

DECEMBER 2010 QUARTERLY ACTIVITIES REPORT – JANUARY 31, 2011

ASX Code: SEO

HIGHLIGHTS

- Successful completion of IPO to raise \$4 million, with listing on the ASX commencing December 17, 2010.
 - The Company owns the Prospective Jaurdi Hills Property, Western Australia.
 - The Company is continuing to evaluate acquisition targets in SE Asia.
-

CORPORATE

- Sentosa Mining Limited listed on the ASX December 17, 2010 with the issue of 20,000,000 shares to raise \$4 million.
-

JAURDI HILLS PROJECT, WESTERN AUSTRALIA

- The Jaurdi Hills Project is located approximately 40km northwest of Coolgardie. The town site of Coolgardie is located 550km east of Perth and 40km west of Kalgoorlie. The project tenements lie on the western flank of the Dunnsville/Doyle Dam Granodiorite Dome. The geology of the project area is dominated by the lower basaltic unit of the Dunnsville-Ubini Greenstone Belt (DUGB), which is intruded by several narrow dolerite and gabbro sills. The basalt sequence is underlain by komatiites which are mapped on the western margin of the project. The main structural features within the project area are the Jaurdi Shear Zone along the east side of the project and a northeast trending fault that passes approximately through the middle of the project separating the Dunnsville granodiorite dome in the north from the Doyle Dam granodiorite dome to the south. Gold (Au) mineralisation in the region is related to quartz veining. Mineralisation styles may be supergene, shear-hosted or controlled by lithological/weathering contacts. The contacts between basalt flows as well as dolerite and gabbro intrusive contacts are favourable sites for gold mineralisation. At the historic Jaurdi Mining Centre gold mineralisation is associated with 1-4m wide quartz veins in shears cutting basalt. Nearby

gold mineralisation at the Panther Prospect is associated with quartz stockwork at the faulted contact zone between a basalt and an ultramafic volcanic, while gold mineralisation at the Wealth of Nations Prospect is associated with a quartz vein at the contact between basalt and a metasedimentary unit.

- The project has been worked by a number of explorers in the past with most investigation focussed on drilling around the historic workings, testing extensions to known mineralisation and soil sampling to define new areas anomalous for gold mineralisation. Better and more recent results returned from drill testing around the known auriferous veins have included 4m at 7.8g/t Au (08WNP001), 5m at 1.91g/t Au (08WNP002) and 1m at 6.8g/t Au (06JRC002). Drilling at depth around the mine workings and anomalous soil sample areas is incomplete with further exploration required to understand mineralisation extents.
- Potential remains to identify extensions and new ore positions at depth, along strike and strike parallel. In 2001 shallow surface mining was carried out at the Panther Gold Deposit and adjacent, off-project Black Cat North Gold Deposit. Mining has significantly increased geological and metallurgical knowledge in these areas. Historical drill intercepts record mineralisation below the inactive Panther Open Pit and potential exists for further extensions to mineralisation. In addition gold mineralisation

EXPLORATION

- The Board of Directors have retained APEX Geoscience Pty Ltd. to conduct a full desktop study for the Jaurdi Hills Project.
- At the conclusion of this review Sentosa will commence a comprehensive exploration program during the first quarter of 2011. The program will include but not be limited to rock and soil sampling, mapping and drilling of high priority drill targets.
- In addition, Sentosa continues to evaluate acquisition targets in SE Asia.

Competent Persons Statement

The geological information contained in this ASX release relating to Exploration Results, Mineral Resources, or Ore Reserves has been compiled by Mr. Dean Besserer. Mr. Besserer is a Member of AusIMM and Mr. Besserer has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".