

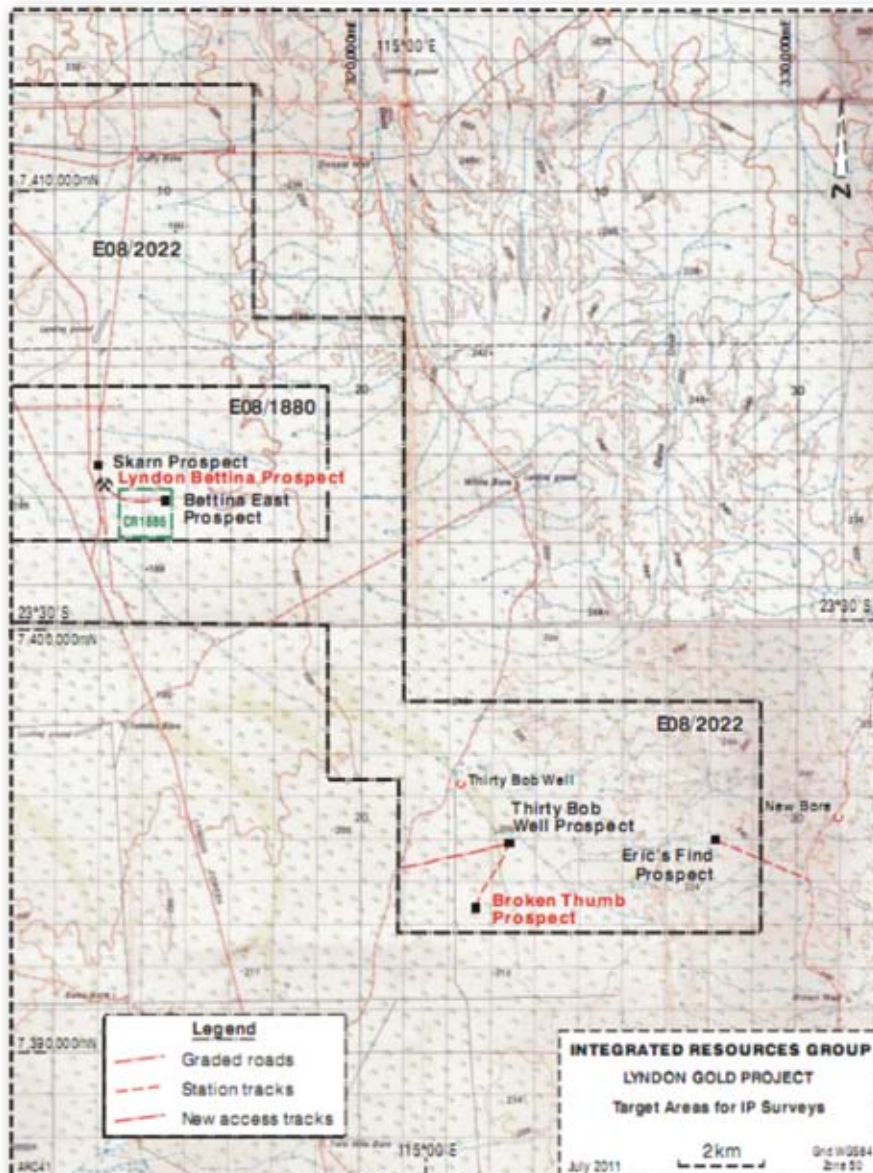
# REVIEW OF OPERATIONS AND ACTIVITIES

## Review of Operations and Activities

During the financial year, the Company explored its interests in mining tenements located in Western Australia. The 100% owned Lyndon gold, silver and copper prospects are located in the Gascoyne Region, approximately 300 km northeast of Carnarvon. Four contiguous granted tenements of 652 km<sup>2</sup> contain a cluster of high grade workings dating back to the 1950's that have never been drilled at depth nor explored by modern techniques.

