tenements.

9.12.3. Rental for the first year of the term of an EPM is payable before the granting of the EPM ("First Year Rent"). Rental for each year (other than the First Year Rent) that an EPM is in force is payable on or before the anniversary of the grant of the permit. The First Year Rent has been paid by Wishbone Gold Pty for the Tenements. Failure to pay rent may render the Tenements liable to be cancelled by the Minister.

9.12.4. Under the terms of the Tenements Wishbone Gold Pty is required to relinquish 50 per cent. of the Tenement each year, after an initial two year period. Wishbone Gold Pty can apply to have this condition varied during the term of the EPM so that it may retain all or some of the sub-blocks subject to relinquishment, this remains at the discretion of the Minister. If Wishbone Gold Pty fails to make a submission to the chief executive at least 20 business days prior to the date when a relinquishment is due to occur identifying which sub-blocks of land Wishbone Gold Pty wishes to have relinquished, the Minister will either make a determination of the sub-blocks to be relinquished, or, the Minister may cancel the exploration permit.

Material contracts in the ordinary course of business which relate to the assets and liabilities of the Company

The following contracts, being contracts in the ordinary course of business, have been entered into by the Company or any member of the Group in the two years immediately prior to the date of this document, and are, or may be, material: the Company has a long standing relationship with Terra Search Pty Ltd ("TerraSearch"), a firm of geologists in Australia; the Company has used

TerraSearch to date to provide exploration and management services and expects to continue to do so in the future. The Company has made payments to TerraSearch in respect of services provided prior to the date of this Document in the aggregate amount of approximately US\$50,000.

10. Placing Agreement

10.1. Pursuant to the Placing Agreement:

10.1.1. Shore Capital has agreed as agent for the Company, to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price but is under no obligation to subscribe for any Placing Shares for which it is unable to procure subscribers; and

10.1.2. the Company and the Board have given certain warranties and indemnities to Shore Capital as to the accuracy of information contained in this document and other matters in relation to the Company and the members of the Group and their respective businesses.

10.2. The Placing Agreement is:

10.2.1. conditional *inter alia* upon certain documents specified in the Placing Agreement being delivered to Shore Capital, and Admission taking place not later than 8.00 a.m. on 16 July 2012 or such later date as is agreed in writing between the Company and Shore Capital (being not later than 31 July 2012); and

10.2.2. terminable by Shore Capital before Admission in certain circumstances, including a breach of any of the warranties, the failure to comply with obligations by any of the Company or the Board or circumstances having arisen which would require a supplemental admission document to be issued.

10.3. Placing Agreement fees:

SCC is entitled to receive a corporate finance advisory fee payable in cash by the Company immediately on Admission and warrants to subscribe for such number of Ordinary Shares as is equal to 1 per cent. of the Enlarged Share Capital of the Company on Admission. In addition, the Company has agreed to pay to SCS a commission of 5 per cent. of the value of the Placing Shares allotted at the Placing Price where the relevant places are procured by SCS but a commission of 1 per cent. of the value of the Placing Shares allotted at the Placing Price where the relevant places are introduced by the Company.

11. Lock-in and orderly market agreements

Pursuant to lock-in and orderly market agreements dated 10 July 2012 between (1) the Company, (2) Shore Capital and (3) the Directors and Barry Everingham, a director of Wishbone Gold Pty Ltd, representing in aggregate on Admission 72,802,304 Ordinary Shares and 42.58 per cent. of the Enlarged Share Capital, each of the Directors and Barry Everingham have agreed that (subject to certain limited exceptions) they will not, and they will use their reasonable endeavours to procure that their connected persons will not, for a period of twelve months following Admission, dispose of, or agree to dispose of, any Ordinary Shares held by them or their connected persons. Furthermore, subject to certain limited exceptions the Directors and Barry Everingham will not, and they will use their reasonable endeavours to procure that their connected persons will not, dispose of any interest in Ordinary Shares other than through Shore Capital and in accordance with the reasonable requirements of Shore Capital so as to ensure an orderly market for the issued share capital of the Company for a period of twelve months following the first anniversary of Admission, provided that Shore Capital offer competitive terms in the event of any disposal.

Also Carousel Holdings International Ltd has entered into a lock-in and orderly market agreement with the Company and Shore Capital on the same terms as the agreements with the Directors and Barry Everingham, details of which are set out above.

In addition, under the terms of the CLN Subscription Letters the investors in the CLNs undertake to the Company and to the Company's nominated adviser and/or broker from time to time that it will not dispose of the legal, beneficial or any other interest whatsoever in the CLNs (including shares to be allotted on conversion of the CLNs), save with the prior written consent of the Company, and then only through the broker of the Company as appointed from time to time, until the later date of either:

- 12 months from the date of the Company's countersignature of the CLN Subscription Letters; or
- 12 months from the date of Admission provided Admission shall have occurred no later than 6 months after the date of the CLN Subscription Letters, and if Admission shall not have occurred within such 6 month period then the lock-in provisions contained in the CLN Subscription Letters will only apply until the first anniversary of the date of the Company's countersignature of the CLN Subscription Letter.

In addition, these lock-in provisions will not apply in the event of:

- an intervening court order;
- the death of the investor in the CLNs; or
- in respect of an acceptance of a takeover offer for the Company which is open to all shareholders of the Company.

12. Directors' dealings

The Directors intend to comply with rule 21 of the AIM Rules for Companies relating to directors' dealings as applicable to AIM companies and will also take all reasonable steps to ensure compliance by the Company's applicable employees (as defined in the AIM Rules for Companies).

13. Related Party transactions

13.1. The Group has entered into the following transactions with related parties during the period covered by the financial information set out in Part V of this document.

13.2. These transactions as a whole were conducted on arm's length terms (or on terms which were not on arm's length terms but more favourable terms from the Company's perspective), are considered material in the context of, and are in aggregate in excess of, the turnover of the Group in the relevant periods:

13.2.1. Certain subscriptions for and/or allotments of shares in the capital of Wishbone Gold Pty Ltd and/or the Company referred to in paragraph 4 of this Part VI are to be or were effected by shareholders and other related parties, please refer to the material contracts described at paragraph 9 of this Part VI, in particular the 2010 CLN, CLN Subscription Letters and the Share Exchange Agreement;

13.2.2. On 1 December 2010 the Company issued a convertible loan note in the principal amount of £150,000 to Black Swan Plc, of which Richard Poulden is chairman, further details of which are set out at paragraph 9.11 of Part VI of this document. Black Swan Plc and the Company have agreed that conditional on Admission the outstanding loan balance of £105,483.87 will be converted into 4,219,355 New Ordinary Shares and that no further amounts may be borrowed under the 2010 CLN, such New Ordinary Shares will be the subject of the lock-in and orderly market arrangements entered into by Richard Poulden, further details of which are set out in paragraph 11 of Part VI of this document. Further details of the 2010 CLN are set out below; and

13.2.3. The allotment of shares and/or payments referred to at paragraph 18 in Section A of Part V and paragraph 16 in Section B of Part V.

13.3. *Other related party transactions*

Formidable Trust

Richard Poulден holds his shares in the Company through the Formidable Trust and these shares are registered in the name of Ashton Nominees Inc. On 6 December 2010, the Company entered into a share sale agreement with Ashton Nominees Inc, (amongst others), pursuant to which Ashton Nominees Inc. transferred its shares in Wishbone Gold Pty Ltd to the Company in exchange for shares in the Company. Pursuant to the terms of the directors' lock-in arrangements referred to in paragraph 11 of Part VI of this document Richard Poulден has agreed to procure that the Formidable Trust will comply with the lock-in and orderly market arrangements, further details of which are set out at paragraph 11 of Part VI of this document.

Black Swan FZE

Since the Company's incorporation Black Swan FZE has provided services to the Group and has charged consultancy fees of approximately US\$50,000 per annum in consideration of the provision of such services. Black Swan FZE has now entered into an agreement with the Company dated 10 July 2012 pursuant to which Richard Poulден will provide services as Executive Chairman to the Company. Black Swan FZE is a wholly owned subsidiary of Black Swan Plc of which Richard Poulден is chairman and controls a majority of the shares. Pursuant to the agreement the Company agrees to pay Black Swan FZE £25,000 per annum. The agreement may be terminated on three months' notice by either party.

