

CALDERA RESOURCES Inc.

REVIEW OF AUSTRALIAN EXPLORATION PROJECTS

for

DIAMONDS and GOLD/ BASE METALS

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PROJECT SUMMARY

Diamond Projects – Current and Proposed.

PROJECT	AREA (sq. km)	INTEREST
Abminga ²	74	90% owned
Corunna Downs ³	145	100% owned
Cromer Cone ³	1250	50% owned
Ellendale East ³	246	100% owned
Runton ¹	214	100% owned
Victoria River Downs ¹	956	100% owned
Yilgarn Craton ¹	1291	49% owned
TOTAL	4,176	

Notes (1) Active projects.

(2) No work completed in 2003.

(3) New projects.

Gold/Base Metal Projects – Current and Proposed.

PROJECT	AREA (sq. km)	INTEREST
Mt. Alice ²	61	50% owned
Mt. Carulina ²	295	75% owned
Mt. Sarah ¹	128	50% owned
TOTAL	484	

Notes (1) Active projects.

(2) No work completed in 2003.

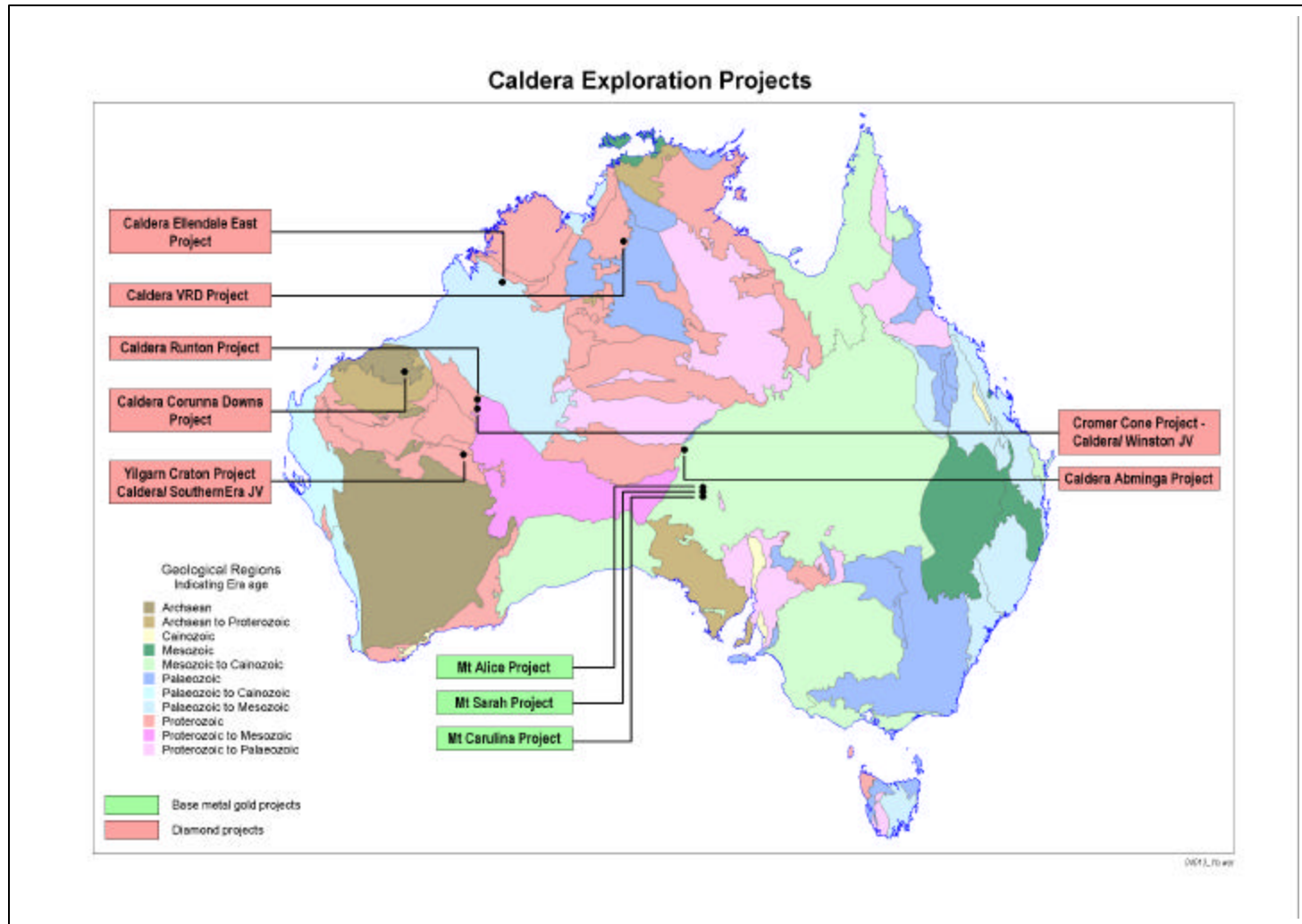
RELINQUISHED PROJECTS

Abminga South Base Metal Project – South Australia.

Bobbymia Diamond Project – Western Australia.

Tabletop West Diamond Project – Western Australia.

Figure 1. Caldera Resources Inc. – Project Location Map.



1. INTRODUCTION

Caldera Resources Inc. (“the Company”) was formed as an independent mineral exploration and development company during 1995 and has traded on the Toronto Stock Exchange (“CDR”) since December 1999. The aim of the Company is to discover an economic orebody and this is being pursued through widespread diamond and gold/ base metal exploration in Australia. Caldera Resources Pty Ltd. (“Caldera”) (a wholly owned subsidiary of the Company) is currently exploring three diamond projects in Western Australia, and one diamond project in South Australia, either in its own right or in conjunction with listed company joint venture (JV) partners.

The Company, through Caldera, is actively exploring two base metal projects in South Australia, namely Mt. Alice and Mt. Sarah. In addition, the Company, through Laura Holdings Pty Ltd. (“Laura”) (a wholly owned subsidiary of the Company) has a gold/ base metal exploration project, the Mt. Carulina Project, which is located in South Australia.

The Company proposes to initiate three additional diamond exploration programmes in Western Australia during 2004, namely the Corunna Downs , Cromer Cone and Ellendale East projects. Exploration programme proposals and budget estimates for 2004 are detailed in section 6. Circumstances that may hinder the Company’s ability to complete all proposed activities are noted where applicable.

A review of each of the seven active base metal and diamond projects is given below. This review includes includes the geological setting, tenement schedule and exploration results obtained during the 2003 field season.

2. CURRENT EXPLORATION PROJECTS

A technical review of exploration projects within which exploration has been completed during 2003 is presented here. Individual projects are reviewed in alphabetical order. This sequence does not reflect any project priority or inferred potential. Projects which have seen no exploration activity during 2003, but changes to the land holding are also discussed.

2.1 Abminga Diamond Project

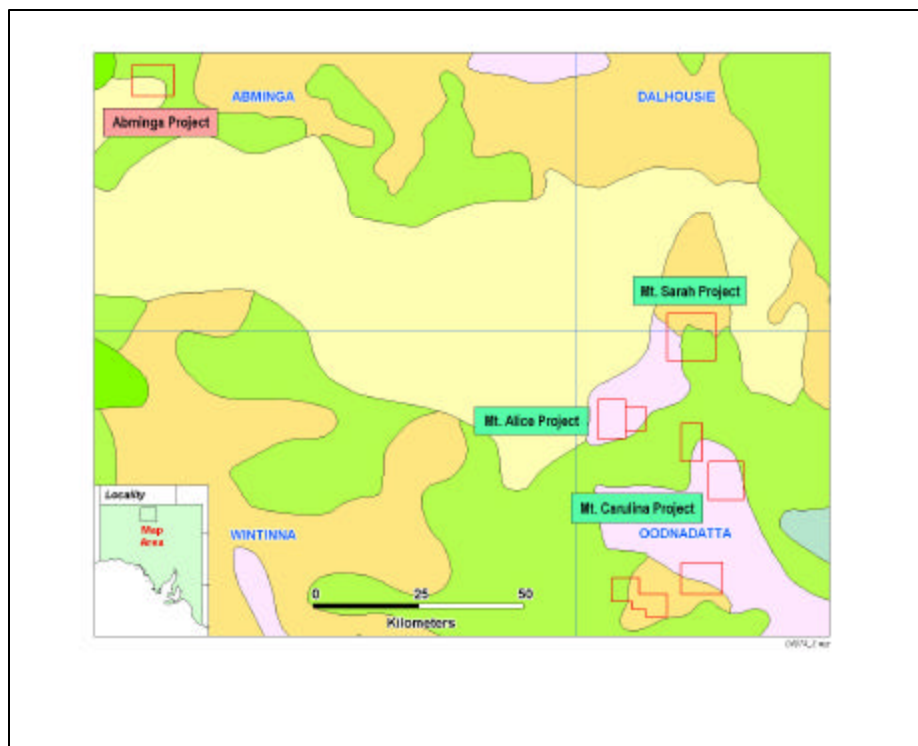
The Abminga Project is located at the inferred northern margin of the Gawler Craton in South Australia. The Company has been exploring this area for kimberlite pipes since 1993. Areas of interest have been systematically explored since this time and the landholding gradually reduced.

No field exploration has been carried out at the Abminga Diamond Project during 2003. Following exploration at Abminga during 2002, Caldera has reduced the area under tenure during 2003. The current land position is detailed in 2.1.2 below.

2.1.1 Location and Access

The Abminga Project is located on the Abminga SG53-10 1:250,000 Sheet in the northern part of South Australia. Access is gained by four wheel drive vehicle along graded tracks from the town of Kulgera. The project location, regional geology and tenement is illustrated in figure 2.

Figure 2. South Australian Projects– Regional Geology and Tenements.



2.1.2 Tenement Schedule

One Exploration Licence (“EL”) is currently held 90% by Caldera with the remaining 10% equity held by Ellendale Resources NL (“Ellendale”), a company at arm’s length to Caldera. The Exploration Licence covers a total area of 74 square kilometres. Details of the Exploration Licence are given in table 1 below.

Table 1. Tenement Schedule – Abminga Diamond Project

Tenement Holder	EL Number	Renewal date (annually)	Area (sq. km)
Caldera	Ref 2003/00217*		74
			74

* EL subject to JV agreement with Ellendale.
Offer of grant accepted by Caldera, EL number not yet issued by Primary Industries and Resources, South Australia (PIRSA).

2.1.3 Geology

The regional geology of the Abminga area consists of Phanerozoic sedimentary basins onlapping and overlying Proterozoic rocks. The Proterozoic basement outcrops

strongly in the northwest of the Abminga sheet where it forms the southern part of the Musgrave Block. The Musgrave Block comprises Early to Middle Proterozoic gneiss and schist intruded by a suite of granites that form a 60,000 square kilometre basement domain extending across the common borders of South Australia, Western Australia and the Northern Territory.