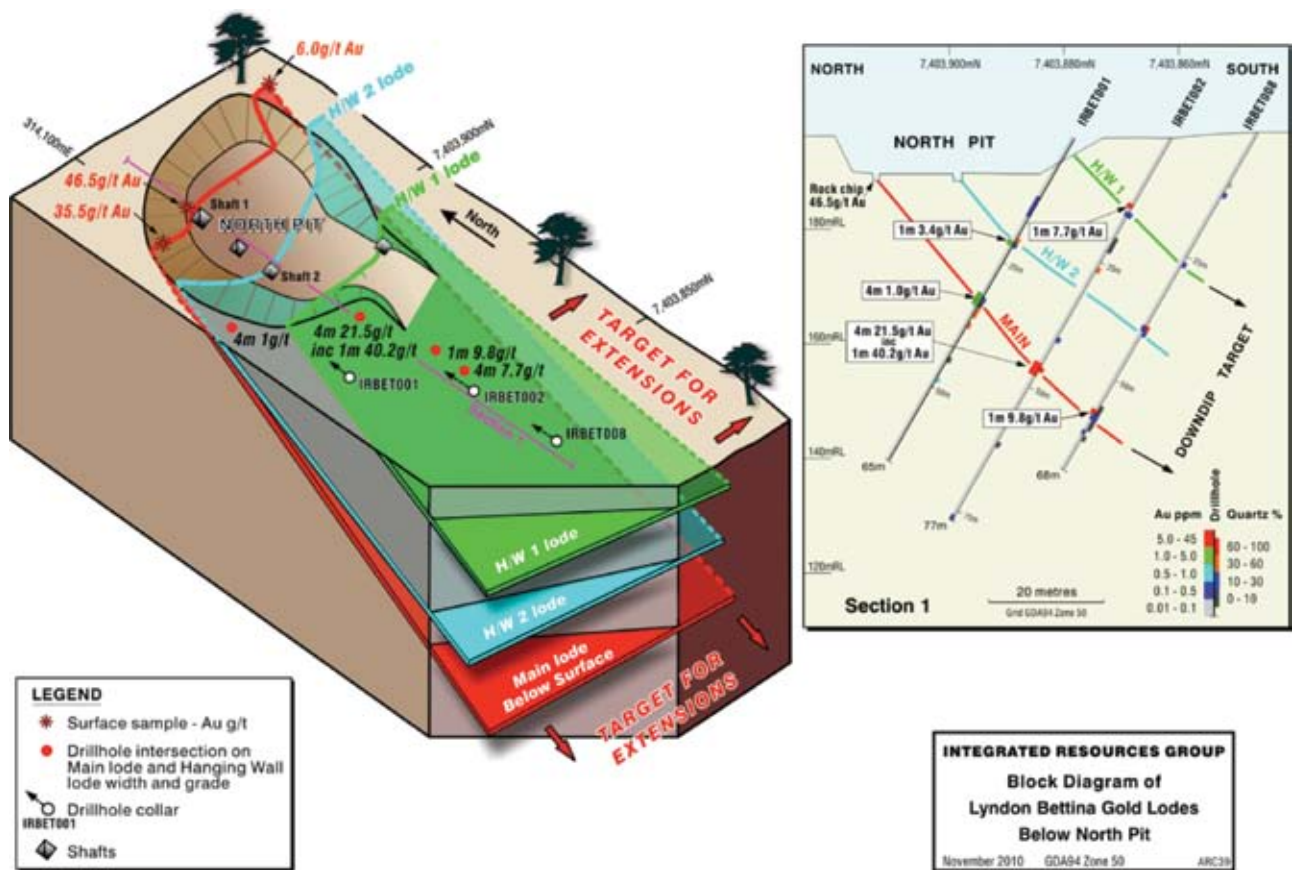
Work undertaken during the year included reverse circulation (RC) drilling at the Lyndon Bettina, Broken Thumb, Thirty Bob and Skarn prospects, followed by geophysical surveys at Lyndon Bettina and Broken Thumb (Figure 1).