Black Swan Plc

Black Swan Plc, of which Richard Poulден is chairman and controls a majority of the shares, is the registered holder of the 2010 CLN, a convertible loan note issued by the Company on 1 December 2010 in the principal amount of £150,000. The 2010 CLN provided that the note may be drawn by the Company in any whole amounts of either GBP or Australian Dollars at any time up to and including 1 December 2012, that the loan note is convertible into Ordinary Shares in the Company at the option of Black Swan Plc by giving not less than 2 weeks' written notice to the Company (a "**Notice of Conversion**") at any time prior to the admission of the Company's shares for trading on a recognised stock exchange and that upon the issue of a Notice of Conversion, the Company shall allot fully paid ordinary shares of the Company to Black Swan Plc in exchange for and in satisfaction of the loan note at the price of 2.5p per share. The 2010 CLN also provided that if no Notice of Conversion had been issued by Black Swan Plc and the Company's shares are admitted to trading upon a recognised stock exchange, the Company may opt to repay the note or to require Black Swan Plc to issue a Notice of Conversion. Black Swan Plc and the Company have agreed that conditional on Admission the outstanding balance of £105,483.87 under the 2010 CLN will be converted into 4,219,355 New Ordinary Shares and that no further borrowings may be made under the 2010 CLN. Richard Poulден has agreed to procure that Black Swan Plc will comply with the lock-in and orderly market arrangements, further details of which are set out at paragraph 11 of Part VI of this document.

Easy Business Consulting Limited

Easy Business Consulting Limited, of which Jonathan Harrison is a director, entered into an agreement with the Company dated 10 July 2012 pursuant to which Jonathan Harrison will provide services as Finance Director to the Company. Pursuant to the agreement the Company agrees to pay Easy Business Consulting Limited a fee of £25,000 per annum. The appointment is terminable on three months' notice by either party. Jonathan Harrison was appointed as a Director of the Company on 18 April 2012.

Z/Yen Group Limited

Z/Yen Group Limited, of which Michael Mainelli is a director, entered into an agreement with the Company dated 10 July 2012 pursuant to which Michael Mainelli will provide services as Non-Executive Director to the Company. Pursuant to the agreement the Company agrees to pay

Z/Yen Group Limited a fee of £12,500 per annum. The appointment is terminable on three months' notice by either party. Michael Mainelli was appointed as a Director of the Company on 18 April 2012.

Relationship agreement

On 10 July 2012 the Company, Richard Poulden and SCC entered into the Relationship Agreement further details of which are set out at paragraph 9.3 of Part VI of this document;

Please also refer to the "related party" items set out in Parts I, V and VI of this document for further details of related party transactions.

14. Working capital

The Directors, having made due and careful enquiry, are of the opinion that the working capital available to the Company and to the Group will be sufficient for its present requirements, that is for at least twelve months from the date of Admission.

15. Litigation

The Company has not been involved in any governmental, legal or arbitration proceedings during the 12 months preceding this document, which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability and there are no such proceedings of which the Company is aware which are pending or threatened.

16. Employees

As at the date at the end of the period covered by the financial information set out in Part V of this document, the Group as a whole has no direct employees. The Group operates its exploration activities in Australia and the administration activities in Australia and Gibraltar through contractors.

17. Intellectual property rights

Save as disclosed in this document the Group does not have any intellectual property rights.

17.1. Domain Names

The Group holds the following domain names:

- wishbonegoldplc.com
- Wishbonegold.com

17.2. Trademarks

The Group has no registered trademarks.

18. Share Option Scheme

The Directors believe that equity incentives are, and will continue to be, an important means of retaining, attracting and motivating employees, consultants and professional advisers to the Group and have adopted the Share Option Scheme for that purpose.

At Admission the Directors have not granted any options under the Share Option Scheme or otherwise.

It is the intention of the Directors that options will be granted but that the total of all outstanding options from time to time will not exceed 15.0 per cent. of the issued share capital of the Company from time to time. The exercise price will be the then prevailing market price at the date of grant.

19. Taxation

The following statements are intended only as a general guide current as at 9 July 2012 (being the latest practicable date prior to publication of this document) to Gibraltar and to United Kingdom tax

legislation and to the current practice of the HMRC and may not apply to certain categories of shareholder, such as dealers in securities. Levels and bases of taxation are subject to change. Any person who is in any doubt as to his tax position is strongly recommended to consult his professional advisers immediately.

19.1. *Gibraltar tax considerations*

Shareholders will not be subject to Gibraltar tax on dividends received from the Company or gains made on disposals of shares in the Company. There will be no Gibraltar stamp duty on the issue of new shares in the Company or on the transfer of any share in the Company. There is a nominal £10 stamp duty payable upon the increase of the Company's share capital or loan capital.

19.2. *United Kingdom taxation*

19.2.1. *General*

19.2.1.1. The following paragraphs are intended as a general guide only and summarise advice received by the Directors about the UK tax position of Shareholders who are resident (and in the case of individuals ordinarily resident) in the UK, holding shares as investments and not as securities to be realised in the course of a trade. The paragraphs below are based on current UK legislation and HM Revenue & Customs practice. It should be noted that although a number of UK tax treatments referred to below refer to unquoted shares, shares on the AIM market are generally treated as unquoted for these purposes.

19.2.1.2. Any person who is in any doubt about their tax position or who is subject to taxation in a jurisdiction other than the UK should consult their own professional adviser.

19.2.1.3. The information in these paragraphs is intended as a general summary of the UK tax position and, should not be construed as constituting advice.

19.2.2. *The Company*

19.2.2.1. It is the intention of the Directors to conduct the affairs of the Company such that the central management and control of the company is not in the UK and so that the Company does not carry out any business in the UK.

19.2.2.2. On the assumption that this intention is realised, the Company should not be tax resident in or establish any taxable presence in the UK. On this basis the Company should not be liable to UK tax on its income or gains other than income deriving from a UK source.

19.2.3. *Stamp Duty and Stamp Duty Reserve Tax*

No stamp duty will be payable on the issue of Ordinary Shares. An instrument effecting or evidencing the issue or transfer of Ordinary Shares which is executed in the UK or, where executed outside of the UK, which relates to any matter or thing done in the UK may not, except in criminal proceedings, be given in evidence or be available for any purpose in the UK unless it is duly stamped. Whether or not an instrument is stamped, however, will not affect the registration of the transfer in the Company's registers of Ordinary Shares so long as that register is kept outside of the UK. No stamp duty reserve tax ("SDRT") will be chargeable on the issue or transfer of the Ordinary Shares where the Company's register of Ordinary Shares is kept outside of the UK. SDRT will be chargeable (at a rate of 0.5 per cent. of the consideration) on an agreement to transfer Depository Interests representing the ordinary shares within CREST.

19.2.4. *Taxation of dividends*

19.2.4.1. Any UK resident, ordinary resident and domiciled Shareholder who receives a dividend paid by the Company will be liable to UK income tax on the gross

amount of any such dividend. Dividend income from the Company will be treated as forming the highest part of a Shareholder's income. The income tax rates are 10 per cent., 32.5 per cent. or 42.5 per cent. depending on the taxable income of the individual, but a deemed tax credit of 10 per cent. of the deemed dividend is to arise, the effect of which is to reduce the effective tax rates to 0 per cent., 25 per cent. and approximately 36.1 per cent. Respectively. The Finance Bill 2012 has proposed to reduce the rate of 42.5% to 37.5%, the Finance Bill is expected to be enacted in Summer 2012.

- 19.2.4.2. UK resident and ordinary resident individuals who are not domiciled in the UK and pay tax on a remittance basis, will be taxed on dividends paid by the Company, but only if they are remitted to the UK. If remitted to the UK, the tax treatment will follow that outlined in paragraph 19.2.4.1 above.
- 19.2.4.3. A UK-tax resident corporate Shareholder of non-redeemable ordinary shares in the Company that receives a dividend paid by the Company will not be subject to tax in respect of that dividend subject to certain exceptions.
- 19.2.4.4. Trustees of discretionary trusts receiving dividends from shares are also liable to account for income tax on the gross dividend at the dividend trust rate, currently 42.5 per cent. for an effective rate of approximately 36.1 per cent, the Finance Bill 2012 has proposed to reduce the dividend trust rate to 37.5 per cent. Trusts in receipt of only nominal amounts of dividends may pay tax at a lower rate.
- 19.2.4.5. UK pension funds and charities are generally exempt from tax on dividends that they receive.