The Musgrave Block is flanked to the east by the Palaeozoic Warburton Basin. The Warburton Basin is overlain by the Permian-Carboniferous Pedirka Basin and both are overstepped from the east by the Mesozoic Eromanga Basin which onlaps onto the eastern margin of the Musgrave Block. To the east and southeast of the Musgrave Block, the surface geology is dominantly flat-lying, fine-grained clastic Cretaceous sediments overlain by Tertiary and Quaternary silcrete, clastic sediments and unconsolidated alluvium. Older Mesozoic and Palaeozoic units do not outcrop but their existence is reported in some drillholes and inferred from outcrop, on adjoining map sheets.

On the Abminga sheet the Mesozoic Eromanga Basin comprises flat-lying sediments with a total thickness not exceeding 500 metres. A thin cover of Eromanga Basin sediments onlaps the eastern margin of the Musgrave Block. The outcropping sediments of the Eromanga Basin include claystones and arenites of the Winton and Oodnadatta Formations overlying dark silty claystones, carbonaceous and pyritic shales and quartz sandstones of the Bulldog Shale. The base of the Mesozoic section is the Jurassic Algebuckina Sandstone; a poorly consolidated quartz sandstone with coal seams at its base. The underlying sequences of the Pedirka and Warburton Basins are not well known in this area and are thought to range in age from Permian to Cambrian (?) overlying a Proterozoic crystalline basement.

On the northern part of the Abminga sheet the Proterozoic basement is overlain by up to 3,000 metres of Palaeozoic and Mesozoic sediments. The regional gravity and seismic surveys over this region indicate the presence of major northwest trending basement structures underlying the Palaeozoic basins. The faults and flexures that accompanied geosynclinal activity may have provided zones of structural weakness controlling kimberlite/ lamproite emplacement in this Proterozoic mobile zone.

2.1.4 Exploration

The principal focus in the Exploration Licence (PIRSA Ref. 2003/00217) is an isolated magnetic anomaly. A detailed aeromagnetic survey has been completed at this target during 2002. This has been reported previously.

The Company intends to model the high resolution aeromagnetic data during 2004 prior to conducting fieldwork.

2.1.5 Results

No exploration results have been obtained from the Abminga Diamond Project during 2003.

2.2 Mt. Alice Base Metal Project

The Mt. Alice Base Metal Project is situated in a basin setting which is regarded as having potential for base metal mineralization.

During 2003, an Exploration Licence has been granted by Primary Industries and Resources, South Australia. Exploration can only commence once an Aboriginal Site Clearance has been completed. Consequently, no exploration activity has been carried out at the Mt. Alice Project during 2003.

2.2.1 Location and Access

The Mt. Alice Project is located in the northwestern portion of the Oodnadatta SG 53-15 1: 250 000 map sheet in northern South Australia. The project is readily accessible by graded roads from the town of Oodnadatta. The project location, regional geology and tenement is illustrated in figure 2.

2.2.2 Tenement Schedule

An Exploration Licence covering an area of 61 square kilometres was granted during

May 2003 for a period of one year. Details of the Exploration Licence are given in An Exploration Licence covering an area of 61 square kilometres was granted during May 2003 for a period of one year. Details of the Exploration Licence are given in table 2 below.

Table 2. Tenement Schedule – Mt. Alice Base Metal Project

Tenement Holder	EL Number	Renewal date (annually)	Area (sq. km)
Caldera Resources Pty Ltd/ Ellendale Resources NL	EL 3087	21 May	61

2.2.3 Geology

Mt. Alice is located within the Arckaringa intracratonic basin close to the eastern margin of the Officer Basin. The Arckaringa Basin contains sediments of Adelaidean to Carboniferous age. The eastern margin of the Officer Basin is poorly defined and not well understood. The sedimentary succession consists of strongly folded Adelaidean (late Proterozoic) deposits and moderately to gently folded rocks of the Cambrian to Devonian. Late Carboniferous to Permian sedimentation is preserved in the Arckaringa Basin. Sediments are largely of continental origin with a characteristic shallow-marine to fluvial glacial unit at the base.

2.2.4 Exploration

A potential gossan signature has been identified from Landsat ETM imagery at Mt. Alice. This will be investigated for evidence of base metal mineralization. The project is located in the northeastern Officer Basin, approximately 25 kilometres southwest of the Company's Mt. Sarah Project.

Caldera, as the project operator will undertake a technical review of all project data during 2004 with a view to conducting a sampling programme during 2004.

2.2.5 Results

No exploration results have been obtained at the Mt. Alice Base Metal Project during 2003.

2.3 Mt. Carulina Gold/ Base Metal Project

The Mt. Carulina Project is located at the north-east margin of the Gawler Craton.

The Mt. Carulina Project comprises one tenement which is held by the Company through Laura Holdings as to 75% and Ellendale as to 25%. No field exploration has been carried out at the Mt. Carulina Project during 2003.

During 2002 the tenement was subject to an option agreement between Laura/Ellendale, PlatSearch NL, and a wholly-owned subsidiary of Inco Limited.

Following the withdrawal of Inco Resources (Australia) Pty Ltd. from the joint venture, the exploration Licence has been renewed for a period of two years with effect from May 2003. The area under tenure has been reduced as detailed in 2.3.2 below. Caldera is now the project operator.

2.3.1 Location and Access

The Mt. Carulina Project is located in the western portion of the Oodnadatta 1: 250 000 map sheet in northern South Australia. The project location, regional geology and tenement is illustrated in figure 2.

2.3.2 Tenement Schedule

Details of the Mt. Carulina tenement are provided in table 3 below.

Table 3. Tenement Schedule – Mt. Carulina Gold/ Base Metal Project

Tenement Holder	EL Number	Renewal date (annually)	Area (sq. km)
Laura Holdings Pty Ltd. / Ellendale Resources NL	EL 2736	25 May	295

2.3.3 Geology

EL 2736 is located in the Warburton Basin, comprising flat-lying Tertiary and Mesozoic sediments overlying Precambrian basement. The thickness of the Mesozoic section is not well defined but available geophysical and oil well data shows the depth varies from about 60 metres to over 500 metres. The geology of the Gawler Craton in the area of EL 2736 is believed to correlate with the same siltstone and granitoid units that host the Olympic Dam deposit 300 kilometres to the south of the tenement. The project is located within the O’Driscoll G2 WNW trending lineament corridor that hosts the world-class Olympic Dam copper-gold deposit.

2.3.4 Exploration

The Mt. Carulina anomaly is regarded as a potential Olympic Dam-style target. Caldera as the project operator will undertake a technical review of the project during 2004.

2.3.5 Results

No exploration results have been obtained at the Mt. Carulina Project during 2003.

2.4 Mt. Sarah Base Metal Project

The Mt. Sarah Project is situated in the northern part of South Australia. The project covers a large clay alteration zone within which three gossan bands whose relict textures indicate derivation from a massive sulphide are present. The Company has been exploring this alteration zone through a combination of ground geophysics and

reverse circulation drilling.

2.4.1 Location and Access

The Mt. Sarah Project is located in the northwestern portion of the Oodnadatta 1: 250 000 map sheet in northern South Australia approximately 75 kilometres northwest of the town of Oodnadatta. The project is readily accessible by graded roads from the town of Oodnadatta. The project location, regional geology and tenement is illustrated in figure 2.

2.4.2 Tenement Schedule

Details of the Mt. Sarah tenement are provided in table 4 below. The project is 50% owned and managed by Caldera and the remaining equity is held by Ellendale Resources NL, an Australian public company.

Table 4. Tenement Schedule – Mt. Sarah Base Metal Project

Tenement Holder	EL Number	Renewal date (annually)	Area (sq. km)
Caldera Resources Pty Ltd/ Ellendale Resources NL	EL 2958	22 April	128

2.4.3 Geology

Mt. Sarah is located within the Arckaringa intracratonic basin close to the eastern margin of the Officer Basin. The Arckaringa Basin contains sediments of Adelaidean to Carboniferous age. The eastern margin of the Officer Basin is poorly defined and not well understood. The sedimentary succession consists of strongly folded Adelaidean (late Proterozoic) deposits and moderately to gently folded rocks of the Cambrian to Devonian. Late Carboniferous to Permian sedimentation is preserved in the Arckaringa Basin. Sediments are largely of continental origin with a characteristic shallow-marine to fluvial glacial unit at the base.

2.4.4 Exploration

During 2003, the Company completed a Reverse Circulation (RC) drilling program and field checking of other areas within the clay alteration zone.

An exploratory drill program comprising two RC holes for a total of 360 metres was completed at Mt. Sarah during 2003. The drilling program was completed using a RC drill bit having diameter of 5.5 inches. The drilling tested two highly conductive stratiform zones identified from a previously completed electromagnetic survey. One hole was positioned where three gossan bands are present at surface.

Drill sample was collected at one metre intervals and representative two metre composite drill samples were submitted for multi-element geochemical analysis at Ultratrace laboratories in Perth.

Processing of Landsat 7 Enhanced Thematic Mapper Plus (ETM+) satellite data by Earthscan Ltd. of Perth indicates an area of clay and iron alteration which covers an area of approximately 16.25 square kilometres. During 2003 additional areas of the clay carbonate alteration zone were investigated in the field. Rock samples were collected and submitted for geochemical analysis. Duplicate rock samples have been retained.

All samples were pulverised in a ring pulveriser. The samples were digested with a mixture of acids including hydrofluoric, nitric, hydrochloric and perchloric acids.

2.4.5 Results

Geochemistry

Multi-element geochemical analyses for the drilling programme are presented in appendix 1.

The Company is of the opinion that further work is justified at the project. In this regard the Company is planning to process higher resolution satellite data and conduct a geochemical sampling programme at Mt. Sarah in the 2004 field season.