Both the drilling and geophysical surveys have highlighted the prospectivity of the Lyndon project with drilling returning potentially economic gold and gold-copper values at Lyndon Bettina and Broken Thumb, respectively, and the geophysics suggesting targets at both prospects with higher tenor chargeability responses than the drilled prospects.



■ Figure 1: Prospect Locations

## REVIEW OF OPERATIONS AND ACTIVITIES (CONT.)



■ Figure 2: Lyndon Bettina Prospect, RC drilling results

### RC Drilling

Drilling in the vicinity of the previously mined Lyndon Bettina open cut return high grade gold values, with best intercepts of 4 metres (true width) at 21.5 g/t Au (including 1 metre at 40.2 g/t) and 4 metres at 7.7 g/t Au at shallow depths. This drilling intersected three veins which are open at depth over 70 metres to the south and south east (Figure 2).

The drilling programme also discovered gold-copper mineralisation at the Broken Thumb and Thirty Bob Well prospects with significant copper at Broken Thumb. At Broken Thumb, drilling returned best intercepts of 1 metre at 1.88 g/t Au and 1.12% Cu and 1 metre at 0.46 g/t Au and 1.36% Cu from a six hole programme.

### Geophysical Surveys

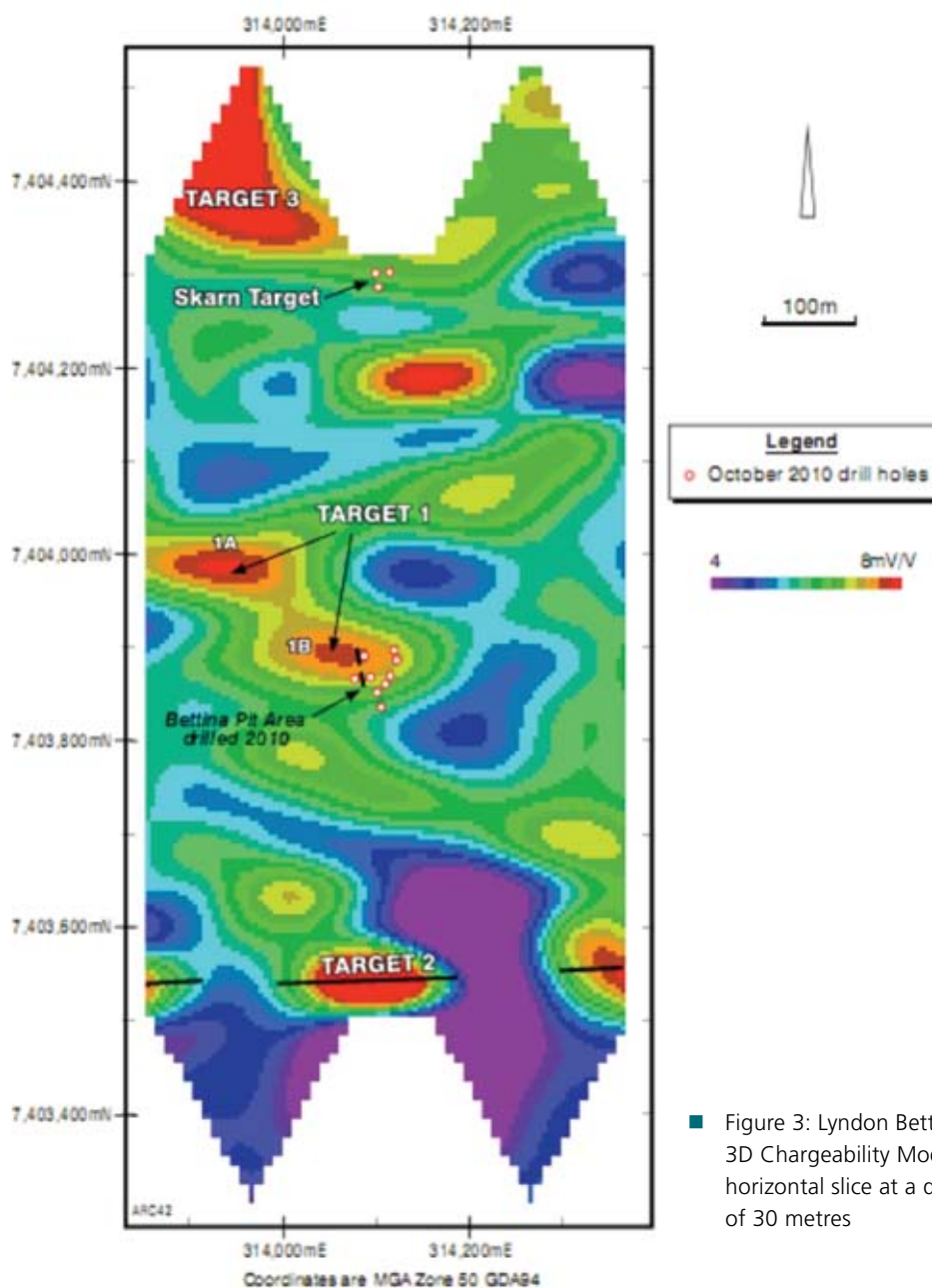
To follow up these promising results, Induced Polarisation (IP) surveys, utilising gradient array and offset pole-dipole techniques, were conducted on Lyndon Bettina and Broken Thumb. This work was aimed at defining extensions to known prospects and additional prospects for future drilling.