19.2.5. *Anti-avoidance*

A UK resident corporate Shareholder who, together with connected or associated persons, is entitled to at least 25 per cent. of the Ordinary Share capital of the Company should note the provisions of the Controlled Foreign Companies legislation contained in Sections 747–756 of the Income and Corporation Taxes Act 1988.

19.2.6. *Taxation of chargeable gains*

- 19.2.6.1. A UK resident, ordinarily resident and domiciled individual Shareholder who disposes (or is deemed to dispose) of all or any of their shares may be liable to capital gains tax in relation thereto at rates up to 28 per cent., subject to any available exemptions or reliefs. In addition, an individual UK Shareholder who ceases to be resident or ordinarily resident in the UK for a period of less than five complete tax years and who disposes of the shares held prior to departure during that period of temporary non residence may, under anti-avoidance legislation, be liable to capital gains tax on his or her return to the UK.
- 19.2.6.2. UK resident and ordinary resident individuals who are not domiciled in the UK and pay tax on a remittance basis, will be taxed on any capital gains made by them on the disposal of shares in the Company, but only if the proceeds are remitted to the UK. If remitted to the UK, the tax treatment will follow that outlined in paragraph 19.2.6.1 above.
- 19.2.6.3. A UK resident corporate Shareholder disposing of its shares in the Company may be liable to corporation tax on chargeable gains arising on the disposal at the corporation tax rate applicable to its taxable profits (currently 20 – 24 per cent.).

19.2.6.4. In computing the chargeable gain liable to corporation tax the corporate Shareholder is entitled to deduct from the disposal proceeds the cost to it of the shares together with incidental costs of acquisition, as increased by an indexation allowance to adjust for inflation, and disposal costs.

19.2.6.5. The UK operates a substantial shareholding exemption regime which may apply to the disposal of shares in the Company subject to certain conditions being met.

19.2.7. *Inheritance tax*

Individuals and trustees subject to IHT in relation to a shareholding in the Company may be entitled to business property relief of up to 100 per cent. after a holdings period of two years providing that all the relevant conditions for the relief are satisfied at the appropriate time.

20. The City Code and regulation of takeovers of Gibraltar public companies

The Company is incorporated in Gibraltar and is managed and controlled outside the UK. Accordingly the provisions of the City Code will not apply to the Company on Admission. It is emphasised that, although the Ordinary Shares will trade on AIM, the Company will not be subject to takeover regulation in the UK. However, the Panel have indicated that they are reviewing the application of the City Code to companies which are listed on AIM which are incorporated in jurisdictions other than the UK, Channel Islands and Isle of Man and therefore it is possible that the City Code will be amended so that companies such as the Company will in the future be subject to the City Code.

Shareholders may not therefore be afforded the protections of the City Code as they might have if they were shareholders in a company where a takeover is regulated by the Panel.

Takeovers of Gibraltar public companies are regulated by the following pieces of legislation:

COMPANIES (CROSS-BORDER MERGERS) REGULATIONS 2010 (the “Regulations”)

These regulations were enacted to transpose into the law of Gibraltar Directive 2005/56/EC of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies. This EC Directive has also been incorporated into the laws of other EC member states, including in the United Kingdom by the Companies (Cross-Border Mergers) Regulations 2007. The Regulations in force in Gibraltar, in effect, mirror those in place in the United Kingdom.

The Regulations are designed to facilitate cross-border mergers of limited liability companies and to allow for cross-border merger of a national limited liability company with a limited liability company of another Member State.

Under the Regulations, a Gibraltar merging company has to make an application to the court to obtain a pre merger certificate prior to any merger taking place (“Pre Merger Certificate”). In order to obtain such a certificate the Gibraltar company must provide the court, *inter alia*, with:

- draft terms of the proposed merger (indicating, *inter alia*, details for the companies involved, share exchange ratios, effects of the merger on employees, rights or restrictions on shares, articles of association, employee participation rights, assets and liabilities transferred and account dates) (the “Draft Terms”). The Draft Terms must be approved by 75% of the members of the Company.
- a directors’ report (indicating, *inter alia*, the effects of a cross-border merger for members, creditors and employees, legal and economic grounds for the Draft Terms and any material interests of the directors). The report must be delivered to the employees of the company.
- an independent expert’s report (indicating, *inter alia*, details of share exchange ratios and valuation difficulties).

Employees of the Gibraltar company must be able to inspect and make copies of these documents.

The courts of Gibraltar may make an order approving the completion of a cross-border merger on the joint application of all the merging companies if:

- an order for a Pre Merger Certificate (either granted by the courts in Gibraltar or another competent authority in another member state) has been made within 6 months.
- the Draft Terms presented for acquiring the Pre Merger Certificate have not been amended .
- there are appropriate arrangements for employee participation in the transferee company in accordance with part 4 of the Regulations.

Such an order will specify the date on which the consequences of the cross-border merger are to have effect. A copy of this order must be provided to the Registrar of Companies of Gibraltar within 7 days of the order if this has been made in Gibraltar or within 14 days if this has been made in another Member State.

COMPANIES ACT

The takeover of a Gibraltar registered public company can take place via a scheme of arrangement under sections 205 to 208 of the Companies Act of Gibraltar. These sections of the Act provide, *inter alia* that an application must be made to court in order to convene a meeting of members of the Company where such an arrangement can be proposed between a company and its members. Draft terms of the merger as well as other reports and accounting statements would need to be prepared, filed with the Companies Registrar and published prior to such a meeting being convened. At such meeting, at least 75% of the members present in person or by proxy must approve the arrangement in order for a court to thereafter be able to sanction the same. If sanctioned, the court will also order the transfer of undertaking, property and/or liabilities of the transferor company in accordance with the terms of the scheme.

Quite separate to the above, another mechanism exists under section 208 which provides for the situation where a bidder proposes a scheme or contract to takeover the shares of a Gibraltar registered public company. If within four months from making such an proposal more than 90% of shareholders of a target company agree to the terms of such a scheme or contract, then the bidding company may within two months after the expiration of said four months give notice to the dissenting members of the target company that it will acquire their shares on the terms of the scheme or contract. A Gibraltar scheme of arrangement, therefore, eliminates the risk that a minority of less than 10% of the target company's shareholders may resist the transfer of their shares to the bidder. It should be noted, however, that such a scheme can be subject to the sanction of the court as any dissenting members may apply to court for an order seeking relief from such a scheme or contract.

Financial Services (Takeover Bids) Act 2006

The Financial Services (Takeover Bids) Act 2006 (the "FSTBA") partially transposes Directive 2004/25/EC of the European Parliament on takeover bids. However, this transposition has not, as yet, been fully completed under the laws of Gibraltar.

The FSTBA provides for a competent authority in Gibraltar to be responsible for supervising takeover bids. As presently enacted, however, section 4(2) of the FSTBA only provides for shared jurisdiction in supervising takeover bids (between the Gibraltar competent authority and the competent authority of the regulated market) in circumstances where companies have their registered offices elsewhere in EEA States outside Gibraltar and where the shares in such company are admitted to trading on a regulated market in Gibraltar. However, Gibraltar does not, as yet, have a regulated market. Accordingly, there is no provision for shared jurisdiction in respect of companies which have their registered office in Gibraltar and whose shares are admitted to trading on a regulated market in one or more EEA States. The position of a Gibraltar company having its shares listed on a recognised stock exchange in an EEA State for the purposes of the Directive 2004/25/EC would not therefore be covered by Gibraltar legislative provisions.

The Chief Legal Advisor to the Government of Gibraltar has previously confirmed that Article 4(2)(b) of the Directive 2004/25/EC will be fully transposed in due course but they have not provided timeframe for doing so. Moreover, the UK's City Code on Takeovers and Mergers makes no reference to Gibraltar whatsoever and does not contain the equivalent of section 23 of the Financial Services (Takeover Bids) Act 2006 (which specifically provides for the arrangements between the United Kingdom and Gibraltar). Therefore, in order to make a Gibraltar company subject to the UK's City Code on Takeovers and Mergers, the UK Treasury would have to amend the relevant UK legislation to ensure that Directive 2004/25/EC is completely implemented in the UK in relation to Gibraltar companies.