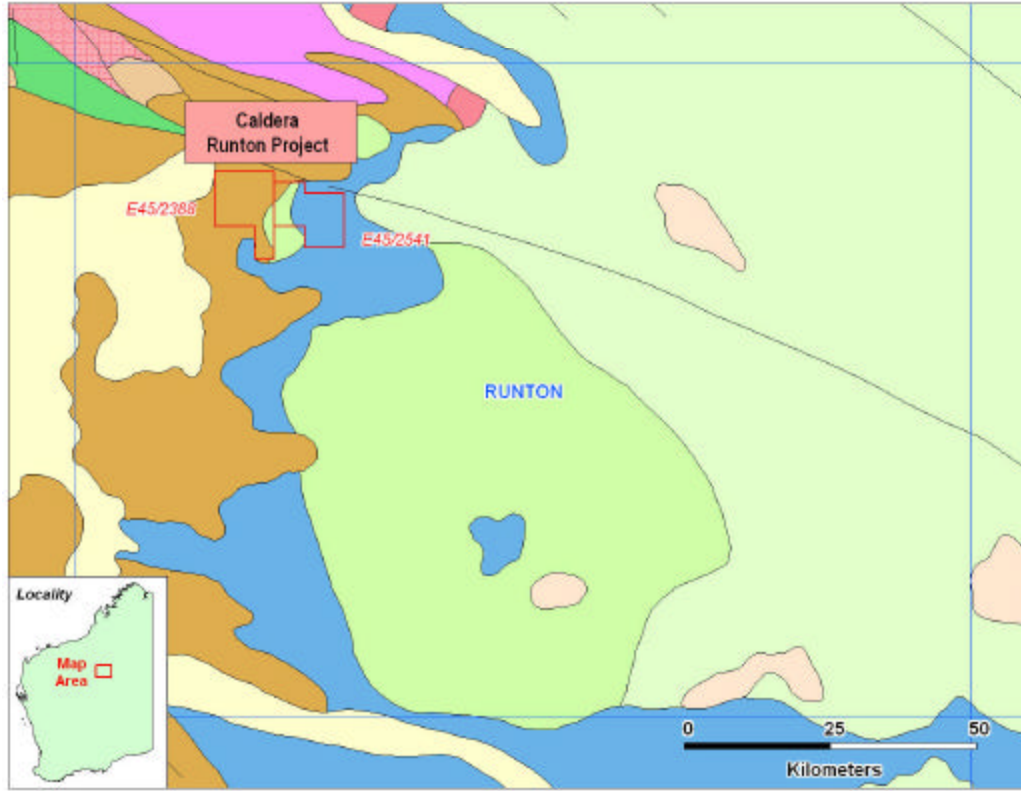
2.5 Runton Diamond Project

The Runton Project is located in the Paterson Orogen of Western Australia. The prospect is situated in a Proterozoic mobile belt which is an analogous setting to that of the diamondiferous Argyle lamproite in the Kimberley region of Western Australia. Re-interpretation of aeromagnetic data suggests a near-surface intrusive dyke-like body. Sampling results suggest the presence of a kimberlite or lamproite intrusive.

2.51. Location and Access

The Runton Diamond Project is located on the Runton SF51-15 1:250,000 Sheet at the western edge of the Great Sandy Desert approximately 450 kilometres east-northeast of Newman. Access is gained by four wheel drive vehicle along graded tracks from the Telfer or Mount Newman minesites. The project location, regional geology and tenements are illustrated in figure 3.

Figure 3. Runton Diamond Project – Regional Geology and Tenements



2.5.2 Tenement Schedule

The Project comprises two Exploration Licences which are 100% owned by Caldera. Tenement details are shown in table 5 below.

Table 5. Tenement Schedule – Runton Diamond Project

Tenement Holder	EL Number	Date Granted/ Applied	Area (sq. km)
Caldera Resources Pty Ltd	EL 45/2388	23 October 2002	113.22
Caldera Resources Pty Ltd.	ELA 45/2541	1 September 2003	100.64
			213.86

2.5.3 Geology

The area of interest is within the eastern part of the northwestern component of the Paterson Orogen. The Paterson Orogen is delineated by an arcuate series of gravity highs known as the Warri Gravity Ridge (< 100 kilometres wide) which extends for about 2,000 kilometres from the east Pilbara to central Australia. The Paterson Orogen is a northwesterly trending belt of folded and metamorphosed sedimentary and igneous rocks that extends about 1200 kilometres across the central part of Western Australia. The orogen is exposed in the northwest along the eastern margin of the Pilbara Craton and ~ 400 kilometres to the southeast in the Musgrave Complex of Central Australia (and along the northern margin of the Gawler Craton).

The orogen is flanked to the west by rocks of the Pilbara Craton and to the southwest by rocks of the Yilgarn Craton. The orogen is unconformably overlain by late Neoproterozoic to Phanerozoic rocks of the Officer Basin (Disappointment Group) to the east and Phanerozoic rocks of the Canning Basin to the north. The northwestern Paterson orogen comprises Palaeoproterozoic – Mesoproterozoic basement (Rudall Complex) and Neoproterozoic sedimentary cover which includes the Throssell, Lamil and Tarcunyah Groups.

The Rudall Complex is divided into the Connaughton and Tabletop Terranes and the Runtan project area is situated within the Connaughton terrane. This terrane is present southwest of the Camel-Tabletop Fault Zone in the western part of the Blanche-Cronin mapped area (Bagas, 1999).

Remnants of the Permian-Cretaceous (Paterson Formation) land surface are present in the western, southern and eastern parts of Blanche-Cronin. These include Permian fluvial-glacial sedimentary rocks (benches), deposited in valleys during glacial retreat (and hills and mesas of Cretaceous near-shore marine and fluvial sedimentary rocks). Late Permian to Cainozoic erosion of high-relief areas probably contributed to deposition in continental and shallow-marine settings in the south-western part of the Canning Basin.

Mesozoic lithologies in the area include the Cronin Sandstone (late Triassic/ Jurassic) and the Anketell Sandstone (Cretaceous). The Cronin Sandstone disconformably overlies the Paterson Formation. The Anketell Sandstone unconformably overlies the Karara Formation and disconformably overlies the Paterson Formation.

Calcrete deposits throughout northern Blanche-Cronin pre-date the sand plains, and may relate to channels and lakes that were active during Tertiary times.

The Paterson Orogeny was the last major tectonic event to affect the Paterson Orogen, and is probably related to the Petermann Orogeny of Central Australia. The Paterson Orogeny occurred at ~ 550 Ma. The late northerly trending dolerite dykes fill fracture zones that may relate to extensional structures. Major structures attributed to the Paterson Orogeny on Blanche-Cronin are those affecting the Tarcunyah Group. The Tarcunyah Group is folded by open, easterly trending folds accompanied by D₆ thrust and normal faults.

2.5.4 Exploration

During 2003 the Company re-interpreted previously acquired aeromagnetic data. This interpretation suggests the presence of a weakly magnetic dyke like feature with a minimum depth extent of 600 metres and with an approximate width of 200 metres.

The Company has processed archive loam and rock samples during 2003 and early 2004 for the recovery of kimberlite / lamproite indicator minerals. Sample processing of loam and rock samples has been carried out in Perth and involved heavy mineral separation using tetrabromo-ethylene (TBE), an acid wash, followed by mineral picking. Some heavy mineral concentrates have undergone caustic fusion. Duplicate samples have been retained.

2.5.5 Results

Heavy minerals of interest have been analysed using a scanning electron microscope (SEM) at CSIRO in Perth and an electron microprobe at the University of Western Australia, Perth (UWA).

Numerous chrome spinels and a total of twenty-two micro-diamonds have been recovered. The micro-diamonds have been recovered at several points along strike of the aeromagnetic anomaly.

2.6 Victoria River Downs Diamond (VRD) Project

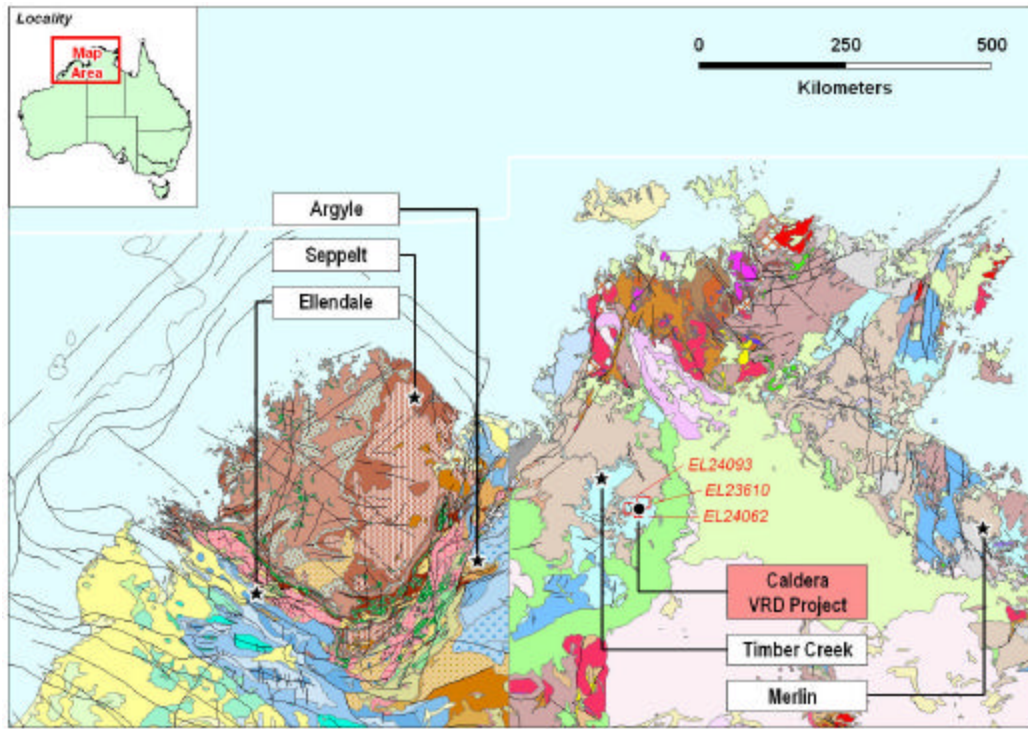
The Victoria River Downs Project (VRD) is located in the Victoria River Basin of the Northern Territory. This basin is a component of the North Australian Craton which is considered to be highly prospective for kimberlites. The Victoria River Basin hosts the diamondiferous Timber Creek kimberlites which were discovered by De Beers during 1991.

A portion of the project area contains aeromagnetic anomalies selected from 400 metre line-spaced aeromagnetic data. Some of these anomalies seem to be located on or close to E-W and subtle NE-SW structures and are regarded as potential kimberlite pipe targets.

2.6.1 Location and Access

The project is located on the Victoria River Downs Station, south-east of the Timber Creek township, and about 60 kilometres south-east of the Timber Creek kimberlites. The project area is easily accessible via the Top Springs/ Timber Creek road. The project location, regional geology and tenements are illustrated in figure 4 below.

Figure 4. VRD Diamond Project - Regional Geology and Tenements



2.6.2 Tenement Schedule

The VRD project comprises three Exploration Licences 100% owned by Caldera. Tenement details are shown in table 6 below.

Table 6. Tenement Schedule– Victoria River Downs Diamond Project

Tenement Holder	EL Number	Date Granted/ Applied	Area (sq. km)
Caldera Resources Pty Ltd.	EL 23610	3 July 2003	453
Caldera Resources Pty Ltd.	ELA 24062	24 October 2003	203
Caldera Resources Pty Ltd.	ELA 24093	28 November 2003	300
			956

2.6.3 Geology

Geology of the Victoria River Downs 1: 250 000 mapsheet includes portions of the Proterozoic Victoria Basin and Palaeozoic Wiso Basin, as well as a discontinuous cover of Mesozoic sedimentary rocks and Cainozoic sediments (Beier *et al.*, 2002). The Proterozoic Birrindudu Basin and overlying Victoria Basin are underlain by metamorphic basement of the Pine Creek and Halls Creek Orogens, which were cratonised during the 1880 – 1850 Ma Barramundi Orogeny. The Victoria Basin is located within the North Australian Craton (NAC). Recent teleseismic investigations (SKIPPY Project – Australian National University) indicate that the NAC east of the Halls Creek Mobile Zone is a region with high shear wave speed suggesting the presence of thick lithosphere. The Victoria Basin formed after deposition in the underlying Birrindudu Basin was terminated by slow regional uplift of metamorphic basement, resulting in a shift in sedimentation northward to southeastern Waterloo mapsheet and Victoria River Downs mapsheet. Several thousand metres of Palaeoproterozoic to Neoproterozoic sedimentary rocks (dolomites, shales and siltstones) accumulated within the basin.

