

Quarterly Report for period ended 31 March 2005

SUMMARY

- A total of 9,985 tonnes of ore was mined at an average grade of 3.01% Ni for 319 tonnes of contained nickel metal from the Blair Nickel Mine.
- Exploration drilling and down hole electro-magnetic surveys have extended the up dip potential of the Area 57 ore body.
- Depth extensions to the main Blair deeps lodes confirmed by drilling.
- Metallurgical test work at Anomaly 11 indicates a high proportion of water soluble Ni in the oxide and transition zones derived from a primary nickel in sulphide source at depth.
- RAB drilling at BSA has extended the near surface nickel anomalism identified at Blair South over approximately 1km of strike of highly prospective basal contact.
- Auger sampling further defines the surface gold anomalies at Goldstar, Commando and Duplex Hill South.
- RAB drilling at Duplex Hill South yields extremely encouraging results of **26m @ 4.99 g/t gold including 5m @ 12.74 g/t gold.**
- RAB drilling at Goldstar confirms the surface gold anomalism and identifies a previously unrecognised gold prospect, with values of up to **15m @ 1.6 g/t Au** including **5m @ 2.03 g/t Au** in 5m composite samples.
- The company is planning a capital raising to advance exploration targets and for additional working capital.

BLAIR NICKEL MINE

Safety

There was one Lost Time Injury at the Blair Mine during the March Quarter. A bogger operator injured his hand when the vehicle moved unexpectedly.

Production

A total of 9,985 tonnes of ore was mined at an average grade of 3.01% Ni (Table 1). Contained nickel metal produced for the quarter was 319 tonnes.

Heavy rain at the end of the quarter resulted in the closure of the haul road to the Kambalda concentrator with 543 tonnes of ore grading 2.46% nickel unable to be delivered prior to the quarter's end.

Production for the quarter was sourced 30% from the lower levels of the mine, 61% from Area 57 and 9% from remnant ore blocks throughout the mine. Of the total tonnes mined, approximately 11% was sourced from areas outside of the current ore reserve envelope.

Capital decline development ceased in February with the completion of the 480m RL level.

*Blair Deep*s

Stoping and ore development on the 500m and 516m RL continued during the quarter with development commencing on the deepest level 480m RL on both the Ø3 and Ø1 surfaces.

Strong matrix ore grading to 4% nickel in the NØ3 shoot was driven on the 480 level although this shoot has not been developed on either the 500 or 516 levels.

Table 1: Quarterly Production Summary

		September 2004	December 2004	March 2005	FY04/05 YTD
Ore Mined	Tonnes	16,543	10,920	9,985	37,448
Ore Treated	Tonnes	17,682	9,860	10,477	38,019
Grade	% Ni	2.78	2.81	3.01	2.87
	% Cu	0.20	0.19	0.19	0.19
Contained Ni	Tonnes	491	277	319	1,087
Recovered Ni	Tonnes	427	242	281	950
Nickel (Spot) Price (received)	A\$/lb	9.65	9.16	9.55	9.28
Operating cash cost	A\$/lb	6.54*	8.05*	11.04	8.27*
Total cost with capital devt	A\$/lb	7.40*	11.44*	12.50	9.96*

* Prior period unit costs have been recalculated to reflect the cost per tonne on Ni payable as per the WMC toll treatment agreement where a deduction is made from revenue for treatment. This therefore adds toll treating to the cash costs.

Stoping of the high grade EØ3 shoot and LØ3 shoot from the 500mRL continued to produce ore tonnes throughout the quarter.

On the Ø1 surface development has focussed on the C shoot with the 480 level driving ore and the 516 level approaching the projected ore position late in March. On the 500 level up to 1.5m of massive sulphide ore was driven and stoped with mining to continue up to the 516 level in the next quarter.

Remnant Mining Areas

Remnant mining of the BØ1 shoot continued in the 684 level, with stoping continuing up to 5m from the floor of the 714 drive. Stoping of the BØ1 was commenced from the 714 level late in the quarter with high tenor massive sulphides grading to 12% nickel over widths of up to 1.3m noted.

Development to the projected position of the LØ1 shoot on the 684 level continued during the quarter with massive to matrix ore grading to 7% nickel over narrow widths encountered.

Area 57

All current stoping activities are now occurring outside the 30 June 2004 stated ore reserved. Stoping continued in the upper levels of the Area 57 ore body with massive sulphide being extracted from the sublevels above the top level (1115 drive).

Massive sulphide is still visible in the upper most sub-level with recent exploration drilling and geophysical surveying providing evidence for the up dip extension of the Area 57 ore body.

Stoping continued on the 1055 level with retreat uppers bored and fired during the quarter.

Exploration

Underground drilling continued during the quarter in Area 57 (Table 2 and Figure 2) and in the deeper part of the Blair mine below the current working areas.

Underground drilling at Area 57 completed during the quarter was multi focussed; definition of mining blocks above and below the existing stoping; and exploration drilling of conceptual targets relating to the source of the remobilised Area 57 ore body.

The underground drilling has identified economic massive sulphides down to the 1030m RL and up to the 1160m RL horizon.

The Area 57 ore body is a structurally remobilised ore located on a NW trending shear which has splayed off the primary N1Ø contact and diffracted through interflow hanging wall sediments (the greatest dilation on the structure corresponds to the position of the Area 57 ore body). The comparatively lower tenor of the massive sulphides at Area 57 may be a reflection of the dilution of massive nickel sulphides remobilised from the N1Ø surface by pyrrhotitic sulphides sourced from the sediments.

Underground drill hole AMUG125 was drilled from the 1115 level at Area 57 to target the junction of the shear and the N1Ø contact. Whilst there was no significant nickel intersections in this hole DHEM using a 3 Component Fluxgate Probe identified a weak in hole conductor plus a strong off hole conductor. Modelling of the EM data indicated that the hole clipped a weak conductor which was possibly related to disseminated to matrix sulphides. A second drill hole, AMUG127, was completed to target this conductor. Low tenor nickel was identified on a sheared basal contact plus disseminated sulphides to 10% were noted in the sediments adjacent to the contact. It is not clear if these sulphides are the source of the anomalism.