21. CREST and Depository Interests

21.1. Introduction

CREST is a paperless settlement system allowing securities to be transferred from one person's CREST account to another without the need to use share certificates or written instruments of transfer. Securities issued by non-UK registered companies, such as the Company, cannot be held or transferred in the CREST system. However, to enable investors to settle such securities through CREST, a Depository (itself or through its nominated custodian) can hold the relevant securities and issue dematerialised DIs representing the underlying securities which are held on trust for the holders of the DIs.

With effect from Admission, it will be possible for CREST members to hold and transfer interests in Ordinary Shares within CREST pursuant to a DI arrangement established by the Company with the Depository. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will also be able to do so. No temporary documents of title will be issued.

The Ordinary Shares will not themselves be admitted to CREST. Instead the Depository will issue DIs in respect of the underlying Ordinary Shares. The DIs will be independent securities constituted under English law which may be held and transferred through CREST. DIs will have the same international security identification number (ISIN) as the underlying Ordinary Shares and will not require a separate listing on AIM. The DIs will be created and issued pursuant to the DI Deed Poll, which will govern the relationship between the Depository and the holders of DIs.

Application will be made for the DIs in respect of the underlying Ordinary Shares to be admitted to CREST with effect from Admission. Holders of Ordinary Shares in certificated form who wish to hold DIs through the CREST system may be able to do so and should contact the Registrar.

21.2. Summary of the DI Deed Poll

As mentioned above, the DIs will be created pursuant to and issued on the terms of the DI Deed Poll. The DI Deed Poll is executed by the Depository, in favour of the holders of the DIs from time to time. Prospective holders of DIs should note that they will have no rights against Euroclear or its subsidiaries in respect of the underlying Ordinary Shares or the DIs representing them.

Ordinary Shares will be transferred to an account of the Depository or its nominated custodian (the "Custodian") and the Depository will issue DIs to participating members.

Each DI will be treated as one Ordinary Share for the purposes of determining, for example, eligibility for any dividends. The Depository will pass on to holders of DIs any stock or cash benefits received by them as holder of Ordinary Shares on trust for such DI holder. DI holders will also be able to receive from the Depository notices of meetings of holders of Ordinary Shares and other information to make choices and elections issued by the Company to the Shareholders.

In summary, the DI Deed Poll contains, *inter alia*, provisions to the following effect:

- 21.2.1. The Depository will hold (themselves or through the Custodian), as bare trustee, the underlying securities issued by the Company and all and any rights and other securities, property and cash attributable to the underlying securities for the time being held by the Depository or Custodian pertaining to the DIs for the benefit of the holders of the DIs. The Depository will re-allocate securities or distributions allocated to the Depository or the Custodian pro rata to the Ordinary Shares held for the respective accounts of the holders of DIs but will not be required to account for fractional entitlements arising from such re-allocation.
- 21.2.2. Holders of DIs warrant, *inter alia*, that the securities in the Company transferred or issued to the Custodian on behalf of the Depository for the account of the DI holder are free and clear of all liens, charges, encumbrances or third party interests and that such transfers or issues are not in contravention of the Company's articles of association or any contractual obligation, or applicable law or regulation binding or affecting such holder.
- 21.2.3. The Depository and any Custodian must pass on to DI holders, or exercise on their behalf, so far as it is reasonably able, all rights and entitlements received by the Depository or the Custodian in respect of the underlying securities. Rights and entitlements to cash distributions, to information, to make choices and elections and to attend and vote at meetings shall, subject to the DI Deed Poll, be passed on in the form in which they are received, together with amendments and additional documentation necessary to effect such passing-on, or exercised in accordance with the DI Deed Poll. If arrangements are made which allow a holder to take up rights in the Company's securities requiring further payment, the holder must pay the Depository in cleared funds before the relevant payment date or other date notified by the Depository if it wishes the Depository to exercise such rights.
- 21.2.4. The Depository will be entitled to cancel DIs and treat the holders as having requested a withdrawal of the underlying securities in certain circumstances including where a DI holder fails to furnish to the Depository such certificates or representations as to material matters of fact, including his identity, as the Depository deems appropriate.
- 21.2.5. The DI Deed Poll contains provisions excluding and limiting the Depository's liability. For example, the Depository shall not be liable to any DI holder or any other person for liabilities in connection with the performance or non-performance of obligations under the DI Deed Poll or otherwise except as may result from their negligence or wilful default or fraud or that of any person for whom they are vicariously liable, provided that the Depository shall not be liable for the negligence, wilful default or fraud of any Custodian or agent which is not a member of its group unless the Depository has failed to exercise reasonable care in the appointment and continued use and supervision of such Custodian or agent. Furthermore, the Depository's liability to a holder of DIs will be limited to the lesser of:
- (a) the value of the shares and other deposited property properly attributable to the DIs to which the liability relates; and
 - (b) that proportion of £10 million which corresponds to the portion which the amount the Depository would otherwise be liable to pay to the DI holder bears to the aggregate of the amounts the Depository would otherwise be liable to pay to all such holders in respect of the same act, omission, or event or, if there are no such amounts, £10 million.
- 21.2.6. The Depository is entitled to charge holders of DIs fees and expenses for the provision of their services under the DI Deed Poll.
- 21.2.7. The holders of DIs are required to agree and acknowledge with the Depository that it is their responsibility to ensure that any transfer of DIs by them which is identified by the

CREST system as exempt from stamp duty reserve tax is so exempt, and to notify the Depository if this is not the case, and to pay to Euroclear any interest, charges or penalties arising from non-payment of stamp duty reserve tax in respect of such transaction.

- 21.2.8. Each holder of DIs is liable to indemnify the Depository and any Custodian (and their agents, officers and employees) against all liabilities arising from or incurred in connection with, or arising from any act related to, the DI Deed Poll so far as they relate to the DIs (and any property or rights held by the Depository or Custodian in connection with the DIs) held by that holder, other than those resulting from the wilful default, negligence or fraud of the Depository, or the Custodian or any agent if such Custodian or agent is a member of the Depository's Group or if, not being a member of the same group, the Depository shall have failed to exercise reasonable care in the appointment and continued use of such Custodian or agent.
- 21.2.9. The Depository is entitled to make deductions from any income or capital arising from the underlying securities, or to sell such underlying securities and make deductions from the sale proceeds therefrom, in order to discharge the indemnification obligations of DI holders.
- 21.2.10. The Depository may terminate the DI Deed Poll by giving not less than 30 days' notice. During such notice period holders may cancel their DIs and withdraw their deposited property and, if any DIs remain outstanding after termination, the Depository must, among other things, deliver the deposited property in respect of the DIs to the relevant DI holders or, at its discretion sell all or part of such deposited property. They shall, as soon as reasonably practicable, deliver the net proceeds of any such sale, after deducting any sums due to the Depository, together with any other cash held by it under the DI Deed Poll pro rata to holders of DIs in respect of their DIs.
- 21.2.11. The Depository or the Custodian may require from any holder information as to the capacity in which DIs are or were owned and the identity of any other person with or previously having any interest in such DIs and the nature of such interest and evidence or declarations of nationality or residence of the legal or beneficial owners of DIs and such information as is required for the transfer of the relevant Ordinary Shares to the holders. Holders agree to provide such information requested and consent to the disclosure of such information by the Depository or Custodian to the extent necessary or desirable to comply with their legal or regulatory obligations. Furthermore, to the extent that the Company's articles of association require disclosure to the Company of, or limitations in relation to, beneficial or other ownership of the Company's securities, the holders of DIs are to comply with the Company's instructions with respect thereto.

22. General

- 22.1. It is estimated that the total costs and expenses payable by the Company in connection with or incidental to the Admission including London Stock Exchange fees, printing, advertising and distribution costs, legal, accounting and corporate finance fees are estimated to amount to approximately £0.5 million (excluding any VAT payable thereon).
- 22.2. Shore Capital & Corporate Limited, the nominated adviser and Shore Capital Stockbrokers Limited, the broker of the Company, have given and not withdrawn their written consent to the inclusion in this document of references to their names in the form and context in which they appear.
- 22.3. I2M Associates LLC, has given and not withdrawn its written consent to the inclusion of its reports in the document and to the inclusion of references to the firm herein in the form and context in which they appear and have confirmed that as at the date of this document, they have not become aware of any matter affecting the validity of such report.