Uplift and erosion preceded the regional extrusion of Early Cambrian flood basalts of the Antrim Plateau volcanics. During the Mesozoic, basin margin facies of undifferentiated Cretaceous rocks covered much of the VRD mapsheet. Much of these have since been eroded.

2.6.4 Exploration

During 2003 the Company completed a 650 line-km aeromagnetic survey at a line spacing of 100 metre over targets selected from previously acquired 400 metre line-spaced aeromagnetic data. Twenty-two aeromagnetic anomalies have been selected from the high resolution aeromagnetic survey for follow-up sampling. This was completed during 2003.

Loam samples weighing approximately 15 – 10 kilogram each were collected from each magnetic anomaly. Rock samples were also collected. Sample processing of loam samples has been carried out in Perth and involved heavy mineral separation using tetrabromo-ethylene (TBE), an acid wash, followed by mineral picking. Duplicate samples have been retained.

2.6.5 Results

Minerals of interest have been analysed using a scanning electron microscope (SEM) at CSIRO in Perth.

2.7 Yilgarn Craton Diamond Project

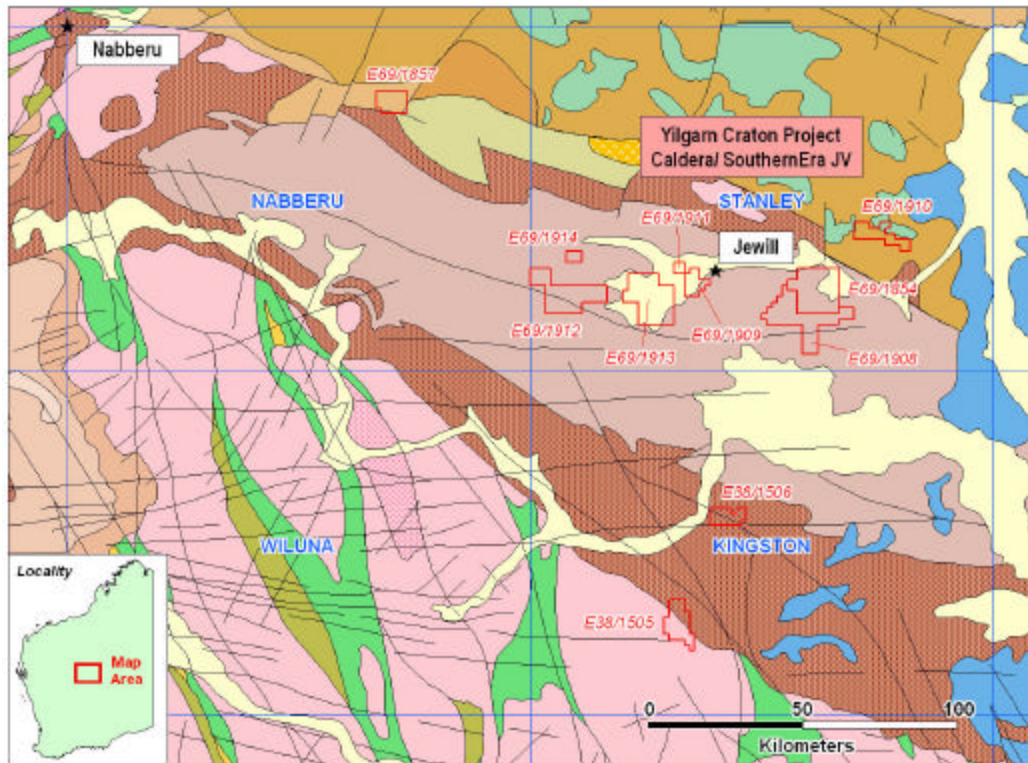
The project which covers approximately 1,200 square kilometres is located within the Proterozoic Earaheedy Basin kimberlite province of Western Australia. This province hosts the Jewill and Nabberu diamondiferous kimberlites. The project is a joint venture with SouthernEra Resources Limited (“SouthernEra”) (TSE:SUF). The joint venture is investigating several aeromagnetic anomalies regarded as being potential kimberlite pipes.

SouthernEra has met its expenditure requirement to earn a participating interest in the project and has elected to fund the project with the parties contributing on a 51% and 49% basis.

2.7.1 Location and Access

The joint venture currently comprises fourteen Exploration Licences. Good access to the area is available through a combination of tarred and off country roads including well established station tracks. The Exploration Licences are located on the Kingston, Nabberu, Rason and Stanley 1: 250 000 map sheets. An Exploration Licence schedule is given below. The project location, regional geology and tenements are illustrated in figure 5.

Figure 5. Yilgarn Craton Diamond Project – Regional Geology and Tenements.



¹ Exploration Licence applications located on the Rason SH-51-03 1: 250 000 sheet are not shown on the above map.

2.7.2 Tenement Schedule

The Yilgarn Craton Project comprises fourteen Exploration Licences covering an area of approximately 1,291 square kilometres. A list of Exploration Licences is provided in table 7 below.

Table 7. Tenement Schedule – Yilgarn Craton Diamond Project

Tenement Holder	EL Number	Date Granted/ Applied	Area (sq. km)
Kingston 1: 250 000 Sheet			
Caldera Resources Pty Ltd	EL 38/1505	18 December 2003	99.05
Caldera Resources Pty Ltd	ELA 38/1506	Applied 5 June 2002	57.03
Nabberu 1: 250 000 Sheet			
Caldera Resources Pty Ltd	ELA 69/1857	Applied 13 December 2002	69.03
Rason 1: 250 000 Sheet¹			
Caldera Resources Pty Ltd	ELA 38/1395	Applied 1 September 2000	18.01
Caldera Resources Pty Ltd	ELA 38/1396	Applied 1 September 2000	12.01
Caldera Resources Pty Ltd	ELA 38/1435	Applied 27 April 2001	72.03
Stanley 1: 250 000 Sheet			
Caldera Resources Pty Ltd.	EL 69/1854	13 October 2002	204.10
Gemcoral Holdings Pty Ltd.	ELA 69/1908	25 November 2003	207.10
Gemcoral Holdings Pty Ltd.	ELA 69/1909	25 November 2003	51.03
Gemcoral Holdings Pty Ltd.	ELA 69/1910	25 November 2003	78.04
Gemcoral Holdings Pty Ltd.	ELA 69/1911	25 November 2003	12.01
Gemcoral Holdings Pty Ltd.	ELA 69/1912	25 November 2003	186.09
Gemcoral Holdings Pty Ltd.	ELA 69/1913	25 November 2003	207.10
Gemcoral Holdings Pty Ltd.	ELA 69/1914	25 November 2003	18.01
			1,290.64

¹ Exploration Licence applications located on the Rason SH-51-03 1: 250 000 sheet are not shown on the above map.

ELA = EL application

2.7.3 Geology

The northeast Yilgarn Craton is largely one geophysical domain, the Eastern Goldfields domain. The Eastern Goldfields domain can be subdivided into two main components, the Norseman-Wiluna Belt, in the western half, characterised by abundant greenstone, and to the east, the felsic dominated crust of the eastern gneiss sub-domain.

The geology of the southern part of the project area is located within the eastern gneiss sub-domain. This is largely composed of Archaean basement, which comprises

moderately magnetised, undivided gneiss-migmatite-granite with some banded gneiss, and small greenstone remnants spatially associated with widely spaced shear zones. Shear zones and faults are well delineated in moderately magnetised gneiss-migmatite-granite regions.

The northern part of the project area includes Exploration Licences which are situated in the Proterozoic Earraheedy Basin. The Earraheedy Basin is filled by rocks of the Earraheedy Group. The Earraheedy Group is a 5 km-thick package of shallow marine clastic and chemical sedimentary rocks divided into two subgroups (Jones *et al.*, 2000). The Tooloo Subgroup consists of the Yelma, Formation, Frere Formation and Windidda Formation. The Earraheedy Basin (and the Glengarry Basin) straddles the southern margin of the Capricorn Orogenic Belt and the northern margin of the Eastern Goldfields Province of the Yilgarn Craton. Structures within the Earraheedy Basin reflect the nature and behaviour of the northern margin of the Yilgarn Craton. The most prominent structures trend easterly and north-easterly and resulted from the re-activation of basement faults formed during early rifting between the Yilgarn and Pilbara cratons.

2.7.4 Exploration

Caldera commenced field exploration on the Yilgarn Craton Project during 1999. Exploration activity to date has included purchase and processing of regional Australian Geological Survey Organization (“AGSO”, now called “Geoscience Australia”) aeromagnetic data, anomaly selection, anomaly sampling, in-fill aeromagnetic surveying and reconnaissance drilling.

Digital aeromagnetic data covering an area of approximately 132,000 square kilometres was purchased during 2002 from the National Airborne Geophysical Database of Geoscience Australia. Processing of this data has highlighted magnetic anomalies, whose signature is considered to be indicative of potential kimberlite pipes, in known diamondiferous kimberlite provinces.

During 2003, 100 metre line-spaced aeromagnetic surveys were completed in six different areas for a total of 7,600 line kilometres. Processing of this data has generated 70 aeromagnetic anomalies for follow-up work and 42 kimberlite pipe-like targets have been sampled to date. Loam samples weighing 5 – 10 kilogram have been collected from each target. Rock samples have also been collected.

Processing of loam samples has been carried out in Perth and involved heavy mineral separation using tetrabromo-ethylene (TBE), an acid wash, followed by mineral picking. Rock samples have been submitted to Ultratrace laboratories in Perth for multi-element geochemistry and to South Africa for petrological examination. Duplicate loam and rock samples have been retained.

An Aboriginal Site Clearance survey has been completed at fifteen targets in preparation for a drill programme. A reverse circulation drill programme will test positive airborne targets during the second quarter of 2004.

2.7.5 Results

Heavy Mineral

Heavy minerals of interest have been analysed using a scanning electron microscope (SEM) at CSIRO in Perth and an electron microprobe at the University of Western Australia, Perth (UWA).

Chrome spinels, some of which have been sourced from the diamond stability field have been recovered from twenty-eight airborne targets. Significantly, kimberlitic chrome spinels have been recovered from rock float at three anomalies. Preliminary petrological examination of these rocks indicates they are possibly lamproitic in origin.

Geochemistry

The geochemical analyses obtained for the loam samples are reported in appendix 2.