Geophysical modelling of the strong off hole conductor identified by the DHEM indicates the presence of a massive sulphide body up dip from the current mining at Area 57. Resource / reserve drilling in progress at the end of the quarter has; confirmed the up dip extension of the Area 57 ore above the 1115 level.

Diamond drilling in the deeper part of the mine totalled 15 diamond holes drilled into ore shoots below the deepest workings for the purpose of constructing a new set of resource models for the end of the financial year.

The assay results for 8 holes drilled into the Ø3 Surfaces (Table 2 and Figure 3) revealed good high tenor massive ore on the EØ3 Surface, whilst the LØ3 and NØ3 Surfaces have returned similar widths and grades to what is currently being mined on the 480m RL.

The assay results for the holes drilled into the CØ1 Surface (Table 2 and Figure 4) have revealed that the ore is continuous below the 480m RL.

REGIONAL EXPLORATION

Blair Project - Nickel

Anomaly 11

Two RC drill holes were completed at Anomaly 11 during January AMRC048-049 for 334m completing the program commenced in the December Quarter. Low grade disseminated Ni mineralisation was noted in an off contact position in AMRC049 the best result from the hole was 3m @ 0.55% Ni and 634ppm Cu from 184m. No significant results were noted in AMRC048.

The completion of these two holes brings the total metres drilled at Anomaly 11 in the current program to 2528m over 20 holes and brings the total AUZ RC drilling at Anomaly 11 to 32 holes for 3805m.

As reported in the December Quarter the company has commenced and completed metallurgical test work on bulk samples from Anomaly 11 to test the amenability of the mineralised material to floatation processing. Initial results from the floatation tests indicated that only 57% of the head grade was reconciled in the floated material, the loss attributed to water soluble Ni.

Further tests have indicated that 48% of the Ni in the samples tested was water soluble with 33% of the sample as Ni in sulphide and 37% as non sulphide Ni. Specific assays comparing Ni in silicate versus Ni sulphide show a strong linear regression of increasing Ni in sulphide with depth indicating that mineralisation is related to primary Ni in sulphide with a supergene effect apparent in the oxide.

A fixed loop surface EM survey was completed over Anomaly 11 in the March Quarter using the new B-Field EM technology.

The survey was completed over a 450m strike length of the highly prospective sediment/ultramafic contact. The survey identified several close spaced, moderate strength EM responses. Initial interpretation suggests the conductors are shallow, starting between 60 and 100m below the surface with considerable depth extent, and ranging in length from 120 to 250m.

The company is encouraged by the spatial correlation between the EM anomalies and the known nickel sulphide mineralisation, with these anomalies providing potential drill targets for massive nickel sulphide shoots.

Area 57

Three fixed loop surface EM surveys utilising B-Field technology were also completed at Area 57 covering some 1300m of prospective contact. The survey was designed to establish a baseline response over a known massive sulphide ore body and to test the effectiveness of B-Field technology where conventional surface techniques had failed.

The survey has identified shallow conductors vertically above the Area 57 ore body and extending to the south for approximately 200m. The location of the conductors to the south is of particular interest in that there has been no drilling activity in this area.

Duplex Hill

A further 5 holes (AMRC050-AMRC054) for 405m were completed in the March Quarter 2005 at Duplex Hill completing the program commenced in the December Quarter.

The RC program was designed to drill the down dip extension of the mainly oxide mineralisation identified by the company in October 2004 and was planned to intercept the mineralised horizon approximately 70 to 80m below surface.

The contact stratigraphy at Duplex Hill is typical of that observed within the Blair Project albeit pervasively altered at Duplex Hill.

The best results from Duplex Hill (Table 3) were noted in AMRC052 with **10m @ 0.69% Ni** including **1m @ 0.95% Ni** in an off contact position similar to the nearby Carnilya Hill mine.

BSA

Thirty nine RAB drill holes for 1785m were completed at BSA during the March Quarter (Figure 5). The purpose of the program was to define the stratigraphy along the western limb of the overturned Blair South fold structure south and along strike of the Blair South Prospect.

The best results from the RAB program were from AMBR0354 **6m @ 0.98% Ni** from 20m including **1m @ 1.05% Ni** in the end of hole sample (25m – 26m) and AMBR0353 **18m @ 0.99% Ni** from 20m (Table 4). This drilling has extended the +0.5% Ni anomalism in shallow drilling over a 1km strike length, from Blair South to BSA. Historical drilling with disseminated sulphides have returned assay results such as **1.8m @ 2.3% Ni** from 170.62m in GOD0045 and support a primary source for the anomalism.

The RAB campaign at BSA was hampered by difficult drilling conditions, with heavy alluvial clays impeding the RAB drilling.

Blair Project - Gold

Duplex Hill South

A total of 272 pedogenic carbonate auger samples were taken over tenement E26/64 which was recently optioned from Niagara Mining Limited.

The program targeted an area of historical surface anomalism with samples collected on a 400m x 50m grid pattern decreasing to 50m x 50m in areas of most historical interest. The sampling has identified an 800m long by 400m wide soil anomaly at a 100 ppb gold contour level at the prospect. The main anomaly can be resolved into three discrete pods, based on the 200-400 ppb gold contour, which contain highly anomalous gold values including **433ppb Au, 483ppb Au and 952ppb Au**.

Shallow historical drilling has intersected good gold mineralisation including **18m @ 3.19 g/t Au** and **1m @ 19.0 g/t Au**.

These results were not repeated at depth; however, the company has reinterpreted the drilling data, in conjunction with recent geochemical and geophysical data, and believes the plunge or strike orientation of the mineralisation has not been accurately targeted in the past.

Fifty four RAB drill holes were completed at Duplex Hill South for a total of 3164m during the March Quarter (Figure 6). Drill holes were sampled at five metre composites except where visible gold was noted and at the end of hole where single metre samples were collected. Re-sampling of anomalous composites will be completed in the June Quarter.

Drilling revealed a ubiquitous blanket of thin alluvial cover overlying a consistent weathering profile developing on a medium to fine medium grained gabbro. Quartz veining was noted in several holes and is intimately associated with gold mineralisation. Visible free gold was noted in AMBR0303 and AMBR0304 associated with iron filled fractures in quartz veins.