- 22.4. Mazars LLP, the reporting accountants of the Company, has given and not withdrawn its written consent to the issue of this document with its name included in it and with the inclusion therein of its reports and references thereto in the form and context in which it is included.
- 22.5. The auditors of Wishbone Gold Pty Limited for the period ended 31 December 2011 covered by the historical financial information contained in Part V of this document were PKF (Gold Coast) Pty Ltd and its associates.
- 22.6. Save as disclosed in this document, there are no patents or other intellectual property rights, know-how, licences or industrial, commercial or financial contracts which are or may be of fundamental importance to the Company's business.
- 22.7. Save as disclosed in this document, the Directors are not aware of any environmental issues that may affect the Company's utilisation of its tangible fixed assets.
- 22.8. Save as disclosed in this document, there has been no significant change in the trading or financial position of the Group or any significant trends concerning the development of the Company's business since 31 December 2011, being the date to which the Accountants' Reports in Part V are made up.
- 22.9. The Placing Price represents a premium of 1.9p over the nominal value of £0.001 per Ordinary Share. The premium arising on the Placing amounts to £489,250 in aggregate.
- 22.10. The Ordinary Shares are in registered form and may be held in certificated or, through Depository Interests, uncertificated form. No temporary documents of title will be issued. The ISIN number of the Ordinary Shares is GI000A1JU9R7.
- 22.11. Save as disclosed in this document, no person (excluding professional advisers otherwise disclosed in this document and trade suppliers and counterparties of contracts with members of the Group being in the ordinary course of business) has:
- 22.11.1. received directly or indirectly from the Company within twelve months preceding the Company's application for Admission; or
 - 22.11.2. entered into contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from the Company on or after Admission, any of the following:
 - (a) fees totalling £10,000 or more; or
 - (b) securities in the Company with a value of £10,000 or more calculated by reference to the expected opening price of the Ordinary Shares on Admission; or
 - (c) any other benefit with a value of £10,000 or more at the date of Admission.
- 22.12. Save as disclosed in this document, since the period of the financial information set out in Part V of this document, the Group has made no investments and there are no investments in progress of the Group which are or may be significant.
- 22.13. Save as disclosed in this document, the Directors are not aware of any exceptional factors that have influenced the Company's activities.
- 22.14. The Company's accounting reference date is 31 December.
- 22.15. The financial information for the relevant accounting period set out in the Accountants' Report on the Company and the Group in Part V of this document does not constitute statutory accounts of the Company within the meaning of section 434 of the Act and no financial information contained in this document is intended by the Company to represent or constitute a forecast of profits by the Company.

- 22.16. No financial information contained in this document is intended by the Company to represent or constitute a forecast of profits by the Company or to constitute publication of accounts by it.
- 22.17. Save as disclosed in this document, the Company is not aware of any arrangements which may at a subsequent date result in a change of control of the Company.
- 22.18. There are no provisions in the Articles which would have the effect of delaying, deferring or preventing a change of control of the Company.
- 22.19. Save as disclosed in this document, no public takeover bids have been made by third parties in respect of the Company's issued share capital since its incorporation up to the date of this document.
- 22.20. Insofar as the Directors are aware, the percentage of Ordinary Shares not in public hands (as that expression is defined in the AIM Rules) on Admission is expected to be, approximately 62 per cent.
- 22.21. Save as disclosed in this document, there are not, either in respect of the Company or its subsidiary, any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.
- 22.22. Save as disclosed in this document, there are no mandatory takeover bids and/or squeeze out and sell-out rules in relation to the Ordinary Shares.
- 22.23. Save for the information set out in Part V of this document, no other audited information is included in this document.
- 22.24. The Directors are not aware of any other information that they should reasonably consider as necessary for investors to form a full understanding of (i) the assets and liabilities, financial position, profits and losses, and prospects of the Company and the securities for which Admission is being sought; (ii) the rights attached to those securities; and (iii) any other matter contained herein.

23. Third Party Information

Where information has been sourced from a third party, the information has been accurately reproduced and, as far as the Company and the Directors are aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Reference materials include various historical and recent publications. A comprehensive list of reports and information used in the preparation of this document is available if required.

24. Copies of this document

Copies of this document will be available free of charge during normal business hours on any day (except Saturdays, Sundays and public holidays) at the offices of Pinsent Masons LLP at 30 Crown Place, London EC2A 4ES from the date of this document for a period of at least one month from Admission.

10 July 2012

DEFINITIONS

“A\$”	Australian dollars;
“Act”	the Companies Act 2006;
“Admission”	the admission of the Existing Ordinary Shares and the New Ordinary Shares to trading on AIM, such admission becoming effective in accordance with the AIM Rules;
“Advanced Activities”	has the meaning given to it by Schedule 1 the MRA, being any activity other than a Preliminary Activity, which includes but is not limited to the following examples: levelling of drilling pads and digging sumps; bulk sampling; vegetation clear felling; constructing an exploration camp; geophysical surveying with physical clearing; constructing a track or access road or changing as fence line;
“AIM”	the market of that name operated by the London Stock Exchange;
“AIM Rules”	together, the AIM Rules for Companies, and the AIM Rules for Nominated Advisers;
“AIM Rules for Companies”	the AIM rules for companies published by the London Stock Exchange governing admission to, and the operation of, AIM and the AIM guidance note for Mining and Oil & Gas Companies as in force as at the date of this document or, where the context so requires, as amended or modified after the date of this document;
“AIM Rules for Nominated Advisers”	the AIM rules for Nominated Advisers published by the London Stock Exchange, as amended from time to time;
“Articles”	the articles of association of the Company as amended from time to time;
“Authorised Activities”	has the meaning given to it by Schedule 2 of the MRA, being an activity that the holder of the mining tenement is entitled to carry out in relation to the tenement under the tenement and the MRA;
“Capita Registrars”	a trading name of Capita plc;
“certificated” or “in certificated form”	an Ordinary Share which is not in uncertificated form;
“City Code”	the City Code on Takeovers and Mergers;
“CLN Conversion Shares”	the new Ordinary Shares to be issued on conversion of the CLNs on Admission;
“CLN Deed Poll”	the deed poll executed by the Company and dated 27 June 2012 in respect of the CLNs, further details of which are set out at paragraph 9.6 of Part VI of this document;
“CLNs”	the unsecured convertible loan notes issued by the Company to certain investors prior to Admission, further details of which are set out at paragraph 9 of Part VI of this document;

“CLN Subscription Letters”	the subscription letters in respect of the CLNs, further details of which are set out at paragraph 9.7 of Part VI of this document;
“Company”	Wishbone Gold Plc;
“Compensatable Effect”	has the meaning given to it by s 13 of Schedule 1 of the MRA and includes all and any of the following: the deprivation of possession of its surface of the land; diminution of the value of the land; diminution of the use made or that may be made of the land or any improvement on it; severance of any part of the land from other parts of the land; any cost damage or loss arising from the carrying out of the activities under the EPM; accounting, legal or valuation costs the claimant necessarily and reasonably incurs and consequential damages the eligible claimant incurs because of a matter mentioned above;
“Connected Parties”	as defined in section 252 of the Act;
“Corporate Governance Code”	the UK Corporate Governance Code issued from time to time by the Financial Reporting Council;
“CPRs”	the competent person reports on the Tenements set out in Part IV of this document;
“CREST”	the Relevant System (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended);
“Custodian”	any custodian or any nominee of any such custodian of the deposited property as may from time to time be appointed by the Depository for the purposes of the DI Deed Poll;
“Daily Official List”	the daily official list of the United Kingdom Listing Authority;
“Depository”	Capita IRG Trustees Ltd;
“Depository Interest” or “DI”	a depository interest in uncertificated form representing Ordinary Shares issued to a holder on the terms of the DI Deed Poll described at paragraph 21 of Part VI of this document;
“DI Deed Poll”	the trust deed poll constituted by the Depository in respect of the DIs;
“DI Holder”	the holder of a DI issued pursuant to the terms of the DI Deed Poll;
“Directors” or “Board”	the Directors of the Company whose names are set out in page 4 of this document;
“DTR”	the Disclosure Rules and Transparency Rules as published by the FSA as in force as at the date of this document or, where the context so requires, as amended or modified after the date of this document;
“Enlarged Share Capital”	the issued Ordinary Share capital on Admission comprising the Existing Ordinary Shares and New Ordinary Shares;