3. NEW EXPLORATION PROJECTS

During 2003 and 2004 the Company has initiated three new diamond projects to explore in 2004. Brief comments are presented here on the Cromer Cone, Corunna Downs and Ellendale East diamond projects which are incorporated in the budget proposal of section 6.

3.1 Cromer Cone Diamond Project.

The Cromer Cone Project which is joint ventured with Mr. Ronald Winston, Chairman of Harry Winston Inc. New York, is located in the east Pilbara region of Western Australia. The project comprises six Exploration Licences and covers an area of approximately 1,250 square kilometres. The Exploration Licences are listed in table 8 below and illustrated in figure 6.

The project is situated immediately south and west of the Company's Runtou Diamond Project. The Cromer Cone Project is located within the eastern part of the northwestern component of the Paterson Orogen. The Paterson Orogen is delineated by an arcuate series of gravity highs known as the Warri Gravity Ridge (< 100 kilometres wide) which extends for about 2,000 kilometres from the east Pilbara to central Australia. The Paterson Orogen is a northwesterly trending belt of folded and metamorphosed sedimentary and igneous rocks that extends about 1200 kilometres across the central part of Western Australia.

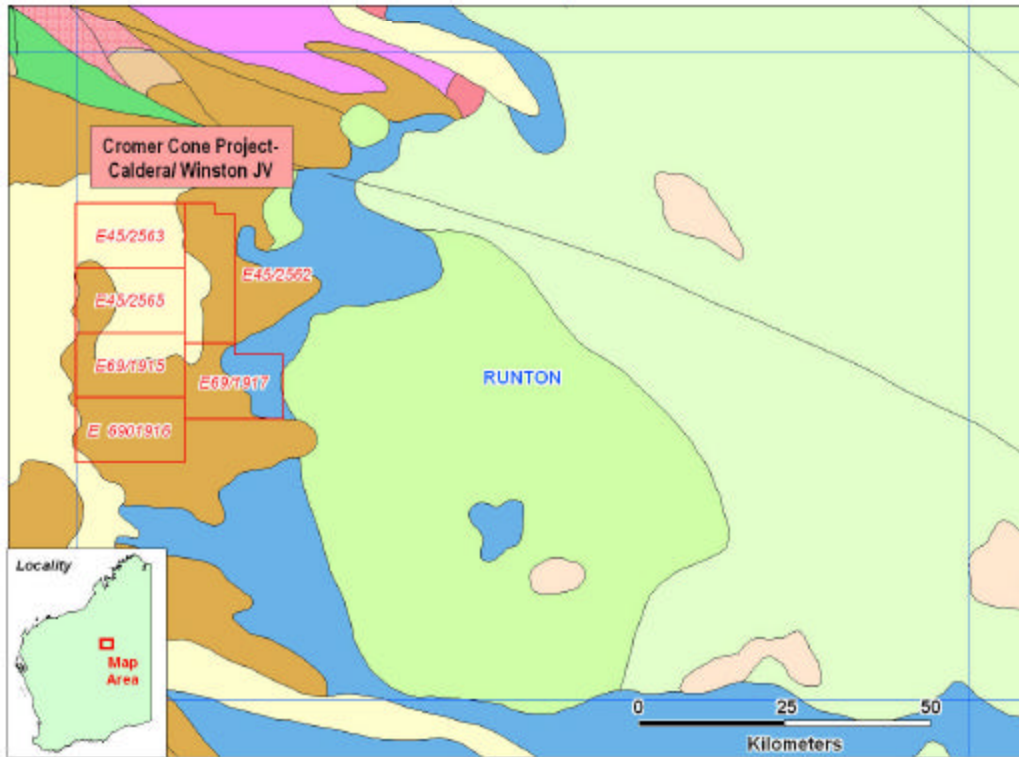
The structural setting of the Cromer Cone area is regarded as being favourable for the emplacement of kimberlites or lamproites.

An aeromagnetic survey totalling 3,000 line kilometres at a line-spacing of 400 metres is scheduled to be flown at the Cromer Cone Project during the first quarter of 2004. The data will initially be examined for structures likely to be favourable for kimberlite and lamproite emplacement.

Table 8. Tenement Schedule – Cromer Cone Diamond Project

Tenement Holder	EL Number	Date Applied	Area (sq. km)
Caldera Resources Pty Ltd./ Ronald Winston	EL 45/2562	25 November 2003	198
Caldera Resources Pty Ltd./ Ronald Winston	EL 45/2563	25 November 2003	208
Caldera Resources Pty Ltd./ Ronald Winston	EL 45/2565	25 November 2003	208
Caldera Resources Pty Ltd./ Ronald Winston	EL 69/1915	25 November 2003	208
Caldera Resources Pty Ltd./ Ronald Winston	EL 69/1916	25 November 2003	208
Caldera Resources Pty Ltd./ Ronald Winston	EL 69/1917	25 November 2003	204
			1,234

Figure 6. Cromer Cone Diamond Project – Regional Geology and Tenements



3.2 Corunna Downs Diamond Project

The Company has one Exploration Licence application covering approximately 150 square kilometres of a highly prospective region of the Archaean Pilbara Craton in Western Australia (figure 7). The Exploration Licence details are listed in table 9 below.

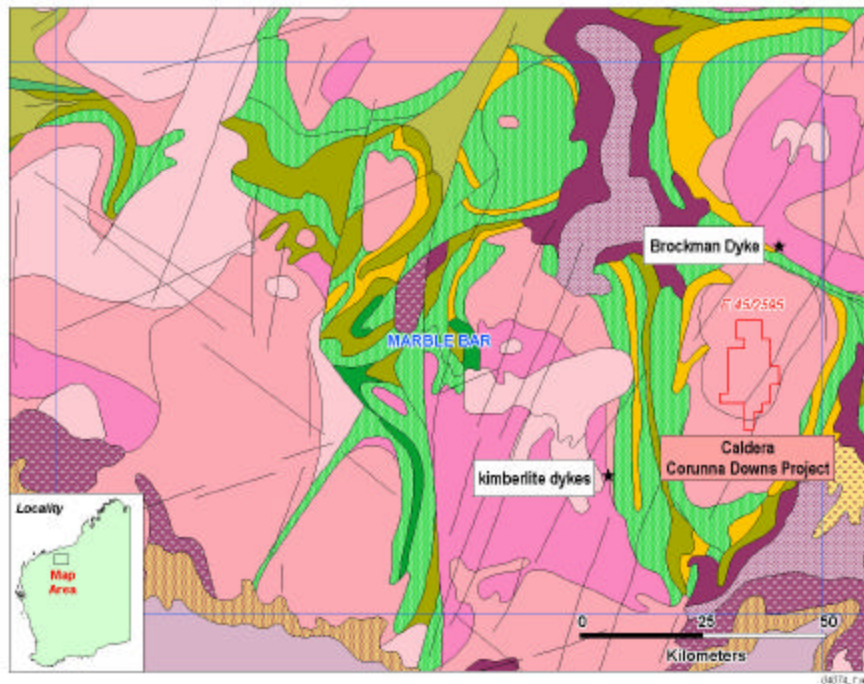
The project is located approximately 75 kilometres northwest of the Nullagine alluvial diamond field. This alluvial occurrence was the first diamond discovery in Western Australia. The origin of the Nullagine alluvial diamonds remains unresolved. Diamondiferous kimberlite dykes, known as the Brockman Dyke system occur approximately 25 kilometres to the north of the project. No kimberlite pipes have been discovered on the Pilbara Craton.

During 2004, Caldera will complete a detailed aeromagnetic survey at Corunna Downs over several interesting magnetic features identified from government aeromagnetic data.

Table 9. Tenement Schedule – Corunna Downs Diamond Project

Tenement Holder	EL Number	Date Granted/ Applied	Area (sq. km)
Caldera Resources Pty Ltd.	EL 45/2595		145
			145

Figure 7. Corunna Downs Diamond Project – Regional Geology and Tenements



3.3 Ellendale East Diamond Project

The Ellendale East Project is located within the south western Kimberley Region of Western Australia. The Company has applied for two Exploration Licences covering approximately 250 square kilometres in the diamondiferous Ellendale Lamproite Field which occupies the northern part of the West Kimberley Lamproite Province in Western Australia. The Kimberley region contains the highest density of diamondiferous intrusions in Australia. The Exploration Licences are listed in table 10 below and illustrated in figure 8.

The project area is located within the Lennard Shelf, which forms the northwest margin of the Canning Basin. The shelf is overlain by sediments ranging from Ordovician to Permian in age. These sediments have been subject to block faulting, which appears to have played an important role in the emplacement of lamproite pipes during early Miocene times (~ 20 million years ago).

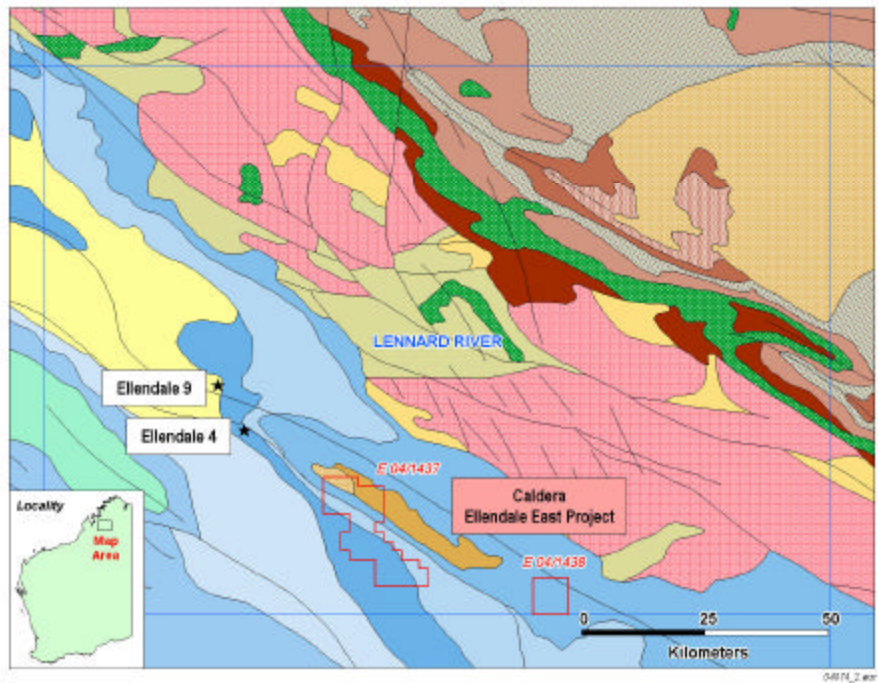
The Exploration Licences cover the southeastern part of some major faults, suggesting a strong structural control. The general trend of the Ellendale lamproite occurrences is northwest-southeast. The larger exploration licence application is situated 30 kilometres southeast of the Ellendale 9 pipe (75 ha.) and 20 kilometres southeast of the Ellendale 4 pipe (45 ha.)

Caldera considers the ground covered by the two Exploration Licence applications to be under-explored with excellent potential to host diamondiferous lamproites. The Company proposes to commence geophysics and sampling work programs once the Exploration Licences are granted.