The best results from the program were found in AMBR0304 with **26m @ 4.99g/t Au** from 50m including **5m @ 12.74g/t Au** from 56m and **1m @ 25.48g/t Au** from 56m (Table 5). This drill hole is on the northern most traverse and the anomaly remains open to the north and west and is open approximately 200m to the east to the historical drill hole DHSC007 which had **18m @ 3.18g/t Au**.

The Company is extremely encouraged by the results from Duplex Hill South with follow up work planned for the next quarter.

Goldstar/ Goldstar East

During the March Quarter 57 auger samples (BLAG995 – 1051) were collected over the Goldstar East prospect (Figure 7). Increasing the sample density to 50m x 50m over the areas of most interest.

At Goldstar East infill auger sampling has closed off the anomaly, which is now 300m long x 200m wide.

The surface anomaly at Goldstar is spatially associated with an elongate laterite ridge with outcropping to sub cropping bucky vein quartz. The country rock is generally poorly expressed at Goldstar.

The better results appear to be quartz vein hosted on a sheared gabbro / sediment contact. The best result was in AMBR0332 which assayed **15m @ 1.6g/t Au** including **5m @ 2.03g/t Au** in 5m composite samples (Table 6).

Drilling remains open to the west and east with infill RAB required to further define the attitude and extent of the anomaly.

Commando

Sixty infill auger samples (BLAG1052 – 1112) were collected at Commando and have extended the anomaly to 250m in length (60 ppb gold contour) with a peak response of **186 ppb gold**.

The Commando gold in soil anomaly is along strike to the SSE from the Goldstar West and Flying Squirrel prospects and appears to be associated with the same regional structure. Further work is required to develop the potential of Commando.

Musgrave Project

Due to the continued exploration success at Blair and the inherent expense associated in working in a remote region such as the Musgraves the board has taken the decision to extricate from the Musgrave Project tenements.

A buyer for all the Musgrave Project tenements has been sought and notices for first right of refusal on some of these tenements have been sent to the appropriate parties.

The board believes that a focussed approach to exploration on the Blair Project tenements will be most beneficial to advancing the company.

Exploration for June 2005 Quarter

1. RC drilling to further define the plunge potential at Anomaly 11 and to drill test B-Field surface EM targets. Possible diamond drilling to define orientation of structures and mineralisation.
2. Finish a review of the March RAB programs at Duplex Hill South, Goldstar and BSA.
3. Plan, prepare and initiate drill programs to follow up exciting results from the March RAB drilling program at Goldstar and Duplex Hill South.
4. Re-define the structural interpretation as it applies to the strike length of gold anomalism between, Flying Squirrel, Goldstar, Commando and Fireblade Anomalies.
5. GeoForce has been contracted to complete an independent review of all historical near mine geophysical data and to follow up on any unexplored or under explored geophysical targets.

FINANCIAL

During the quarter the company incurred additional costs while transitioning to owner mining. Also with lower than forecast production levels, direct mining costs increased for the quarter with total cash costs including capital development of \$12.50/lb Ni payable (after toll treatment charges) being a 9% increase on the previous quarter (\$11.44/lb Ni payable). The forecast for the next quarter is for lower costs and as the company establishes the owner mining structure.

As a result of the additional costs and lower than forecast production, the result for the quarter was a negative cash flow of \$1.9M after capital costs and leasing repayments. A draw down facility based on receivables was used to borrow funds of \$872K, as part of a loan facility from Rothschild.

The company is addressing a capital raising, further details of which will be provided. The major shareholders have indicated their support in respect of the proposed capital raising.

The company added to the hedging book during the quarter with additional 100 tonnes hedged at A\$19,800/Ni tonne bringing the total hedged to 250 tonnes at A\$19,446/Ni tonne.

SUMMARY & OUTLOOK

The Board is currently reviewing the operations at Blair Nickel Mine with a view to considering opportunities to more quickly realise a return from the operation.

Production during April is currently achieving forecast with over 4000 tonnes of ore at an estimated grade of 2.70% nickel for 120 tonnes of contained metal already delivered to the Kambalda concentrator.

The regional exploration completed on the Blair Project tenements has continued to successfully advance a number of gold and nickel prospects.

- Metallurgical test work has indicated that the oxide and transition ore at Anomaly 11 is water soluble and that a significant portion of that material not water soluble is found as nickel in sulphide which is amenable to conventional flotation techniques.
- First pass RAB drilling of the Blair South contact has extended the strike length of contact with nickel and copper anomalism to 1km.
- RAB drilling of the Duplex Hill South prospect has confirmed significant gold mineralisation and has increased the understanding and prospectivity of the prospect.
- First pass RAB drilling at Goldstar has confirmed a source of the gold anomalism defined by surface sampling.

Yours faithfully

Australian Mines Limited



Barry Cahill
Managing Director

Table 2: Blair Mine – Underground Diamond Drilling Intercepts

Hole ID	Northing (AMG)	Easting (AMG)	Mine RL (m)	Depth from (m)	Depth To (m)	Interval (m)	Ni (%)	Surface
AMUG113	6578946	376947	1034	29.22	29.50	0.68	3.00	A57
AMUG114	6578932	376960	1033	38.63	40.76	2.68	4.81	A57
AMUG115	6579006	376933	1060	46.57	48.04	1.47	2.96	A57
AMUG116	6578987	376940	1050	37.63	38.70	1.07	3.56	A57
AMUG117	6579008	376969	1121	49.72	50.34	0.62	3.06	A57
AMUG118	6578999	376972	1119	49.82	50.66	0.84	3.37	A57
AMUG119	6579037	376968	1158	46.36	50.60	4.24	2.64	A57
AMUG120	6579041	376962	1159	49.00	53.35	3.02	4.86	A57
AMUG125	6579101	376885	1107	136.30	138.20	1.90	0.103	A57
AMUG127	6579089	376922	1112	98.90	100.40	1.50	0.113	A57
AMUG128	6579047	376958	1162	52.80	55.70	2.90	2.88	A57
AMUG130	6579012	376812	461	70.00	77.76	7.76	4.56	EØ3
AMUG131	6579010	376827	455	67.60	73.00	5.40	1.04	LØ3
AMUG132	6578993	376829	443	87.30	91.20	4.50	2.75	NØ3
AMUG133	6579002	376794	437	100.80	104.20	3.40	11.06	EØ3
AMUG134	6579005	376807	448	86.20	87.50	1.30	1.46	LØ3
AMUG135	6578999	376814	437	91.90	96.20	4.30	1.2	LØ3
AMUG135	6578978	376801	421	121.00	125.00	4.00	1.95	LØ3
AMUG140	6578989	376840	463	84.00	86.50	2.50	3.82	CØ1
AMUG141	6578971	376833	461	97.20	106.10	8.90	2.38	CØ1
AMUG142	6578967	376844	467	95.30	98.40	3.10	4.27	CØ1
AMUG143	6578988	376833	443	96.80	97.80	1.00	1.47	CØ1
AMUG144	6578970	376833	440	110.85	112.73	2.18	5.44	CØ1
AMUG144	6578967	376825	438	116.12	119.0	2.88	3.76	CØ1
AMUG145	6579030	376897	479	11.4	14.6	3.2	4.52	CØ1