“EPM” and “EPMs”	an exploration permit for minerals, granted by the Queensland Government in accordance with the MRA; in the case of the Company the exploration permits granted in respect of Wishbone II and White Mountain;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“Existing Ordinary Shares”	the Ordinary Shares in issue as at the date of this document;
“FIRB”	Foreign Investment Review Board;
“FSA”	Financial Services Authority;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“Gibraltar Act”	the Companies Act 1930 of Gibraltar including any re-enactment or modification thereof;
“Group”	the Company and its subsidiaries from time to time;
“HMRC”	HM Revenue and Customs;
“Locked-in Persons”	those persons who have entered into agreements of the kind described in paragraph 11 of Part VI of this document;
“London Stock Exchange”	London Stock Exchange plc;
“Minister”	the Queensland Minister for Natural Resources, Mines and Energy;
“MDL”	a mineral development licence granted by the Queensland Government in accordance with the MRA;
“ML”	a mining lease granted by the Queensland Government in accordance with the MRA;
“MRA”	the Mineral Resources Act 1989 (Qld);
“New Ordinary Shares”	the CLN Conversion Shares, 2010 CLN Shares and Placing Shares;
“Official List”	the Official List of the UKLA;
“Ordinary Shares”	Ordinary shares of £0.001 each in the capital of the Company;
“Panel”	the Panel on Takeovers and Mergers;
“Placing”	the proposed issue of 25,750,000 new Ordinary Shares at Admission pursuant to the terms of the Placing Agreement;
“Placing Agreement”	the conditional agreement dated 10 July 2012 and made between (1) the Company (2) the Directors and (3) Shore Capital, a summary of the principal terms of which is set out in paragraph 10 of Part VI of this document;
“Placing Price”	2 pence per Placing Share;
“Placing Shares”	25,750,000 new Ordinary Shares to be issued and allotted by the Company pursuant to the Placing;

“Preliminary Activities”	has the meaning given to it by s 2 of Schedule 1 of the MRA, being the conduct of an authorised activity that will have no impact, or only a minor impact, on the business or land use activities or any owner or occupier of the land on which the activity is carried out. It includes but is not limited to the following examples, walking the area of the permit; driving alongside an existing road or track in the area; taking soil or water samples; geophysical surveying not involving site preparation; aerial, electrical or environmental surveying and survey pegging;
“Prospectus Rules”	the Prospectus Rules brought into effect on 1 July 2005 pursuant to Commission Regulation (EC) No. 809/2004;
“Registrar”	Capita Registrars (Guernsey) Limited;
“Relationship Agreement”	the agreement dated 10 July 2012 between (1) the Company, (2) Shore Capital & Corporate Limited and (3) Richard Poulden, further details of which are set out in paragraph 9.3 of Part VI of this document;
“Restricted Jurisdiction”	each and any of United States of America, Australia, Canada, Japan, the Republic of Ireland and the Republic of South Africa;
“SCC”	Shore Capital and Corporate Limited;
“SCS” or “Shore Capital Stockbrokers”	Shore Capital Stockbrokers Limited;
“Share Exchange Agreement”	the share sale agreement entered into on 6 December 2010 between each member of Wishbone Gold Pty Ltd and the Company as described in paragraph 9.10 of Part VI of this document;
“Share Option Scheme”	the Company’s share option scheme known as The Wishbone Gold Plc General Share Option Scheme as described in paragraph 18 of Part VI of this document;
“Shareholder”	a holder of Ordinary Shares from time to time;
“Shore Capital”	SCC and/or SCS as the context requires;
“Shore Warrant Agreement”	the warrant agreement described in paragraph 9.2 of Part VI of this document;
“Tenements”	the Wishbone II and White Mountain tenements;
“UK”	the United Kingdom of Great Britain and Northern Ireland;
“United Kingdom Listing Authority” or “UKLA”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
“US”, “USA” or “United States”	the United States of America, each State thereof (including the District of Columbia), its territories, possessions and all areas subject to its jurisdiction;
“Wishbone II”	the Wishbone II tenement (EPM #18396);

“White Mountain”	the White Mountain tenement (EPM #18393);
“£”, “p” and “GBP”	United Kingdom pounds sterling and pence;
“US\$” and “cents”	United States dollars and cents;
“2010 CLN”	the convertible loan note issued by the Company on 1 December 2010 in the principal amount of £150,000 of which Black Swan Plc is the registered holder; and
“2010 CLN Shares”	the new Ordinary Shares to be issued under the 2010 CLN conditional on Admission.

GLOSSARY OF TECHNICAL TERMS

The following glossary of technical terms applies throughout this document unless the context requires otherwise:

acid(ic)	in geology, a chemical classification of igneous rocks containing more than 66% silica. In chemistry, having a pH <7.
adamellite	(another term for quartz monzonite) is an intrusive igneous rock that has an approximately equal proportion of orthoclase and plagioclase feldspars with 5-20% quartz.
aeromagnetics	airborne geophysical survey measuring variations in the Earth's magnetic field.
age	time unit of the geological time scale. A fourth-order unit, being a sub-division of Epoch, and occasionally sub-divided.
albite	sodium-rich feldspar. Common rock-forming mineral.
alteration	(zone/envelopes) change in mineralogical composition of a rock commonly brought about by reactions with hydrothermal solutions.
andalusite	an aluminum nesosilicate mineral with the chemical formula Al_2SiO_5 . Andalusite is a common regional metamorphic mineral that forms under low pressure and moderate to high temperatures.
anomalous	a departure from the expected norm. In mineral exploration, this term is generally applied to either geochemical or geophysical data (values higher or lower than the norm).
anomaly	in mining terms, refers to geochemical or geophysical data that are values higher or lower than the norm.
arenite	a sedimentary clastic rock with sand grain size between 0.0625 mm (0.00246 in) and 2 mm (0.08 in) and containing less than 15% matrix.
arsenopyrite	an iron arsenic sulfide ($FeAsS$), it can be associated with significant amounts of gold. Consequently it serves as an indicator of gold-bearing quartz veins (reefs). Many arsenopyrite-gold ores are refractory, i.e. the gold is not easily liberated from the mineral matrix.
assay	chemical analysis. Strictly refers to analysis of precious metals by the fire-assay method with a gravimetric finish. Commonly used to mean any chemical analysis.
auriferous	containing gold (from Latin aurum meaning gold).
base metal	generally a metal inferior in value to the precious metals, mainly copper, lead zinc, nickel, tin and aluminum.
basic	igneous rocks, low in silica and rich in mafic minerals

basement	crustal layer of rocks beneath the overlying sedimentary strata.
batholith	a large mass of consolidated intrusive igneous material (usually of granitic composition) (see also pluton).
bedding	arrangement of individual rock layers or beds.
bedrock	solid rock underlying soil, alluvium etc.
belt	a zone or band of a particular kind of rock strata exposed on the surface.
biotite	black mica. Common rock-forming mineral, often associated with metamorphism or alteration.
block faulting	a type of normal faulting where the crust is divided into structural or fault blocks of different orientation and elevation.
block model	the term applied to the final output of a computer based process to reflect the likely configuration of the mineralization and the surrounding material based on three-dimensional blocks.
boiling zone	zone at some vertical depth at which the rock pressure is low enough to allow fluids to boil. Important in epithermal deposits, as this creates a marked change in pressure and temperature, which can change the ore fluid composition and cause minerals to precipitate.
breakeven	in ore reserve estimation, the gold grade at which the mining cost equals the value of the extractable gold. At breakeven grades, the operation makes neither a profit nor a loss. Breakeven can be calculated at various cost levels, such as an operating breakeven (the grade required to continue operations) or total cost breakeven (which takes into account overheads such as depreciation, amortization, cost of capital, off-site overheads, interest, tax etc).
bullion	precious metals in bulk form are known as bullion and are traded on commodity markets. Bullion metals may be cast into ingots or minted into coins. The defining attribute of bullion is that it is valued by its mass and purity rather than by a face value as money.
Cambrian	time unit of the geological time scale, about 500-600 million years ago. Oldest subdivision of the Paleozoic Era.
carbonate	compound of carbon and oxygen with one or metals, especially calcium(CaCO_3), magnesium (MgCO_3) and iron (FeCO_3).
Carboniferous	time unit of the geological time scale, a geological period, 360 to 286 million years ago. A sub-division of the Paleozoic Era.
chalcopyrite	a copper iron sulfide mineral (CuFeS_2) that crystallizes in the tetragonal system. Chalcopyrite is present in volcanogenic massive sulfide ore deposits and sedimentary exhalative deposits, formed by deposition of copper during hydrothermal circulation chlorite dark green iron magnesium mineral, often associated with metamorphism or alteration.