Table 10. Tenement Schedule – Ellendale East Diamond Project

Tenement Holder	EL Number	Date Granted/ Applied	Area (sq. km)
Caldera Resources Pty Ltd.	EL 04/1437	19 th February 2004	198
Caldera Resources Pty Ltd.	EL 04/1438	19 th February 2004	48
			246

Figure 8. Ellendale East Diamond Project – Regional Geology and Tenements



4. RELINQUISHED PROJECTS

During 2003 the Company fully relinquished the Abminga South Base Metal Project located in South Australia and two diamond projects located in Western Australia, namely the Bobbymia and Tabletop West projects.

4.1 Abminga South Base Metal Project

Land access in the area of the Abminga South Base Metal Project has been difficult due to Aboriginal issues. The Company has decided not to pursue negotiations with the Aboriginal Claimant groups to the area and consequently has fully relinquished this base metal project.

4.2. Bobbymia Diamond Project

The Company regards the Bobbymia project as being a low potential diamond project and has ceased exploration at this project.

4.3 Tabletop West Diamond Project

In light of disappointing results from the Company's former Tabletop diamond project, Caldera considers the Tabletop West project to have a low chance of hosting kimberlite pipes.

5. CONCLUSION

Four active diamond exploration projects and three gold/ base metal project have been reviewed in this report. In addition to continuing work at these projects the Company proposes to begin exploration at three new projects during 2004.

Budget proposals for projects funded solely by the Company are outlined in section 6 below.

6. PROPOSED BUDGETS

Budget proposals for 2004 are detailed in appendix 3 for exploration projects funded by the Company. Provision has also been made for three new diamond exploration project which the Company proposes to commence in 2004.

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- Bagas, L. (1999). Geology of the Blanche-Cronin 1: 100 000 sheet (part sheets 3551 and 3552): Western Australia Geological Survey, 1: 100 000 Geological Series Explanatory Notes.
- Beier, P.R., Dunster, J.N., Cutovinos, A. and Pietsch, B.A. (2002). Victoria River Downs, Northern Territory (Second Edition). 1: 250 000 geological map series explanatory Notes, SE 52-4. *Northern Territory Geological Survey, Darwin.*
- Jones, J.A., Pirajno, F. and Hocking, R.M. (2000). Stratigraphy, tectonic evolution and mineral potential of the Earraheedy Basin: Western Australia Geological Survey, Record 2000/8, p.11-13.

CERTIFICATE OF AUTHOR

I, Martin Edward Jackson, Consulting Geologist do hereby certify that :

1. I, am a Consulting Geologist, and reside at 19/3 Brigid Road, Subiaco, 6008, Western Australia.
2. I graduated with a Bachelor of Science (Honours) degree in Combined Science (Geology and Chemistry) from Sunderland Polytechnic (U.K.) in 1986. In addition I have obtained a Master of Science degree in Remote Sensing with GIS in 1999 from The University of Greenwich (U.K.).
3. I am a member in good standing of The Australian Institute of Mining and Metallurgy (Membership No. 210861).
4. I have worked as an Exploration Geologist in South Africa, Ghana, Venezuela and Australia for the past 17 years since my graduation.
5. I have read the definition of “ qualified person” set out in National Instrument 43-101 (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfil the requirements to be “ a qualified person ” for the purposes of NI 43-101.
6. I am responsible for the preparation of all sections of the technical report titled “ Review of Australian Exploration Projects for Diamonds and Gold/ Base Metals” and dated 26th May 2004 (the “Technical Report”) relating to the Abminga, Mt. Sarah, Mt. Alice, Mt. Carulina, Runton, Yilgarn Craton and Victoria River Downs properties. I visited the Abminga, Mt. Alice, Mt. Carulina and Mt. Sarah properties during 10th - 20th June 2003, the Yilgarn Craton properties during 29th July 2003 – 3rd August 2003, the Runton property during 11th - 13th September 2003 and the Victoria River Downs property during 24th - 28th November 2003.
7. I have had prior involvement with the Abminga, Mt. Carulina and Mt. Sarah properties. The nature of my prior involvement was in the form of field visits and reporting.
8. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.
9. I am independent of the issuer applying all the tests in section 1.5 of National Instrument 43-101.
10. I have read National Instrument 43-101 and Form 43-101F1 and this Technical Report has been prepared in compliance with that instrument and form.
11. I consent to the filing of this report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

Dated this 26th Day of May, 2004

Perth, Western Australia
26th May 2004

Martin E. Jackson, B.Sc. (Hons.), M.Sc., MAusIMM
Consulting Geologist

APPENDIX 1

Mt. Sarah Base Metal Project – Geochemical Results

HOLE #1 Sample	Ag	Ba	Ce	Co	Cu	Fe	Hg	K	Na	Nd	Ni	Pb	Se	Sr	U	V	Zn	Zr
UNITS	ppm	ppm	ppm	ppm	ppm	%	ppb	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
MS1 0-2m	-0.5	890	38.5	12	19	6.65	10	14400	0.32	21.6	19	19	-1	1980	1.2	108	84	75
MS1 4-6m	-0.5	409	38.3	18	24	7.61	20	14700	0.65	22.5	25	14	-1	2090	2.5	133	99	107
MS1 8-10m	-0.5	321	46.8	16	16	5.74	40	17200	1.02	25.4	23	15	-1	256	1.3	121	98	104
MS1 12-14m	-0.5	401	46.8	16	33	6.39	30	16100	0.83	24.8	25	22	1	267	1.4	121	113	112
MS1 16-18m	-0.5	400	54.4	20	25	6.49	50	17900	1.07	27.4	27	19	1	255	1.7	139	108	119
MS1 20-22m	-0.5	529	57.2	16	29	5.42	40	18200	1.29	27.8	26	15	-1	232	1.65	127	102	114
MS1 20-22m Rpt	-0.5	544	57.4	18	29	5.38	40	18600	1.29	28.1	27	14	1	224	1.65	130	104	113
MS1 24-26m	-0.5	836	48.7	16	24	5.7	40	18000	1.42	25.7	25	13	1	233	1.5	126	106	110
MS1 28-30m	-0.5	453	52.1	20	23	5.51	40	17700	1.41	25.4	27	14	1	211	1.6	128	102	111
MS1 32-34m	-0.5	395	50.6	18	25	5.19	30	17100	1.38	25.4	25	14	-1	198	1.55	127	103	113
MS1 36-38m	-0.5	436	53.1	20	27	5.23	30	16600	1.44	26.2	33	16	1	200	1.55	125	105	118
MS1 40-42m	-0.5	404	52.1	18	29	5.25	30	18700	1.44	26.2	29	15	1	206	1.8	128	107	121
MS1 44-46m	-0.5	415	55.9	18	34	5.32	70	17200	1.3	27.6	27	16	1	185	1.85	136	107	121
MS1 48-50m	-0.5	379	55	18	30	6.05	90	19600	1.36	26.8	29	17	1	200	1.8	147	110	126
MS1 52-54m	-0.5	337	49.4	18	31	5.55	40	19500	1.34	24.7	26	17	-1	204	1.65	134	106	121
ASCRM -010 Coal Ash	<0.5	1700	143	46	120	8.95		7600	0.28	68	71	67	4	827	7.2	208	160	410
STD 1.1	-0.5	1790	126	44	126	9.2		7600	0.28	64.6	70	70	3	858	7.5	191	159	387
Gannet ST15/140										10								
STD 1.2										-10								
MS1 56-58m	-0.5	299	49.9	16	31	5.8	30	15500	1.28	26.3	25	18	-1	180	2.15	163	110	127
MS1 60-62m	-0.5	360	43.9	18	26	5.7	50	16100	1.52	23.6	27	17	-1	229	1.5	130	106	111
MS1 64-66m	-0.5	406	54.9	18	30	5.26	30	18500	1.45	26.5	27	16	-1	223	1.8	134	105	116
MS1 68-70m	-0.5	319	54.2	20	33	5.41	40	17400	1.39	26	32	18	-1	189	1.9	155	115	118
MS1 72-74m	-0.5	337	52.6	18	34	4.97	60	18000	1.28	25.3	28	19	-1	174	1.75	139	107	118
MS1 76-78m	-0.5	545	52.5	18	30	5.09	40	17400	1.36	25.6	29	20	-1	197	1.95	139	107	112
MS1 80-82m	-0.5	282	48.6	16	25	4.56	30	18800	1.33	24.8	26	16	-1	179	1.8	139	102	112
MS1 84-86m	-0.5	303	42.1	16	29	4.7	50	16900	1.29	22.7	28	17	-1	251	1.8	122	108	108
MS1 88-90m	-0.5	288	44.3	16	40	4.81	60	17500	1.18	23	28	18	-1	171	1.75	132	105	110
MS1 92-94m	-0.5	304	43.8	16	35	4.59	50	16600	1.2	23.4	28	17	1	180	1.8	132	112	110
MS1 96-98m	-0.5	264	49	16	34	4.96	40	18100	1.22	24.3	27	27	-1	178	1.85	150	113	117