1. Nickel was analysed using ICP with a mixed acid digest on geologically controlled intervals, generally not greater than 1.0m and not less than 0.3m
2. Ni% has been SG weighted.
3. Coordinate points given are pierce points of the hole on the surface being targeted.
4. Diamond drill core is LTK48.

Table 3: Duplex Hill - Significant Nickel RC Drill Intersections

Hole ID	Northing (GDA)	Easting (GDA)	RL (m)	Azim (mag)	Dip	Depth (m)	From (m)	To (m)	Interval (m)	Ni (%)
AMRC050	6574414	381244	398.5	125°	-60°	66	30	35	5	0.26
AMRC051	6574454	381272	399.5	125°	-60°	66	31	32	1*	0.46
AMRC052	6574480	381298	401.5	110°	-60°	66	36	46	10	0.69
					<i>Including</i>		43	44	1*	0.95
AMRC053	6574489	381274	401.0	110°	-60°	100	52	62	10	0.57
AMRC054	6574447	381227	399.0	125°	-60°	100	51	56	5	0.31

1. Nickel was analysed using ICP and a mixed acid digest on 5m composite intervals except where indicated by * where 1m split samples were collected.
2. >0.4% Ni cut off applied.

Table 4: BSA - Significant Nickel RAB Drill Intersections

Hole ID	Northing (GDA)	Easting (GDA)	RL (m)	Azim (mag)	Dip	Depth (m)	From (m)	To (m)	Interval (m)	Ni (%)	Cu (ppm)
AMBR0352	6576458	377358	369.0	120°	-60°	58	15	35	20	0.77	175
					<i>Including</i>		25	30	5	0.95	169
AMBR0353	6576440	377381	369.0	120°	-60°	39	20	38	18*	0.99	502
					<i>Including</i>		25	30	5	0.95	519
AMBR0354	6576434	377402	369.0	120°	-60°	26	20	25	5	0.91	464
							25	26	1(EOH)	1.05	425
AMBR0356	6576415	377433	369.5	120°	-60°	29	20	25	5	0.51	109
AMBR0367	6576147	377189	365.5	120°	-60°	44	30	35	5	0.59	169
AMBR0368	6576139	377206	365.5	120°	-60°	30	29	30	1(EOH)	0.56	793
AMBR0369	6576142	377203	365.5	120°	-60°	34	33	34	1(EOH)	0.68	115
AMBR0370	6576119	377234	366.0	120°	-60°	57	30	35	5	0.61	218
							35	40	5	0.51	117
AMBR0373	6576049	377064	364.0	090°	-60°	98	60	65	5	0.65	146
AMBR0377	6575948	377068	364.0	090°	-60°	51	40	51	11*	0.59	219
					<i>Including</i>		40	45	5	0.65	218
AMBR0381	6575948	377169	364.0	090°	-60°	40	30	35	5	0.65	104
AMBR0382	6575845	377085	363.0	165°	-60°	47	30	47	17*	0.52	228
					<i>Including</i>		35	40	5	0.56	419
AMBR0384	6575798	377097	363.0	165°	-60°	66	40	45	5	0.54	45
							50	55	5	0.74	36
							55	60	5	0.56	69
AMBR0385	6575772	377101	363.0	165°	-60°	62	45	61	16*	0.56	68
					<i>Including</i>		50	55	5	0.61	58
AMBR0386	6575800	376996	361.5	165°	-60°	70	40	45	5	0.66	1396
AMBR0389	6575696	377016	361.5	165°	-60°	83	53	54	1(EOH)	0.54	192

1. Nickel was analysed using ICP with an Aqua Regia Digest on 5m composited intervals except where indicated otherwise by *.
2. >0.5% Ni cut off has been applied

Table 5: Duplex Hill South - Significant Gold RAB Drill Intersections

Hole ID	Northing (m)	Easting (m)	RL (m)	Azim (mag)	Dip	Depth (m)	From (m)	To (m)	Interval (m)	Au (g/t)
AMBR0261	6569095	384653	392	045	-60	53	0	5	5	0.53
AMBR0265	6569106	384659	392	225	-60	53	10	15	5	0.51
AMBR0268	6569068	384611	392	225	-60	60	15	20	5	0.93
AMBR0275	6569305	384523	392	225	-60	52	10	15	5	0.62
AMBR0276	6569289	384512	392	225	-60	52	10	15	5	2.45
AMBR0277	6569279	384498	392	225	-60	58	10	15	5	2.01
AMBR0278	6569263	384488	392	225	-60	50	15	20	5	3.39
AMBR0284	6568944	383944	392	045	-60	58	0	5	5	0.62
AMBR0294	6569124	384180	392	045	-60	63	10	15	5	2.62
AMBR0296	6569155	384216	392	045	-60	62	5	15	10	0.66
							45	50	5	0.93
AMBR0297	6569167	384232	392	045	-60	59	10	15	5	0.93
							45	55	10	0.69
AMBR0298	6569180	384252	392	045	-60	60	10	15	5	0.56
							45	55	10	0.72
AMBR0300	6569123	384271	392	045	-60	60	45	50	5	0.51
AMBR0302	6569208	384086	392	225	-60	61	55	60	5	0.79
AMBR0303	6569192	384071	392	225	-60	77	0	5	5	5.08
							45	50	5	0.59
							65	70	5	1.66
AMBR0304	6569180	384059	392	225	-60	76	10	15	5	0.89
							50	76	26	4.99
					Including*		56	61	5	12.74
					Including*		56	57	1	25.48
AMBR0311	6569158	384044	392	045	-60	63	55	60	5	0.76

1. Gold was analysed using ICP-MS with an Aqua Regia Digest 5m composited intervals except where indicated otherwise by *.
2. >0.5g/t Au cut off has been applied.