clast	particle or fragment.
clastic	composed of particles or fragments.
cleavage	planar fracture or parting in rock formed by deformation.
co-magmatic	formed during the same igneous event.
cordierite	a magnesium iron aluminum cyclosilicate mineral in a solid-solution series between the magnesium-rich and iron-rich varieties, typically occurring in contact or regional metamorphism of argillaceous rocks. It is especially common in hornfels produced by contact metamorphism of mudstones.
costeaning	The removal of soil and subsoil to expose rock formations in prospecting for quartz veins (reefs) or lodes. Also, proving an ore deposit or vein by trenching across its outcrop at approximate right angles and lastly, tracing a lode by pits sunk through overburden to underlying rock.
country rock	the enclosing rock around a body of ore.
craton	a stable part of the Earth's crust, in which deformation has been only visible for a prolonged period.
Cretaceous	time unit of the Geological Time Scale, a geological Period, about 144 to 65 million years ago, a sub-division of the Mesozoic Era.
cross-cut	mining passage constructed at right angles to the general trend of the ore body (see also drive, shaft, rise and winze).
cross-section	a section, usually vertical, through an ore body or geological model at right angles to the dip of the unit.
cut-off	the estimated lowest grade of ore that can be mined and treated profitably in a mining operation.
cuttings	broken pieces of rock generated by a drill bit during drilling. Forms the main part of percussion drill samples.
density	mass divided by volume. Measured here in tonnes per cubic meter.
Devonian	time unit of the Geological Time Scale, a geological Period, 416 – 359 million years ago.
diamond drilling	method of obtaining a cylindrical core of rock by drilling with a diamond impregnated bit.
dilution	reduction in grade resulting from admixture of lower grade material during mining or rock-breaking processes.
disseminated	mineralization more or less evenly distributed throughout a rock.
drill cross section	a section perpendicular to strike on which the trace of drill holes are plotted.

drill intercepts	the intersections (usually of the target mineralization) made within an exploration drill hole.
drive	horizontal mining passage or access way underground, oriented along the length or general trend of the ore body (noun and verb)(see also cross-cut).
dyke	a tabular body of igneous rock, cross cutting the host strata at a high angle.
epigenetic	mineral deposit of later origin than the enclosing rocks.
fault	a fracture in rocks along which rocks on one side have been moved relative to the rocks on the other.
feasibility study	a comprehensive study of technical, financial, economic and legislative matters of sufficient depth and accuracy to provide the basis for financing.
felsic	igneous rock composed principally of feldspars and quartz.
ferruginous	rich in iron.
fire assay	assay procedure involving roasting of a sample in a furnace to ensure complete extraction of all the contained metal.
fluid inclusion	bubbles of gas and/or liquid, sometimes containing crystals, within mineral grains that can be used to determine the temperature and pressure of formation of the mineral and provide data on the chemical composition of the original fluids.
foliation	laminated structure in rocks caused by alignment of platy mineral grains, usually as a result of deformation and/or metamorphism.
footwall	the wall or surface on the underside of an inclined geological feature such as a fault, vein, ore-body or stope.
fracture	a break in the rock that may show shearing or not. May be a joint, without movement on either side of the fracture.
Fry analysis	Fry analysis is a statistical method of correlating data points to see if there is a preferred direction. It offers a visual approach to quantify characteristic spatial trends for groups of point objects. See Fry, N. 1979. Random point distributions and strain measurement in rocks. <i>Tectonophysics</i> Vol. 60, pp. 806-807.
gabbro	coarse grained dark igneous rock of basic composition. A coarse-grained variety of basalt.
galena	lead sulphide mineral, an ore of lead often containing silver.
gangue	waste minerals associated with ore.
geological mapping	the recording in the field of geological information on a map.
geophysical techniques	the exploration of an area in which physical properties (e.g. resistivity, conductivity, magnetic properties) unique to the rocks in the area are quantitatively measured by one or more methods.

geostatistics	mineral resource estimation method. A computer based method wherein particular relationships between sample points are established and employed to project the influence of the sample points. Based on the application of statistics to the variation in grade of ore bodies.
gossan	intensely oxidized, weathered or decomposed rock or soil, usually the upper and exposed part of an ore deposit or mineral vein visible on the surface.
granite, granitic	coarse grained igneous rock composed of quartz and feldspar with varying amounts of ferromagnesian minerals such as biotite or hornblende, with or without muscovite. Adjective is 'granitic'.
granitoid	field term for a body of rock of granitic composition (containing quartz).
gravity survey	geophysical survey technique measuring variations in the Earth's gravitational field, due to variations in rock densities.
greywacke	a variety of sandstone generally characterized by its hardness, dark color, and poorly sorted angular grains of quartz, feldspar, and small rock fragments or lithic fragments set in a compact, clay-fine matrix.
greisen	a highly altered granitic rock or pegmatite, formed by autogenic alteration of a granite and is a class of skarn. Greisens are prospective for mineralisation because the last fluids of granite crystallization tend to concentrate incompatible elements such as tin, tungsten, molybdenum and fluorine, as well as metals such as gold, silver, and occasionally copper.
hanging wall	the wall or surface on the upper side of an inclined geological feature such as a fault, vein, ore body or stope.
head grades	a general term referring to the grade of ore delivered to the processing plant.
hornfels	a hard, very fine grained rock which is the group designation for a series of contact metamorphic rocks which have been baked and indurated by intrusive igneous masses.
hydrothermal	pertaining to heated water (hot aqueous solutions), associated with the formation of mineral deposits or the alteration of rocks.
igneous	rocks formed by solidification from the molten state deep underground.
Indicated Resource	an 'Indicated Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

Inferred Resource	an ‘Inferred Mineral Resource’ is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.
in-situ	term used to describe rocks and minerals found in their original position of formation. Or, mineral resources considered to be “in place.”
intermediate	igneous rocks between acid and basic in composition.
intrusive	an igneous rock that has intruded previously existing rocks.
isochron	a term used in the determination of radiometric age dates. If the plot comparing daughter/non-isotope ratios with parent/non-isotope ratios falls on a straight line, that line “of equal time” is called an isochron.
isoclinal folds	intensely folded rock layers where the interlimb angle is between 10° and zero, giving the impression of parallel rock layers.
isotope	different atoms of the same element, having the same atomic number but different atomic weights. The ratios of different isotopes in rocks and minerals can be used to estimate the age of the specimen or the time of crystallization or thermal events.
joint	fracture in rock along which no appreciable movement has occurred.
JORC Code	the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, The JORC Code 2004 Edition”, a report of the joint committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Australian Mining Industry Council. It is a comprehensive integrated exposition on geological resources and ore reserves, and adherence to the Code is a requirement under the Australian Stock Exchange Listing Rules.
km	kilometer(s).
level	underground horizon at which an ore body is opened up and from which mining proceeds.
lineament	long major topographic feature identified on aerial photograph, which may or may not be a fault or joint.
lithic	pertaining to or formed of rock.
lithological	pertaining to the type of rock.
lode	tabular or vein-like deposit of valuable mineral between well-defined walls.