Sample	Ag	Ba	Ce	Co	Cu	Fe	Hg	K	Na	Nd	Ni	Pb	Se	Sr	U	V	Zn	Zr
UNITS	ppm	ppm	ppm	ppm	ppm	%	ppb	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
MS1 96-98m Rpt	-0.5	272	50	18	34	4.97	40	18700	1.22	25.1	28	26	-1	178	1.95	154	115	121
MS1 100-102m	-0.5	267	41	18	33	4.89	30	17500	1.23	22.1	30	20	-1	161	1.8	158	112	120
MS1 104-106m	-0.5	275	39.2	18	34	5.2	60	19000	1.26	21.3	29	20	-1	176	2	140	123	128
MS1 108-110m	-0.5	261	42.9	18	40	4.81	50	19300	0.99	23.4	28	29	-1	168	2	147	120	123
MS1 112-114m	-0.5	265	38.6	18	42	5.37	50	20200	0.98	20.2	36	26	-1	167	2.15	171	132	131
MS1 112-114m Rpt	-0.5	271	38.7	18	41	5.11	50	19900	0.92	20.5	35	25	-1	166	2.2	173	131	129
MS1 116-118m	-0.5	288	51	16	46	5.15	40	19300	0.97	25.1	34	25	-1	199	2.35	155	126	127
MS1 120-122m	-0.5	291	35.3	16	47	4.99	40	21000	0.96	19.4	36	24	-1	164	2.1	157	130	128
MS1 124-126m	-0.5	297	40.9	14	72	4.52	60	20700	0.91	22.4	41	23	2	161	3.7	164	139	122
MS1 128-130m	-0.5	272	49.7	14	66	4.53	50	19000	1.02	25.3	38	26	1	231	3	176	150	116
MS1 132-134m	-0.5	278	44.5	14	30	4.92	40	17600	1.04	23.1	28	24	1	185	1.9	157	131	121
MS1 136-138m	-0.5	275	47.6	16	32	5.19	40	17100	1.04	23.6	30	27	1	192	2.15	157	140	124
MS1 140-142m	-0.5	298	51	12	24	4.04	30	13900	0.95	24.9	22	20	-1	224	1.6	135	94	107
MS1 144-146m	-0.5	301	53.1	16	22	4.29	20	16000	1.16	26.3	23	18	-1	218	1.7	134	101	113
MS1 148-150m	-0.5	252	51.1	18	34	4.26	30	16300	0.94	25	27	26	-1	210	1.85	144	118	121
MS1 152-154m	-0.5	268	62.3	16	32	4.57	40	14900	0.95	28.2	28	26	-1	221	2.15	157	121	117
MS1 156-158m	-0.5	268	60.5	18	35	4.91	30	16700	1	27.9	33	28	-1	236	1.95	169	128	121
MS1 160-162m	-0.5	283	44.7	12	24	4.51	30	12700	1.04	23.1	25	23	-1	219	1.7	138	121	108
MS1 164-166m	-0.5	347	36.3	16	33	4.65	40	17900	1.32	19.6	27	155	-1	208	1.8	148	125	121
MS1 168-170m	-0.5	346	42.2	14	26	4.31	30	18100	1.23	21.8	24	28	1	213	1.85	158	118	113
SY-4	<0.5	340	122	2	7	4.34		13800	5.27	57	9	10	2	1190	0.8	8	93	517
STD 2.1	-0.5	337	119	-2	6	4.4		13400	5.39	55.7	7	9	2	1150	0.75	4	95	45
Gannet ST-39/6167							30											
STD 2.2							30											
MS1 172-174m	-0.5	346	45.4	14	29	4.45	30	20400	1.28	23.5	26	26	-1	234	1.8	157	111	121
MS1 176-178m	-0.5	299	41.9	14	24	4.57	40	17000	1.12	21	24	23	-1	224	1.6	145	120	107
MS1 180-182m	-0.5	329	47	14	21	4.49	20	19400	1.13	22.3	22	20	-1	229	1.55	163	116	110
MS1 184-186m	-0.5	249	32.9	10	22	3.47	30	16200	0.85	16.8	19	19	-1	158	1.35	122	86	84
MS1 188-190m	-0.5	313	59.9	16	31	4.99	30	21600	1.04	27.3	29	48	-1	215	1.9	158	124	126

Sample	Ag	Ba	Ce	Co	Cu	Fe	Hg	K	Na	Nd	Ni	Pb	Se	Sr	U	V	Zn	Zr
UNITS	ppm	ppm	ppm	ppm	ppm	%	ppb	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
MS1 192-194m	-0.5	426	51.6	16	27	5.1	30	20000	1.07	25.1	26	25	-1	205	1.75	160	114	112
MS1 196-198m	-0.5	328	51.7	16	30	4.78	30	19900	1.01	24.1	27	22	-1	199	1.7	170	112	113
MS1 200-202m	-0.5	294	52.4	16	34	5	40	21400	1.01	25.3	29	22	-1	211	1.7	191	121	118
MS1 200-202m Rpt	-0.5	285	53.2	16	32	4.74	40	20900	0.96	25	27	22	-1	208	1.65	195	116	111
MS1 204-206m	-0.5	271	54.2	16	34	4.58	30	20400	0.9	25.7	30	23	-1	216	1.6	179	121	111
MS1 208-210m	-0.5	284	46.2	16	31	4.66	50	17300	0.97	23.4	29	21	-1	243	1.5	166	116	109

HOLE #2

Sample	Ag	Ba	Ce	Co	Cu	Fe	Hg	K	Na	Nd	Ni	Pb	Se	Sr	U	V	Zn	Zr
UNITS	ppm	ppm	ppm	ppm	ppm	%	ppb	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
MS2 0-2m	-0.5	288	25.1	10	11	3.21	10	9860	0.63	13.4	15	63	-1	427	1.55	77	59	62
MS2 0-2m Rpt	-0.5	270	24.2	10	11	3.12	-10	9760	0.61	13.2	14	62	-1	455	1.6	78	52	59
MS2 4-6m	-0.5	345	47	20	17	6.61	10	14800	1.59	24.3	25	16	-1	181	1.8	136	107	113
MS2 8-10m	0.5	715	39.8	18	22	4.71	20	18000	1.59	22.8	24	59	-1	198	1.45	125	96	104
MS2 12-14m	-0.5	297	37.7	14	17	5.6	50	11400	1.24	20.6	20	31	2	173	1.3	104	84	96
MS2 16-18m	-0.5	354	36.2	18	25	4.87	30	17500	1.5	20	25	16	-1	146	1.55	137	104	114
MS2 20-22m	-0.5	386	40.3	18	28	5.11	30	18400	1.51	21.6	27	24	-1	157	1.55	135	109	114
Geo Standard D1	27	270	7.5	220	7150	45.2		2100	0.16	4.25	3800	122	110	120	5.4	300	210	16
STD 3.1	26.5	281	7.45	226	7430	46.9		2240	0.17	4.1	3800	117	110	121	5.4	272	203	11
Gannet ST-147							<10											
STD 3.2							-10											

Sample	Ag	Ba	Ce	Co	Cu	Fe	Hg	K	Na	Nd	Ni	Pb	Se	Sr	U	V	Zn	Zr
UNITS	ppm	ppm	ppm	ppm	ppm	%	ppb	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
MS2 0-2m	-0.5	288	25.1	10	11	3.21	10	9860	0.63	13.4	15	63	-1	427	1.55	77	59	62
MS2 24-26m	-0.5	322	36.5	16	33	4.99	40	18900	1.34	19.8	26	17	-1	143	1.75	136	106	114
MS2 28-30m	-0.5	306	35.4	18	33	5.5	40	18200	1.37	19.1	29	16	-1	145	1.65	148	108	114
MS2 32-34m	-0.5	339	44.4	16	31	5.47	40	19300	1.45	23.5	26	15	-1	176	1.65	133	105	117
MS2 36-38m	-0.5	336	33.9	18	30	5.52	30	18400	1.35	18.9	29	16	-1	144	1.55	150	109	118
MS2 40-42m	-0.5	321	41.6	20	25	6.13	50	19800	1.75	23.3	31	14	-1	226	1.35	134	101	110
MS2 44-46m	-0.5	418	47.5	18	31	5.24	30	19300	1.49	24.8	29	16	-1	218	1.6	144	108	113
MS2 48-50m	-0.5	435	49	18	33	5.12	30	19500	1.45	24.4	27	17	-1	174	1.75	139	110	120
MS2 52-54m	-0.5	274	47.6	14	30	4.52	50	14300	1.19	24.4	24	16	-1	204	1.65	123	94	109
MS2 52-54m Rpt	-0.5	283	48	16	30	4.62	50	15300	1.23	24.7	25	17	-1	212	1.6	125	95	113
MS2 56-58m	-0.5	314	38.6	18	32	4.97	20	17600	1.4	20.7	28	18	-1	142	1.75	145	115	118
MS2 60-62m	-0.5	311	42.2	18	31	4.99	30	18600	1.44	22.6	28	32	-1	195	1.7	139	112	117
MS2 64-66m	-0.5	266	38.6	18	30	4.81	40	18800	1.35	21.3	29	21	-1	146	1.75	135	109	112
MS2 68-70m	-0.5	246	35	18	34	4.76	50	18200	1.21	18.8	29	20	-1	136	1.7	141	113	117
MS2 72-74m	-0.5	295	47	18	35	4.94	60	19400	1.29	23.5	31	25	-1	156	1.9	155	116	122
MS2 76-78m	-0.5	702	51.3	16	34	4.82	50	18300	1.21	25.6	29	18	-1	178	1.8	138	115	117
MS2 80-82m	-0.5	263	48.7	16	32	4.71	40	18600	1.24	24.8	28	18	-1	155	1.75	133	110	118
MS2 84-86m	-0.5	261	33.7	18	32	4.74	30	18900	1.22	18.6	28	18	-1	147	1.8	137	117	118
MS2 88-90m	-0.5	258	42	18	39	4.93	40	20400	1.06	23.1	29	19	-1	152	1.95	157	120	125
MS2 92-94m	-0.5	281	44.4	18	44	5.3	40	20500	0.99	23.9	36	22	-1	153	2.15	176	133	129
MS2 96-98m	-0.5	285	47.4	18	43	4.89	40	20600	0.96	24.4	34	20	1	154	2.25	154	131	123
MS2 100-102m	-0.5	306	51.5	16	46	4.74	40	22700	0.95	25.6	35	22	-1	154	2.2	168	127	131
MS2 104-106m	-0.5	289	47.4	16	72	4.9	50	23100	0.96	25.7	43	19	1	153	3.35	184	158	127
MS2 108-110m	-0.5	497	48.9	14	45	4.16	40	16400	0.9	24.2	29	19	-1	221	2	129	119	110
MS2 108-110m Rpt	-0.5	486	49.4	12	41	4.11	40	16600	0.89	24.6	29	19	-1	225	2.1	131	115	105
MS2 112-114m	-0.5	895	56.1	16	31	5.38	30	20900	1.2	26	30	24	-1	188	2.1	166	143	124
MS2 116-118m	-0.5	323	60.5	16	33	5.47	40	21300	1.12	28.2	31	25	-1	170	2.1	168	148	129
Gannet BM-20	12	169	26.7	64	2900	12		6000	0.22	10.4	95	1020	9	46.5	1.4	90	10400	88

Sample	Ag	Ba	Ce	Co	Cu	Fe	Hg	K	Na	Nd	Ni	Pb	Se	Sr	U	V	Zn	Zr
UNITS	ppm	ppm	ppm	ppm	ppm	%	ppb	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
STD 4.1	11.5	161	18.9	70	2900	11.7		6120	0.21	7	95	1050	8	45	1.35	81	10100	93
Gannet ST-265																		
STD 4.2							-10											
MS2 120-122m	-0.5	330	58.3	16	34	5.4	30	21600	1.16	26.8	29	24	-1	183	2.15	157	146	133
MS2 124-126m	-0.5	280	52.1	16	35	4.65	30	17400	1.11	25.3	26	21	-1	182	1.8	133	134	120
MS2 128-130m	-0.5	325	63.3	18	29	5.31	30	19500	1.27	30.1	25	22	1	211	1.8	173	127	127
MS2 132-134m	-0.5	758	59	16	23	4.76	30	19100	1.25	27.1	24	20	-1	222	1.8	146	113	120
MS2 136-138m	-0.5	288	54.2	18	31	4.91	30	18200	1.13	25.6	27	22	-1	195	1.85	164	120	124
MS2 140-142m	-0.5	325	53.3	18	33	5.26	40	17700	1.03	25.3	30	23	-1	191	1.9	175	128	125
MS2 144-146m	-0.5	288	52.6	18	34	4.93	30	18800	1	25	34	25	-1	191	2.2	152	130	122
MS2 148-150m	-0.5	319	53.1	16	32	4.93	40	18200	0.99	24.9	28	23	1	187	1.9	169	129	113
MS2 148-150m Rpt	-0.5	312	53.6	16	32	4.98	40	18300	1	24.8	29	23	-1	197	1.9	163	131	111
Sarm-4 Norite	<0.5	102	6	58	14	6.27		2100	1.82	3	120	2	<1	260	0.35	220	68	23
STD 5.1	-0.5	100	6.2	56	11	6.25		2160	1.87	3.1	114	3	-1	259	0.3	202	67	19
Gannet ST15/140(2)																		
STD 5.2							-10											

Sample Preparation

The samples have been sorted and dried. The whole sample has been pulverised in a ring pulveriser.