Table 6: Goldstar - Significant Gold RAB Drill Intersections

Hole ID	Northing (m)	Easting (m)	RL (m)	Azimuth (mag)	Dip	Depth (m)	From (m)	To (m)	Interval (m)	Au (g/t)
AMBR0318	6573481	381225	396.0	075	-60	98	97	98	1(EOH)	0.51
AMBR0319	6573495	381268	397.0	075	-60	78	15	20	5	0.61
							45	50	5	0.61
AMBR0329	6573600	380470	393.5	075	-60	58	30	35	5	0.70
AMBR0331	6573609	380519	395.0	075	-60	56	45	50	5	0.71
AMBR0332	6573617	380544	395.0	075	-60	88	70	85	15	1.60
							<i>Including</i>		5	2.03
AMBR0336	6573704	380509	392.5	075	-60	60	30	40	10	0.67

1. Gold was analysed using ICP-MS with an Aqua Regia Digest 5m composited intervals except where indicated otherwise by *.
2. >0.5g/t Au cut off has been applied.

Figure 1: Blair Project – Prospect Location Plan

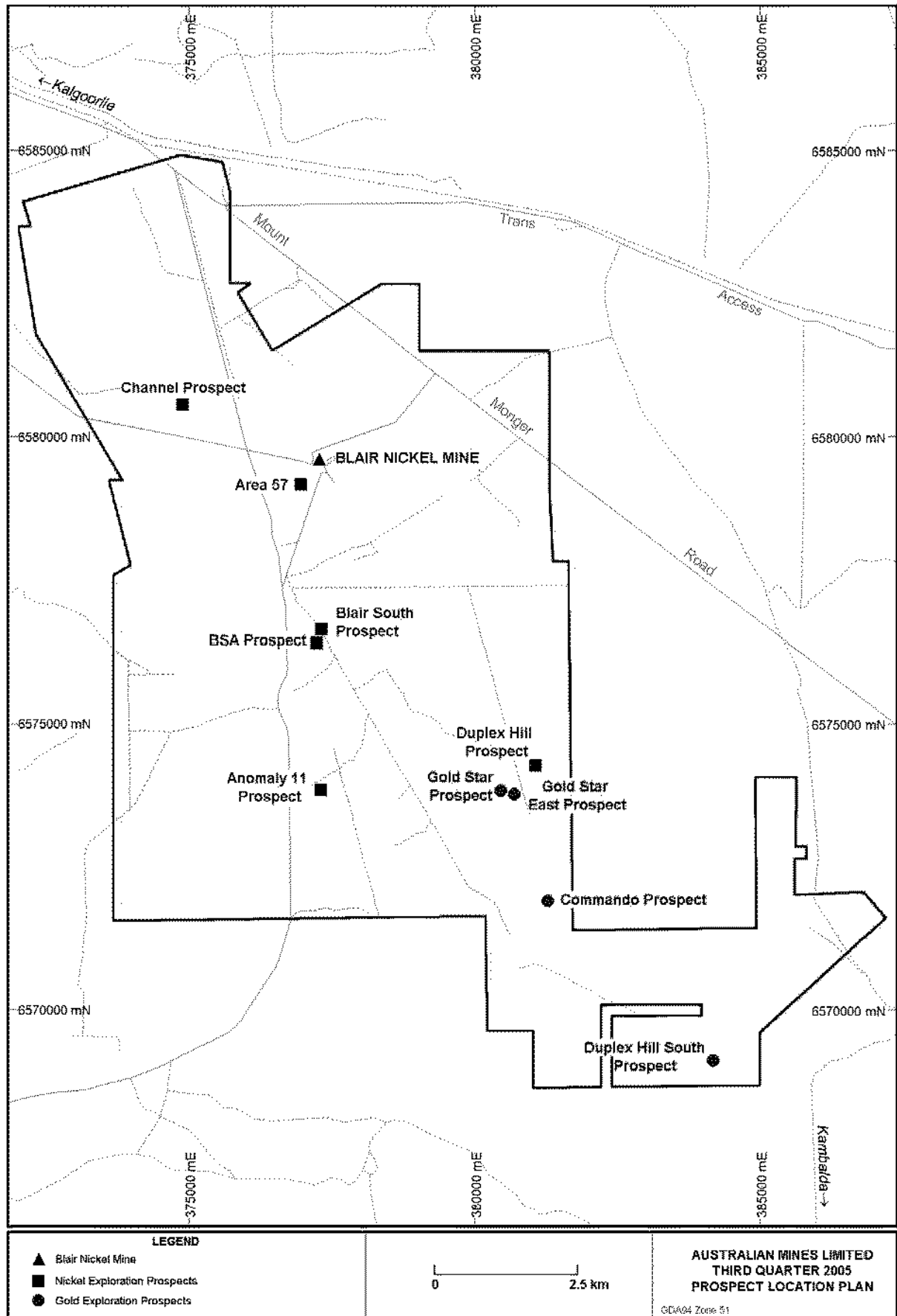


Figure 2: Area 57 - Diamond Drill Intercepts

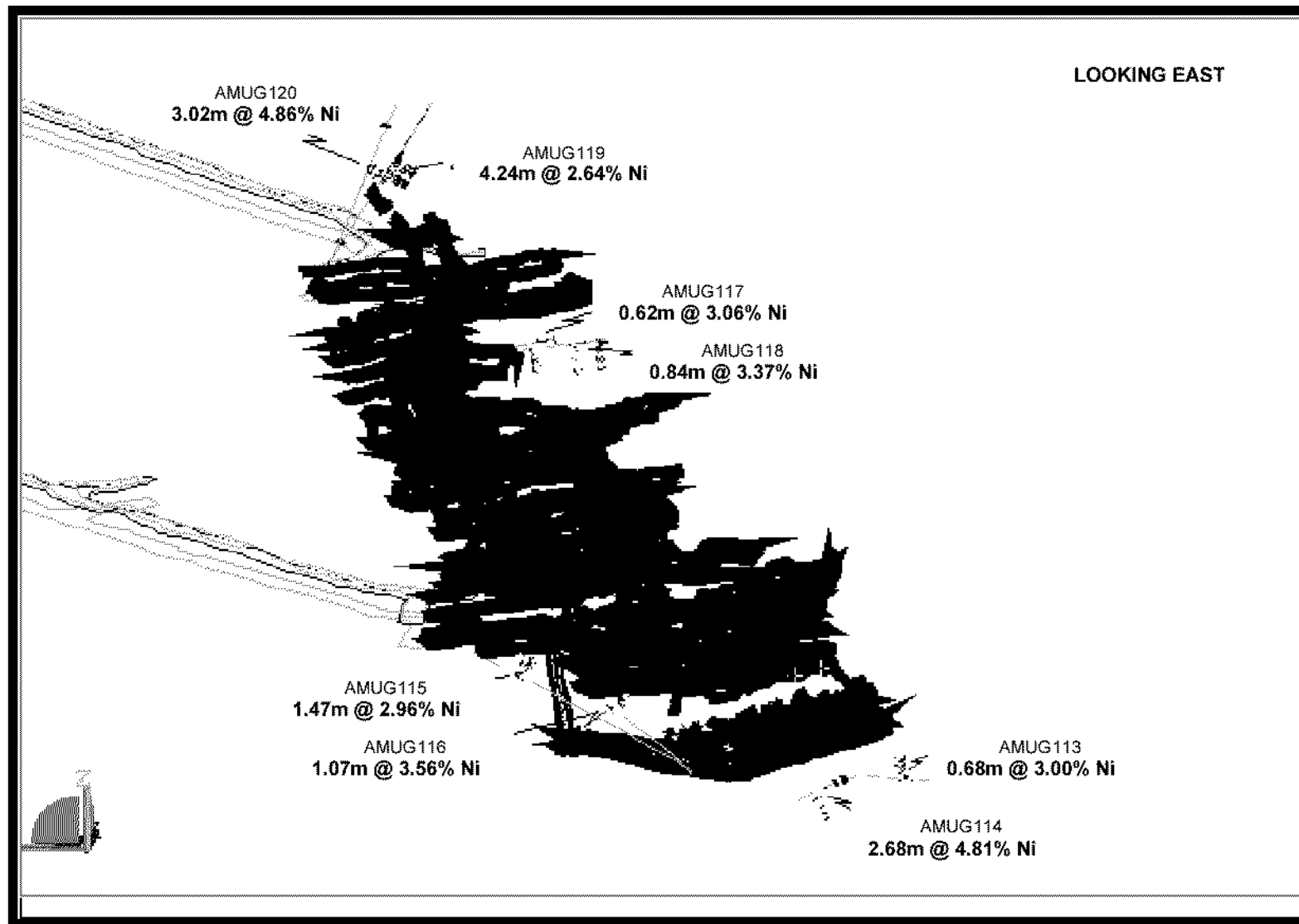


Figure 3: Blair Ø3 Surfaces – Long Section

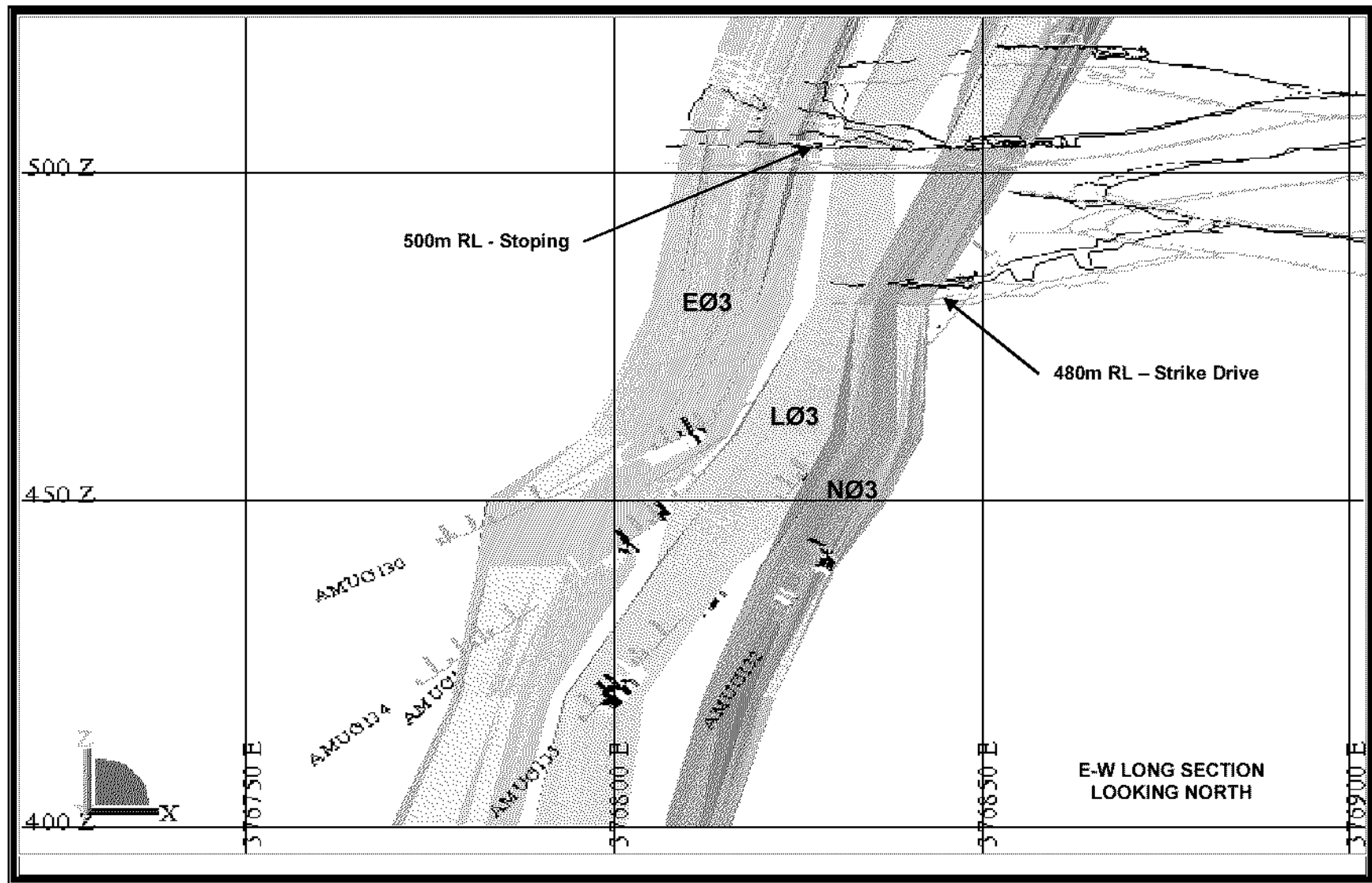


Figure 4: Blair Ø1 Surfaces – Long Section

