

Transol Corporation Limited

ACN 089 224 402

CAMBODIA – STREAM SAMPLING PROGRAM UPDATE

TRANSOL CORPORATION LIMITED

HIGHLIGHTS

- Banlung stream sampling program testing magnetic anomalies associated with subvolcanic centres has been completed and assay results received.
- Oyadao stream sampling program 50% complete; to be resumed in October at the end of the wet season; samples submitted for assay.
- At Banlung – the Okalla anomaly extended to cover 9 sq km with values to 1.52ppm Au.
- At Banlung – two new anomalies identified; in the northwest (Kunmum) an anomaly with 4 km of strike with values to 0.5ppm Au; in the northeast (Ka Tieng) an anomaly with artisional gold workings and values to 0.82ppm Au.
- At Banlung - one in three pan concentrate samples recorded visible gold and 14% of the samples recorded four or more grains of gold.

OVERVIEW

During July 2007 a stream sediment sampling program was undertaken by Liberty Mining International Pty Ltd (Liberty) (100% subsidiary of Transol) on the Banlung Project area with a total of 135 samples of minus 80 mesh sediment taken at a sample density of one per square kilometer (see Figure 1). All samples collected have been assayed for gold and 18 other elements. In addition to the -80 mesh material, panned concentrates were collected from each catchment area with any visible gold counted and recorded.

THE PROGRAM

The drainage sampling program was specifically designed to test a number of aeromagnetic anomalies resulting from interpretation of high resolution aero magnetic surveys carried out by Liberty during early 2007. Originally the anomalies were thought to be associated with hornfels or magnetite skarns (extensively heated rocks around margins of intrusions). After completing mapping and petrography studies it appears that some anomalies may also be related to a number of subvolcanic centres in a larger volcanic complex. Interpretation of the geological setting is under review by Liberty geologists. So far indications from geochemistry and geophysics are that the anomalies are highly prospective for gold mineralisation. It has been noted that the Banlung geological setting may have similarities to other major gold camps in Indochina such as the Chatree deposit (Kingsgate Consolidated Ltd) in Thailand.

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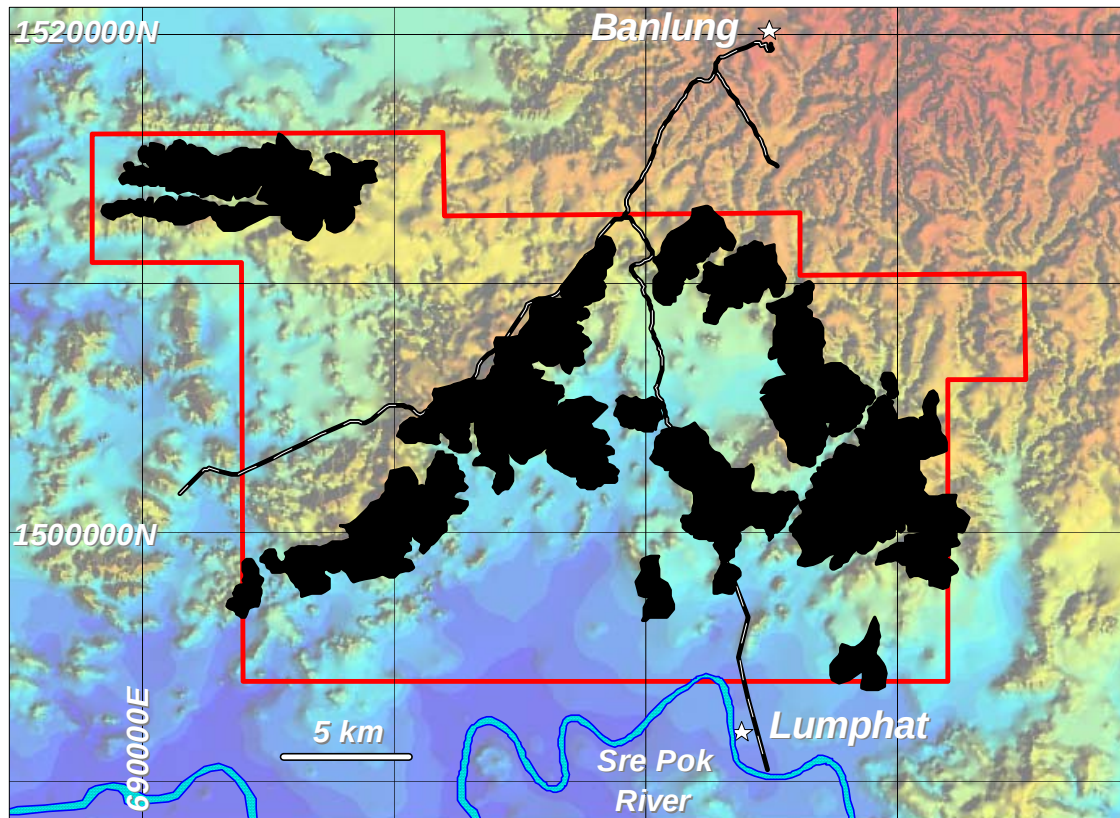


Figure 1: Banlung Project Drainage Sampling Location Map

RESULTS

Of the pan concentrate samples collected at Banlung, one in three recorded visible gold and 14% recorded four or more grains as detailed in Table 1 below. (Approximate weight per sample was 5 kg)

Anomaly Name	Results
Okalla	Defined by eleven catchments: eight have -80 mesh anomalies (1.52, 1.18, 0.85, 0.44, 0.41, 0.4, 0.2, 0.19 ppm Au) and ten with 4 to 17 grains gold in pancons.
Kunmum (northwestern)	Defined by four catchments: three have -80 mesh anomalies (0.49, 0.23, 0.23 ppm Au) and four with 4 to 11 grains gold in pancons.
Ka Tieng (northeastern)	Defined by five catchments: two have -80 mesh anomalies (0.82, 0.44 ppm Au) and five with 5 to 13 grains gold in pancons.