Analytical Methods

The sample(s) have been digested with a mixture of Acids including Hydrofluoric, Nitric, Hydrochloric and Perchloric Acids. This digest approaches a Total digest for many elements however some refractory oxides are not completely attacked.

If Barium occurs as the Sulphate mineral, then at high levels (more than 4000 ppm) it may re-precipitate after the digest giving seriously low results.

Ni, Co, Cu, Fe, K, Na, Sr, V, Zn, Zr

have been determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry.

Ag, Ba, Ce, Nd, Pb, Se, U

have been determined by Inductively Coupled Plasma (ICP) Mass Spectrometry.

The samples have been digested with Aqua Regia. Because of limited sample availability, a reduced analysis weight was used (approx 4 grams). This is a partial digest though it is extremely efficient for extraction of Gold. Easily digested elements show good recoveries however others (particularly the refractory oxides and silicates) are poorly extracted.

Hg

has been determined by Inductively Coupled Plasma (ICP) Mass Spectrometry.

APPENDIX 2

Yilgarn Craton Diamond Project – Geochemical Results

Sample	Ba	Co	Cr	CR_FUS	Nb	NB_FUS	Ni	P	Sr	Ti	Ti_Fus	V	Zn	Zr	ZR_FUS
UNITS	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%	ppm	ppm	ppm	ppm
J 1	155	12	505	500	49.5	70	220	360	49.9	0.66	0.74	206	60	168	160
J 2	977	10	1420	1600	178	250	88	2120	233	2.62	3.01	352	40	505	680
J 2 Rpt	995	10	1450	1600	183	250	88	2140	237	2.65	3.05	356	42	512	720
J 3	1110	18	1340	1500	161	205	346	2480	219	2.36	2.49	324	86	426	500
C20 A	354	6	15		9.5	15	16	120	4.8	0.63	0.67	694	8	87	80
C20 A Rpt	357	6	15		9.5	15	14	120	4.8	0.64	0.67	704	8	89	80
C20 B	3350	14	30		7	10	48	120	112	0.52	0.56	216	22	86.5	160
C20 C	228	6	25		7.5	10	14	140	5.5	0.79	0.84	1600	16	107	100
ASCRM -010 Coal Ash	1700	46	80	100	18	20	72	3960	827	1.03	1.03	208	160	392	390
STD 1.1	1640	50	75	100	18.5	20	76	4080	790	1.02	1.1	214	170	381	420
ING 3	67	6	90	150	4.5	15	8	140	2.6	0.16	0.2	58	10	43	140
ING 6	165	-2	35		2.5	5	6	80	4.1	0.07	0.1	62	6	105	190
ING 9	176	12	180	200	6	10	26	220	37.2	0.21	0.25	276	16	271	460
ING 9 Rpt	172	10	170	250	6	10	26	200	37.8	0.21	0.25	274	16	266	450
Y 41	270	4	25		2.5	-5	8	140	2.4	0.05	0.05	60	28	16.5	20
Y 41A	21	2	5		2.5	5	6	80	1.4	0.01	0.01	14	28	8	10
Y 42	20	2	90	100	4.5	5	8	180	26.4	0.01	0.01	62	12	24	20
Y 42 Rpt	19	2	90	150	4.5	5	8	160	26.4	0.01	0.01	64	12	24.5	30
SY-4	340	2	10	<50	13	15	10	580	1190	0.17	0.17	8	94	517	520
STD 2.1	320	4	10	-50	12.5	15	10	540	1150	0.18	0.19	6	92	51	540
Lee 27	5240	38	40		4.5	5	20	200	182	0.13	0.14	52	160	97	140
Lee 27 Rpt	5210	36	55		4.5	5	22	220	184	0.13	0.14	46	162	101	140
Lee 27A	6520	10	20		3.5	5	6	660	270	0.1	0.12	44	20	56.5	100
Lee 30	2500	8	110	150	6.5	10	10	220	89.5	0.19	0.22	200	16	89	160
Lee 30 Rpt	2480	8	115	150	6	10	12	200	88.5	0.18	0.23	202	16	92	160
A 8	1980	2	35		1.5	-5	8	40	342	0.03	0.04	20	8	12.5	20
A 9	1710	12	190	200	7	10	54	180	84.6	0.17	0.22	264	40	106	130
Gannet BM -02/94 Std	142	164	2060	2050			1200	100	42	0.34	0.34	200	266		
STD 5.1	138	162	1910	2100	2	-5	1190	100	43.4	0.32	0.34	198	272	39	70

Sample	Ba	Co	Cr	CR_FUS	Nb	NB_FUS	Ni	P	Sr	Ti	Ti_Fus	V	Zn	Zr	ZR_FUS
UNITS	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%	ppm	ppm	ppm	ppm
A 11	2330	4	40		9.5	20	4	220	72.3	0.31	0.47	64	16	121	430
A 11A	5550	4	20		16.5	25	6	180	109	0.62	0.68	28	6	114	300
A 13	744	6	25		14	20	4	80	41.3	0.44	0.48	170	8	155	340
A 13 Rpt	738	6	20		13.5	20	4	60	40.6	0.44	0.49	168	10	151	370
A 16A	2050	32	35		6	10	12	260	81.4	0.1	0.1	82	60	84	100
A 16B	2800	34	40		7	10	26	400	144	0.11	0.11	98	86	159	170
A 24	8650	18	45		3	-5	30	400	275	0.08	0.09	40	46	89	100
Gannet BM -21/310 Std	132	46	220	200			74	620	104	0.51	0.51	116	5200	97	100
STD 6.1	133	48	190	250	4	5	72	620	108	0.48	0.52	114	5340	99	170
Geo Standard D1	270	220	450	450	1.5	<5	3700	320	120	0.08	0.08	300	210	16	20
STD 3.1	275	230	450	500	2	-5	3860	300	124	0.08	0.1	258	208	15.5	-10
NI A	172	6	25		7	10	10	260	240	0.19	0.24	20	32	262	420
NI B	1580	14	5		3.5	5	22	600	71.8	0.06	0.08	72	44	54	80
NI C	271	6	15		2.5	-5	8	140	148	0.05	0.06	20	22	21	60
NI C Rpt	275	6	15		2	-5	10	120	143	0.05	0.06	22	24	19.5	30
NI D	1920	8	-5		3.5	-5	22	420	71.6	0.06	0.08	62	52	30.5	30
SH1	83	4	15		1.5	-5	10	580	38.4	0.03	0.03	16	14	28	50
SH1 Rpt	83	4	15		1.5	-5	10	520	37.6	0.03	0.03	16	12	29	40
LNO ORE Std	105	376	540	550			15400	220		0.1	0.1	36	76		
STD 4.1	104	366	535	500	2	5	15400	220	63	0.1	0.09	34	70	41.5	20

Sample Preparation

The samples have been sorted and dried. Primary preparation has been by crushing the whole sample. The whole sample has then been pulverised in a ring pulveriser.

Analytical Methods

The sample(s) have been digested with a mixture of Acids including Hydrofluoric, Nitric, Hydrochloric and Perchloric Acids. This digest approaches a Total digest for many elements however some refractory oxides are not completely attacked.

If Barium occurs as the Sulphate mineral, then at high levels (more than 4000 ppm) it may re-precipitate after the digest giving seriously low results.

Ba, Co, Cr, Ni, P, Ti, V, Zn
have been determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry.

Nb, Sr, Zr
have been determined by Inductively Coupled Plasma (ICP) Mass Spectrometry.

The samples have been fused with Sodium Peroxide and subsequently the melt has been dissolved in dilute Hydrochloric acid for analysis. Because of the high furnace temperatures, volatile elements are lost. This procedure is particularly efficient for determination of Major element composition (Including Silica) in the samples or for the determination of refractory mineral species.

CR_FUS, Ti_Fus, ZR_FUS
have been determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry.

NB_FUS
has been determined by Inductively Coupled Plasma (ICP) Mass Spectrometry.

APPENDIX 3 - EXPLORATION PROGRAMME BUDGETS

	Abminga	Mt. Alice	Mt. Carulina	Mt. Sarah	Runton	VRD	Yilgarn Craton	New Projects	TOTAL
<u>Drilling</u>									
Drilling (incl. GST @10%)	10,500	0	0	0	18,000	0	25,000	0	53,500
Geological consultant	2,500	0	0	0	3,500	0	3,000	0	9,000
Field costs	2,000	0	0	0	3,000	0	2,500	0	7,500
Laboratory costs	4,000	0	0	0	5,000	0	8,000	0	17,000
Reporting/ data management	1,000	0	0	0	2,000	0	1,500	0	4,500
Sub-total	20000	0	0	0	31500	0	40000	0	91,500
<u>Geophysics</u>									
Data acquisition	0	0	0	0	30,000	0	0	20,000	50,000
Geophysical consultant	0	0	0	0	3,000	0	0	2,000	5,000
Sub-total	0	0	0	0	33000	0	0	22000	55,000
<u>Office/Administration</u>									
Maps	500	500	500	1,000	1,000	500	1,000	1,500	6,500
Rental	2,000	2,000	2,000	4,000	12,000	4,000	8,000	6,000	40,000
Reporting	1,000	1,000	1,000	2,500	2,500	1,000	2,500	2,000	13,500
Sub-total	3500	3500	3500	7500	15500	5500	11500	9500	60,000
<u>Salaries</u>									
Management	6,000	6,000	6,000	12,000	36,000	12,000	24,000	18,000	120,000
Sub-total	6,000	6,000	6,000	12,000	36,000	12,000	24,000	18,000	120,000
<u>Sampling</u>									
Geological consultant	0	1,000	0	1,500	3,000	0	3,000	7,500	16,000
Field costs	0	1,000	0	1,200	2,000	0	2,000	5,500	11,700
Laboratory costs	0	1,000	0	3,500	6,000	0	5,000	6,000	21,500
Reporting/ data management	0	1,000	0	1,500	2,000	0	2,500	5,000	12,000
Sub-total	0	4000	0	7700	13000	0	12500	24000	61200
TOTAL	29,500	13,500	9,500	27,200	129,000	17,500	88,000	73,500	387,700
10% contingency	2950	1350	950	2720	12900	1750	8800	7350	38770
TOTAL	32450	14850	10450	29920	141900	19250	96800	80850	426470

