

29 May 2012

ASX ANNOUNCEMENT

Drilling Commences at Southern Cross Bore Gold Copper Project, Northern Territory

(ASX Code: TNC)

DRILLING TO TEST HISTORICAL HIGH GRADE GOLD INTERSECTIONS AND POTENTIAL LARGE TONNAGE GOLD-COPPER ENRICHED MAGNETITE SKARN

Key Points:

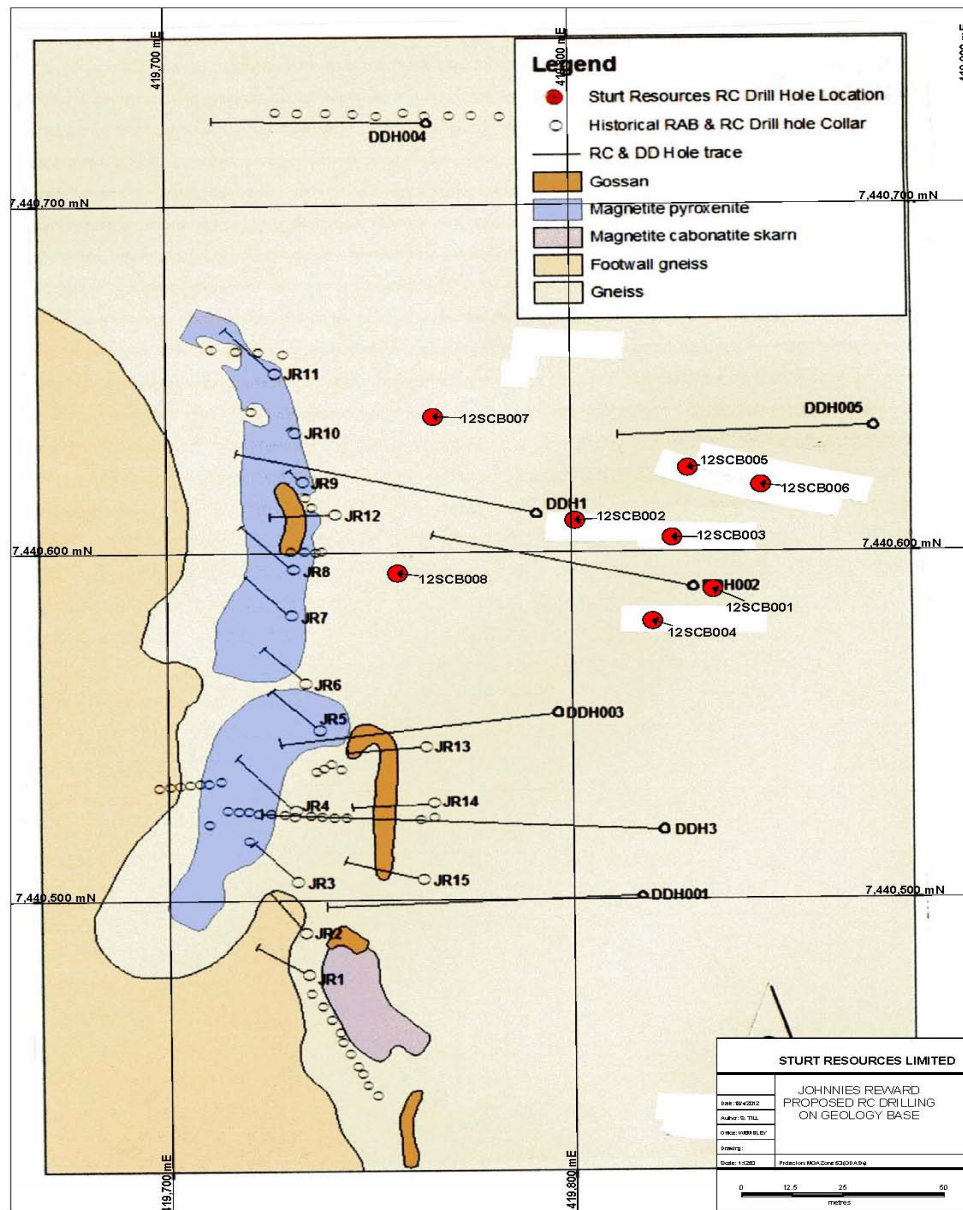
- 1275m, eight (8) hole RC program underway
- Drilling will test two targets; high grade gold mineralisation in footwall quartz-biotite-garnet gneiss (historic drill intersection of 9m @ 5.61g/t Au and 5m @4.84g/t Au); pyroxenite-magnetite skarn interpreted to extend from surface to greater than 500m vertical depth (historical drilling intersected broad zones of 0.5-2 g/t Au)
- Advanced exploration project with potential for early resource definition

The Directors of Transol Corporation Limited ("Transol") are pleased to advise that they have been informed by Sturt Resources Limited ("Sturt Resources") that drilling has commenced at its Southern Cross Bore Project located 75km north east of Alice Springs in the Northern Territory. The drilling program will test historical high grade gold intersections and potential large tonnage gold copper enriched magnetite skarn.

The Southern Cross Bore Project contains an advanced Iron Oxide Copper Gold (IOCG) Prospect, Johnnies Reward, which has a 50 year exploration history. Previous drilling at Johnnies Reward has identified broad zones of 0.5-2g/t gold mineralisation within a magnetite rich pyroxenite which plunges 50 degrees north from surface to an interpreted depth in excess of 500 meters. **Previous drilling has also intersected a higher grade footwall zone over a 9 meter width at an average grade of 5.61g/t Au.** Both zones remain open in all directions and untested by systematic drilling.

Best results from historical drilling were achieved by Alcoa in 1984 with two diamond holes intersecting the magnetite pyroxenite and quartz-garnet-biotite gneiss footwall. **DDH2 recorded an intersection of 51m @ 1.83g/t Au from 75m including 5m @4.84g/t Au and 9m @ 5.61g/t Au.** Both higher grade intervals were within the quartz-garnet-biotite gneiss footwall zone. **DDH5 intersected 32m @ 1.06g/t Au from 112m** all within the magnetite skarn however the hole was discontinued above the interpreted footwall.

Sturt intends to drill eight (8) RC holes totalling approximately 1275m to test down plunge mineralisation previously identified by reconnaissance drilling beneath surface gossans. This initial program will extend to a vertical depth of approximately 150m with follow up drilling proposed to test the structure down at least 500m depth.

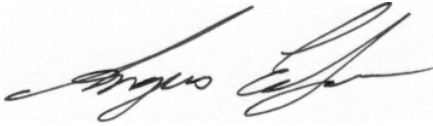


Above: Proposed RC drilling plan

The program is expected to run over the next 10 days with assay results due around the end of June.

Transol has the right to earn a 51% interest in the Southern Cross Bore Project by spending \$1million on exploration over two years. The project is 100% owned by Sturt Resources who is managing the Joint Venture until Transol has earned its 51%.

For further information, please contact Mr Angus Edgar on 03 8610 8633.

A handwritten signature in black ink, appearing to read 'Angus Edgar', written in a cursive style.

Angus Edgar
Managing Director

Competent Person Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr John Young, a Corporate Member of the Australasian Institute of Mining and Metallurgy and a Director of Sturt Resources Ltd, the Manager of the Southern Cross Bore Project. Mr Young has sufficient experience relevant to the style of mineralisation 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 Young consents to the inclusion in this report of the matters based on his information in the form and content in which it appears.