mafic	describing silicate mineral or rock that is rich in magnesium and iron. Most mafic minerals are dark in color and the relative density is greater than 3. Common rock-forming mafic minerals include: olivine, pyroxene, amphibole, and biotite. Common mafic rocks include basalt, dolerite, and gabbro.
Measured Resource	a 'Measured Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and/or grade continuity.
metamorphism	an assemblage of rocks that have been subjected to intense heat and pressure of sufficient duration to alter the pre-existing minerals to different mineral types that were stable in such environments.
microthermometry	determination of the temperature of formation of minerals by examining, heating and cooling fluid inclusions under a microscope.
migmatite	a rock at the frontier between igneous and metamorphic rocks. Migmatites form under extreme temperature conditions during prograde metamorphism, where partial melting occurs in pre-existing rocks.
mineralization	the introduction of valuable minerals into a rock body.
muscovite	a white mica mineral.
nugget	fragment of native gold, often water-worn.
nugget effect	a bias produced in geostatistics caused by isolated high values.
open cut	synonymous with open pit.
open pit	mine excavation or quarry, open to the surface.
Ordovician	time unit of the Geological Time Scale, a geological Period from 500 to 440 million years ago, a sub-division of the Paleozoic Era.
ore	rock or mineral(s) that can be extracted at a profit. Often applied (incorrectly) to mineralization in general.
Ore Reserve	an 'Ore Reserve' is the economically mineable part of a Measured or Indicated Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore Reserves are sub-divided in

	order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves.
ore shoot	pods of mineralized material, often high grade, within a vein.
orthoclase	potassium feldspar.
outcrop	a body of rock exposed at the ground surface.
oxidized	near surface or after-mining decomposition of rocks, minerals or metals by exposure to the atmosphere and ground water.
Paleozoic	Time unit of the Geological Time Scale, a geological Era from 600-251 million years ago.
pegmatite	coarse grained igneous rocks, similar to granite, often very coarse grained, rarely with crystals tens of meters in length. May contain rare or unusual minerals or metals. Often occurs as dykes or veins.
percussion drilling	method of drilling using a hammering action with rotation, forcing dust and cuttings to the hole collar by compressed air. Usually refers to open hole percussion drilling, where cuttings return outside the drill rods. See also RAB drilling and RC drilling.
Permian	Time unit of the Geological Time Scale, a Period from 280-251 million years ago, a sub-division of the Paleozoic Era.
petrography	the study of rocks under the microscope.
petrology	the study of the origin, structure and occurrence of rocks.
pH	literally, “power of Hydrogen”. A measure of the concentration of hydrogen ions in solution that determines acidity or alkalinity. The pH ranges from 0 to 14, with 7 being neutral. Acids have a pH less than 7 and alkalis greater than 7.
plagioclase	group of feldspar minerals ranging from sodium-rich to calcium-rich with mixed compositions in between.
potassic alteration	type of alteration due to introduction or increase of the alkali metal potassium.
portal	surface entrance to a tunnel or drive.
pre-feasibility study	a relatively comprehensive analysis which is qualified by the uncertainty of fundamental criteria and assumptions to the degree that it cannot be the basis for a final financial analysis.
Probable Ore Reserve	a ‘Probable Ore Reserve’ is the economically mineable part of an Indicated, and in some circumstances Measured, Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting

	that extraction could reasonably be justified. A Probable Ore Reserve has a lower level of confidence than a Proved Ore Reserve.
prospect	an area that warranted or warrants detailed exploration.
Proved Ore Reserve	a 'Proved Ore Reserve' is the economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.
pyrite	an iron sulphide mineral, often associated with economic mineralization. Occasionally used as an ore of sulphur. With inclusion high amounts of arsenic, the mineral becomes arsenopyrite.
pyroxene	family of silicate minerals that usually contain iron and magnesium and commonly calcium.
quartz	very common minerals composed of silica SiO ₂ . Amethyst is a variety of the well-known amethystine color. Aventurine is a quartz spangled form with scales of mica, hematite, or other minerals. False topaz or citrine is a yellow quartz. Rock crystal is a clear variety. Rose quartz is a pink variety, and cairngorm is a brownish variety. Tiger-eye is crocidolite (an asbestos-like material) replaced by silica and iron oxide. Quartz is the name of the mineral prefixed to the names of many rocks that contain it, such as quartz porphyry, quartz diorite.
RAB drilling	see Rotary Air Blast.
raise	see Rise.
RC drilling	see Reverse Circulation.
recovered grades	means the eventual recovery after mining dilution and processing losses measured against plant feed tonnes.
recovery (drilling)	proportion (%) of core or cuttings actually recovered from a cored interval, compared to the maximum theoretical quantity.
recovery factors	the mining and metallurgical factors affecting recovery of gold through a plan of grade-quantity control of ore or metal relative to its other constituents.
reef	in older mining terms, a white gold-bearing quartz vein.
reserves (ore)	see Proved or Probable Ore Reserves. It is recommended that the reader study the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, The JORC Code 2004 Edition", a report of the joint committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Australian Mining Industry

Council for a comprehensive integrated exposition on geological resources and ore reserves. The various resource categories are classified according to the level of geological information, and thus the confidence, underlying the estimate.

The Inferred Resources cannot become a Reserve. The Proved and Probable Reserves are derived respectively from the Measured and Indicated Resource after the application of sufficient technical, financial, marketing, economic, legislative, legal and environmental factors to be confident that their mining and processing would be economically viable. However, it should be appreciated that the Code does not define a level of profitability.

resource	see Measured, Indicated or Inferred Mineral Resource. Mineralization to which conceptual tonnage and grade figures are assigned, but for which exploration data are inadequate to estimate ore reserves.
reverse circulation drilling	Method of drilling whereby rock chips are recovered by pressurized air returning inside the drill rods.
reverse fault	a fault that dips towards the block that has been relatively raised.
rise, raise	a vertical or inclined underground shaft or access way between levels mined from the bottom up.
rock-chip sampling	obtaining a sample, generally for assay, by breaking chips off a rock face.
Rotary Air Blast (RAB) Drilling	Method of drilling soft rocks in which the cuttings from the bit are carried to the surface by pressurized air returning outside the drill rods.
schist	type of fine grained metamorphic rock with laminated fabric similar to slate but often showing a sheen.
scoping study	a study having the objective of defining what options, if any, should be subject to intensive analysis.
sediment	particles deposited from suspension in water, wind or ice consisting of clay or quartz particles.
sequence	group of sedimentary rocks.
sericite	fine grained variety of mica generally formed by metamorphic processes.
S.G.	Specific Gravity.
shaft	a vertical or inclined passage from the surface by which a mine is entered and through which ore or ventilation air is transported.
shear	zone in which rocks have been deformed by lateral movement along innumerable parallel planes.
sheeted vein	groups of closely spaced distinct parallel fractures filled with mineral matter and separated by layers of barren rock.

silicified	referring to rocks in which a significant proportion of the original constituent minerals have been replaced by silica.
Silurian	time unit of the Geological Time Scale, a Period from about 438 to 408 million years ago.
skarn	rock type refers to calcium-bearing rocks containing a range of silicate minerals, and is most often formed at the contact zone between intrusions of granodiorites, granites, or other high-temperature intrusives with limestone or other calcareous units.
Specific Gravity	mass divided by volume at a specified temperature compared to an equal amount of water which is assigned an SG of 1.0. Equivalent to density (mass per unit volume), measured here in tonnes per cubic meter.
sphalerite	zinc sulphide mineral.
staurolite	a complex iron, aluminum nesosilicate mineral with iron, zinc and magnesium in variable ratios. It is an index mineral for intermediate- to high-grade metamorphics.
stockwork	interlocking network of tabular veins or lobes.
stope	mine excavation from which ore is being or has been extracted.
stratigraphy	study of stratified rocks, especially their age, correlation and character.
stream sediment survey	systematic sampling of sediments within drainage channels, used to locate traces of mineralization which have weathered from the ore zone and been shed into the drainage channels.
strike	the azimuth of a surface, bed or layer of rocks in the horizontal plane.
stringer	narrow vein or irregular filament of mineral traversing a rock mass.
sulphides	minerals comprising a chemical combination of sulphur and metals.
supergene	as in supergene enrichment, is a process occurring relatively near the surface where ground-water circulation occurs with concomitant oxidation and chemical weathering. The descending ground water oxidizes the primary (hypogene) sulfide ore minerals and redistribute the metallic ore elements where they enrich the base of the oxidized portion of the deposit.
syenite	medium to coarse-grained, acidic igneous rock, containing much less silica than a granite.
tailings	material rejected from a treatment plant after the recoverable valuable minerals have been extracted.
tonalite	igneous rock similar to granite but containing mainly calcium feldspar rather than alkali (sodium and potassium) feldspar.

true width	width or thickness of a lode or other formation measured at right angles to its sides (see also apparent width).
variogram	a statistical model, usually presented as a graph, that describes the average Inferred Mineral.
variography	a statistical study of the way in which metal or grade distribution varies within a deposit and the relationship between adjacent samples. It is used in order to determine grade continuity within a geological or computer model of the ore body, and to estimate the range of influence of samples.
vein	a narrow dyke-like intrusion of mineral traversing a rock mass of different material.
volcanic	class of igneous rocks that have flowed out or have been ejected at or near the earth's surface, as from a volcano.
volcanoclastic	description of a clastic sediment containing material of volcanic origin.
volcanogenic	of volcano origin.
wall rock	rock mass adjacent to a fault, fault zone or lode.
winze	a vertical or inclined underground shaft or access way between levels mined from the top down.