Low tenor chargeable anomalies have been located at both prospects. These are both associated with the mineralisation intersected in previous drilling and in nearby areas that have not previously been explored by sampling or other techniques.

## REVIEW OF OPERATIONS AND ACTIVITIES (CONT.)

At Lyndon Bettina three drill targets are defined (Figure 3):

- Target 1** is a distinct, low intensity chargeability anomaly immediately west (Target 1B) and to the north-west (Target 1A) of the Lyndon Bettina open pit where the high grade drilling results noted above were recorded.
- Target 2** is near the southern edge of the survey area. This anomaly has no known surface expression nor previous exploration. Near surface the anomaly appears to be discontinuous but three dimensional modelling shows that the anomaly has a length of 300 metres below 100 metres depth.
- Target 3** is located at the north-west corner of the survey area, also has no known surface expression. In the model it continues at depth to over 200 metres.

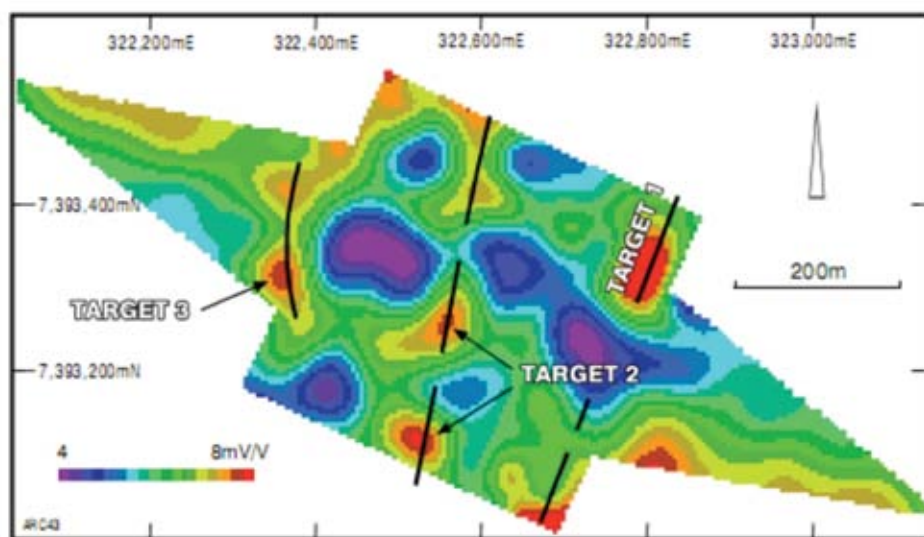


■ Figure 3: Lyndon Bettina Prospect, 3D Chargeability Model, horizontal slice at a depth of 30 metres