Table 1. Summary of results of both -80 mesh and pan concentrates.

Each sample represents a drainage catchment of about 1 square kilometre

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A strong gold drainage anomaly (Refer Table 1) related to the northeast trending Okalla Creek Fault and covers an area of approximately 9 sq km, defined by a complex magnetic anomaly caused by altered, magnetic, subvolcanic intrusions. The anomaly is apparent in both the fine fraction and the pan concentrates. The anomaly is at least 8 km long and continues under younger Tertiary basalts to the north and is open to the south (Refer Figure 2).

There are two other significant gold anomalies (Refer Table 1). One in the northwest of the licence area (The Kunmum Anomaly) is approximately 4 km in strike and is close to the margin of a granodiorite intrusive and appears to be running along a west-northwest trending fault (Refer Figure 2).

The other gold anomaly is in the northeast (The Ka Tieng Anomaly) in the hills immediately south of the basalt sheet. The anomaly is at least three kilometres long and there are some gold workings at the eastern end. (Refer Figure 2). As a result of a detailed aero magnetic survey carried out earlier in 2007 and subsequent geophysical interpretation, Liberty has been able to identify a discrete magnetic high which may also relate to alteration associated with a volcanic centre or intrusives.

In addition to the gold anomalies within stream sediment sample results, there are several broad copper, arsenic, zinc and cobalt stream sediment anomalies. The significance of these anomalous results is also being investigated.

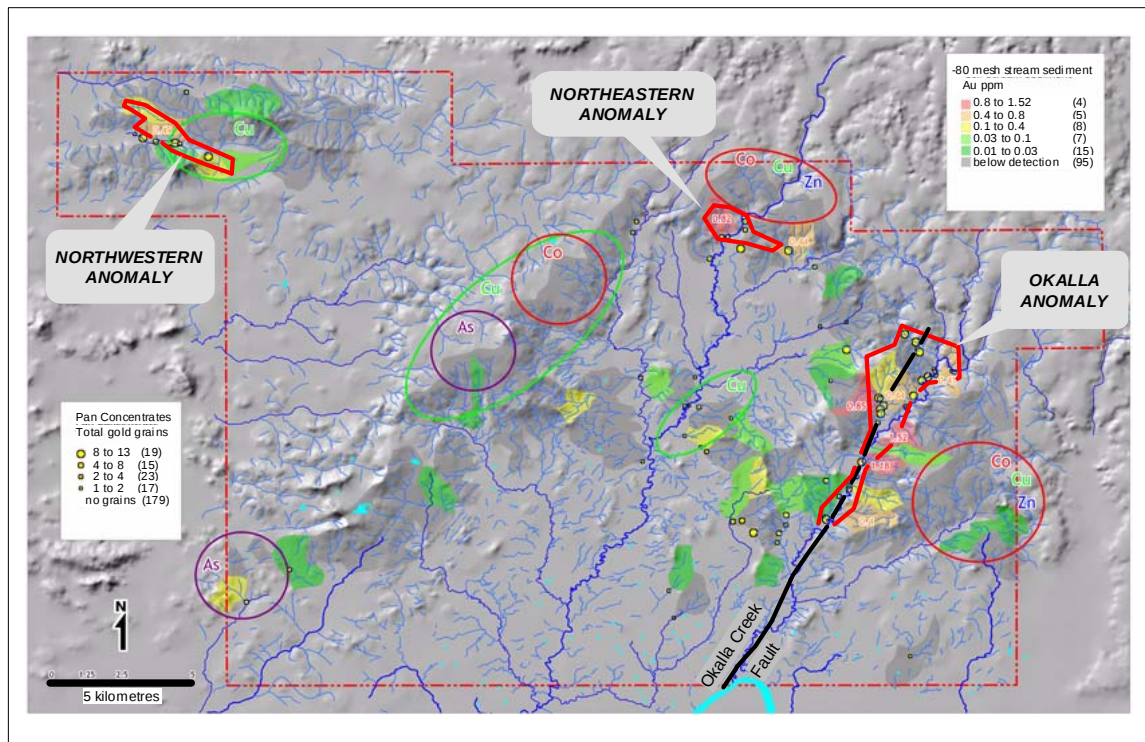


Figure 2: Banlung Project Drainage Sampling anomalies

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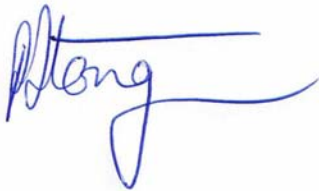
FUTURE PLANS

Initially it is proposed to map the Okalla area at a 1:5000 scale and carry out rock chip sampling. This will define the area for further soil sampling and possibly trenching. With a more thorough understanding of the geological and geochemical environment the aim is to resume diamond drilling later this year.

The Kunmum gold anomaly, Ka Tieng gold anomaly and the base metal anomalies will also be followed up in the field to determine what further work is required.

GENERAL COMMENTS

The Company is very pleased with the results of the sampling program at Banlung, in particular at the Okalla Creek area. Currently a detailed review of the geology is being carried out prior to the planned re-commencement of field work and possible drilling toward the end of this year.



Richard Stanger
Managing Director
Liberty Mining International Pty Ltd

Competent Persons Statement: The information contained in the report that relates to Exploration Results, Mineral Resources or Ore Reserves of the projects owned by Transol Corporation Limited is based on information reviewed by Mr. Don Horn, who the Company has contracted as a consultant. Mr. Don Horn is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Don Horn has given consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.