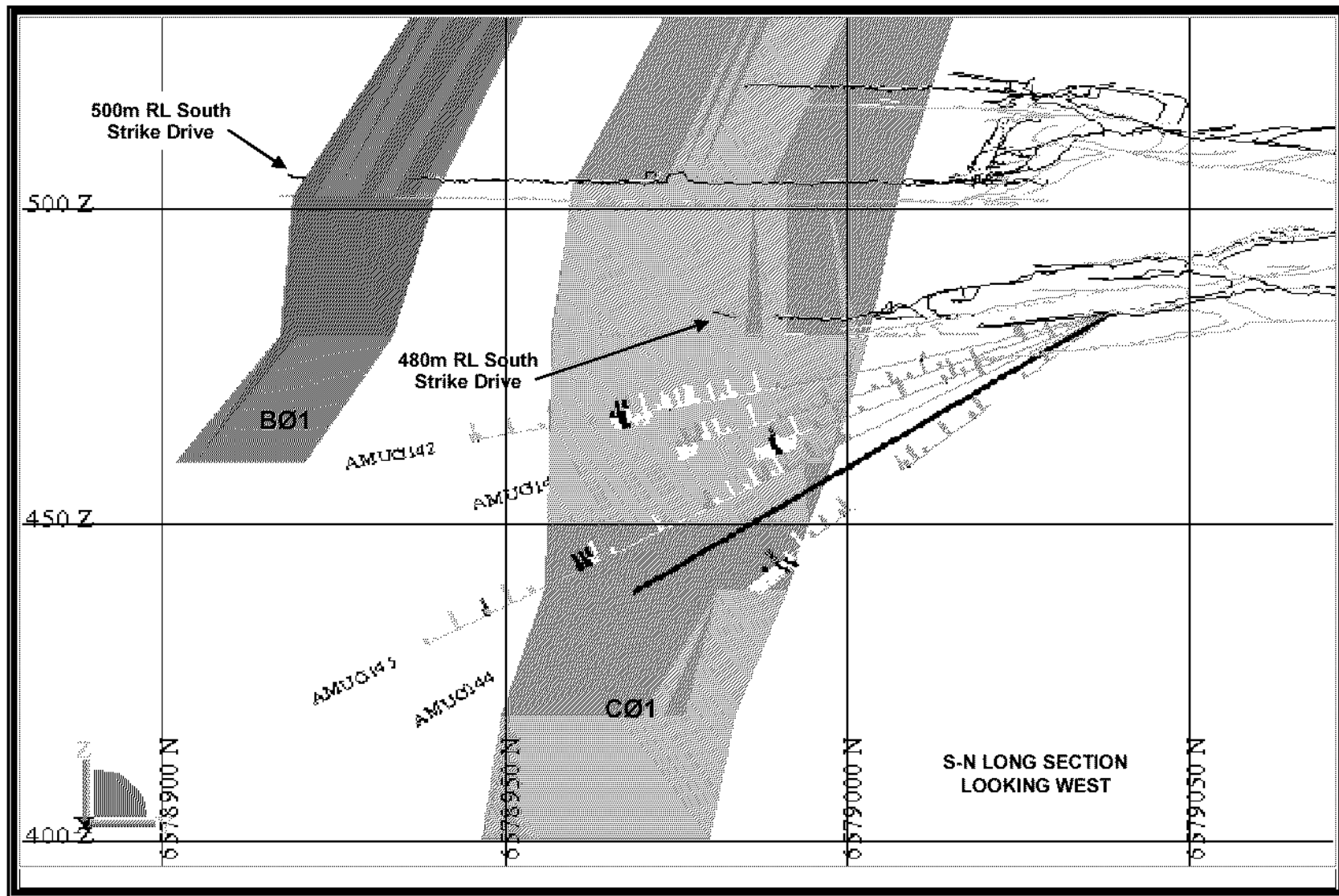


Figure 5: BSA Prospect - Drillhole Location Plan

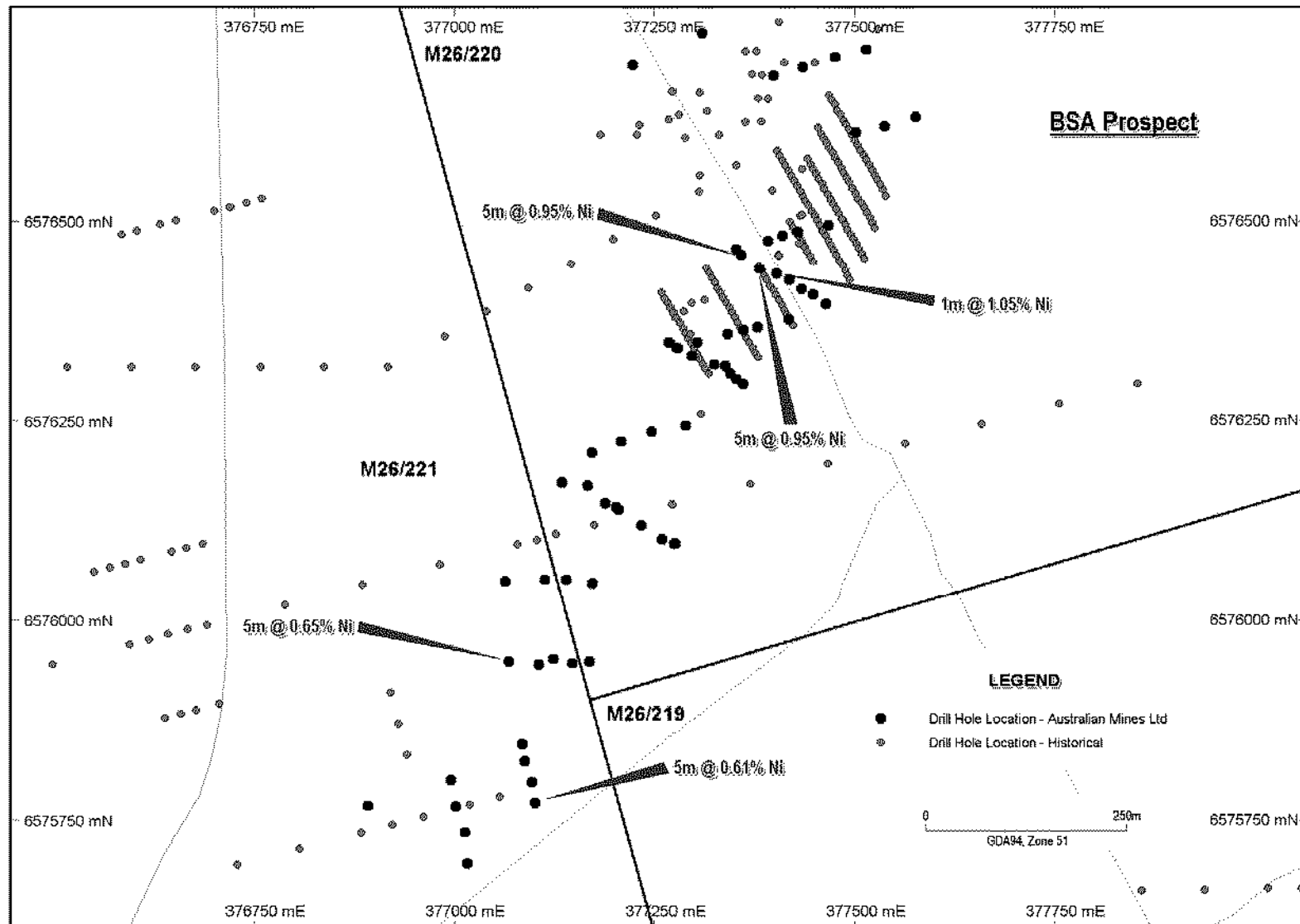


Figure 6: Duplex Hill South Prospect – Auger Sample and Drillhole Location Plan

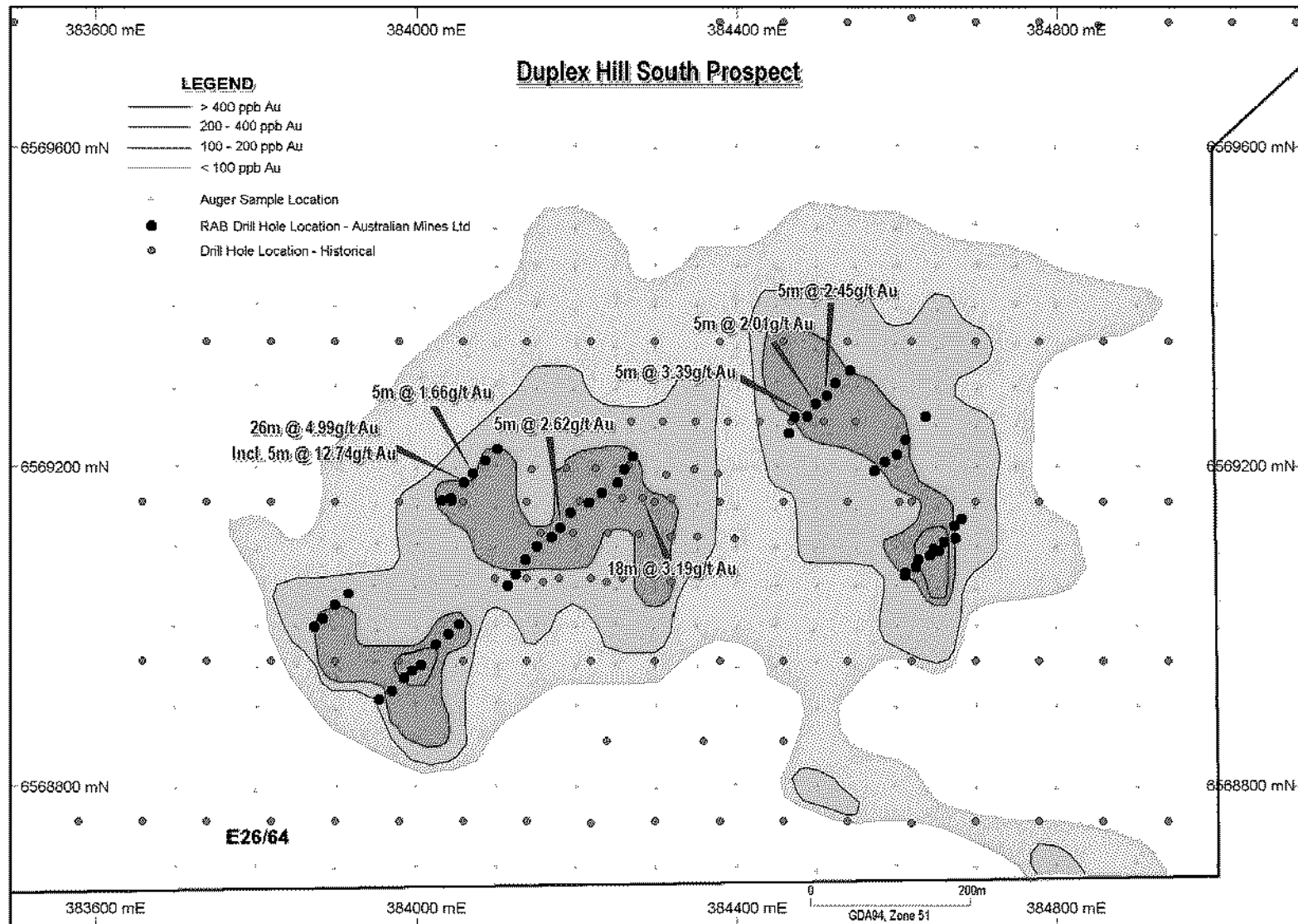


Figure 7: Goldstar & Goldstar East Prospects – Auger Sample and Drillhole Location Plan