## REVIEW OF OPERATIONS AND ACTIVITIES (CONT.)

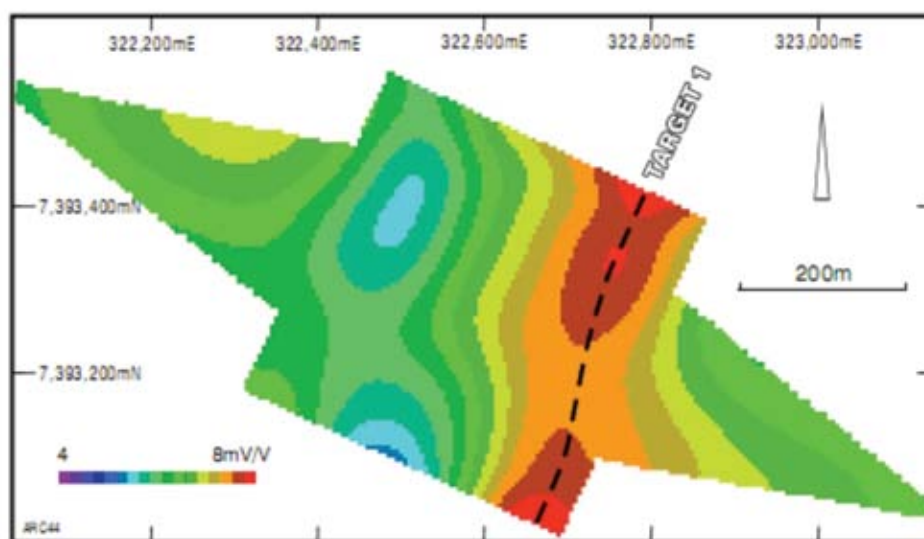
At Broken Thumb, the IP survey also defined three anomalies (Figure 4 at 30 metres depth and Figure 5 at 150 metres depth):

- Target 1** the strongest at this prospect, occurs under soil cover 200 metres southeast of the area drilled in 2010 and has an apparent strike sub-parallel to the structure where drilling intersected copper mineralisation. The anomaly joins at depth into a length of 300 metres. (See Figure 5).
- Target 2** in the centre of the survey area coincides with the mineralisation intersected in the 2010 drilling. The anomaly extends to the south and possibly to the north.
- Target 3** is a small anomaly that has no surface expression.



Coordinates are MGA Zone 50 GDA94

■ Figure 4: Broken Thumb Prospect, 3D Chargeability Model, horizontal slice at a depth of 30 metres



Coordinates are MGA Zone 50 GDA94

■ Figure 5: Broken Thumb Prospect, 3D Chargeability Model, horizontal slice at a depth of 150 metres

## REVIEW OF OPERATIONS AND ACTIVITIES (CONT.)

---

### Further Work

Preparations are currently being made for a programme of RAB and/or mechanical auger drilling over each of the targets identified by the geophysical surveys, with the aim of assessing geochemical support for the geophysical anomalies and defining drillhole targets for a planned subsequent RC drilling programme.

### Project Acquisitions

The Company continues to review acquisition opportunities of advanced gold and gold-copper exploration projects with a focus on Eastern Australia and the South-West Pacific. A number of properties are currently under consideration.



### Competent Person's Statement

*Technical information in this report that relates to exploration results is compiled by a Competent Person as defined in the 2004 edition of the JORC Code being Dr Angus Collins (BSc (Hons) PhD FAusIMM) who acts as a Consulting Geologist to Integrated Resources Group Limited. Dr Collins has sufficient experience in mineral exploration relevant to the styles of mineralisation and types of deposits under consideration and consents to the inclusion in the public release of the matters based on the information in the form and context in which it appears.*