

EXPLORATION AND STRATEGIC UPDATE

- **625m of Diamond drilling completed. Economic mineralisation of Friesian Anticline tested**
- **1,680m of IP Geophysics completed, identifying new potential targets**
- **Timpetra undertaking strategic review of the Lockington Project - Company to incur only maintenance costs**
- **Targeted acquisition strategy**

Results from Third Phase Drilling

Timpetra Resources Limited (“Timpetra”) announces that the third phase drilling at Lockington has been completed. During January 2012, diamond drill hole LODT006 reached a depth of 650 metres with the twin aims of testing the hanging wall mineralisation, and targeted economic widths and gold grades within the Friesian Anticline. This mineralisation was believed to be associated with a major structural break of the Lockington Fault across the Friesian Anticline. This hole was also seen as an opportunity to confirm the modelled geology.

It was anticipated that similar grades would be observed as those in LODT004-W1 (4m @ 2.48g/t). However, a repetition of mineralisation was not observed as LODT006 passed 18m south of the LODT004-W1 intercept. An intercept of 1m @ 0.85g/t (from 570m) was the most notable of the gold assays returned through the Friesian Anticline zone.

This hole has shown that mineralisation in the Friesian Anticline is localised to discrete zones of quartz filled fracturing adjacent to the anticlinal axis. (Figure 1)

Some significant gold values associated with shallow north-west dipping veins and faults higher in the hanging wall were returned, with a maximum value of 3.59 g/t gold from 156.4 metres down hole from a 0.4 metre thick quartz vein.

<i>Hole</i>	<i>From (m)</i>	<i>To (m)</i>	<i>Thickness (m)</i>	<i>Au (g/t)</i>
LODT006	109.1	111.4	2.3	1.62
LODT006	117.2	117.7	0.5	2.65
LODT006	155.5	157.3	1.8	2.58

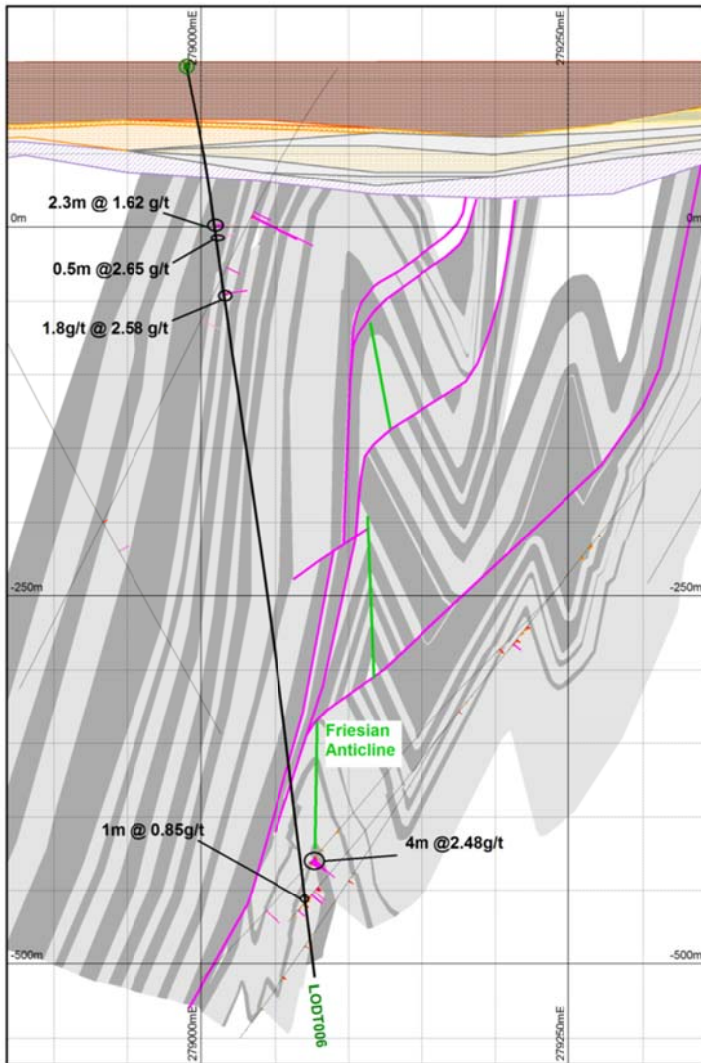


Figure 1 Cross Section 5980940N with recent diamond drill hole LODT006

Geophysics: IP Survey

Timpetra completed an IP (Induced Polarisation) trial geophysics survey across the southern end of the Lockington East Prospect. At least four anomalies can be seen in the IP Chargeability image (Figure 2). Of these anomalies, the following two are identified as potential sulphide drill targets:

- Anomaly 1: Centred on 278370E, -75 m (AHD). This anomaly is on the projected Friesian Anticline, and
- Anomaly 2: Centred on 278770E, -225 m (AHD). This anomaly corresponds with the southerly projection of the Jersey Syncline.

In 2005, Gold Fields drilled 05LODH003 to test the gold occurrence in aircore hole 04LOKC068, which intersected high arsenic and gold values (1.82 g/t Au, and 4730 ppm As). The IP Anomaly 2 in Figure 2 shows that the probable source for this aircore hit is deeper than that tested by Gold Fields. It is possible therefore, that gold mineralisation could occur at depth.

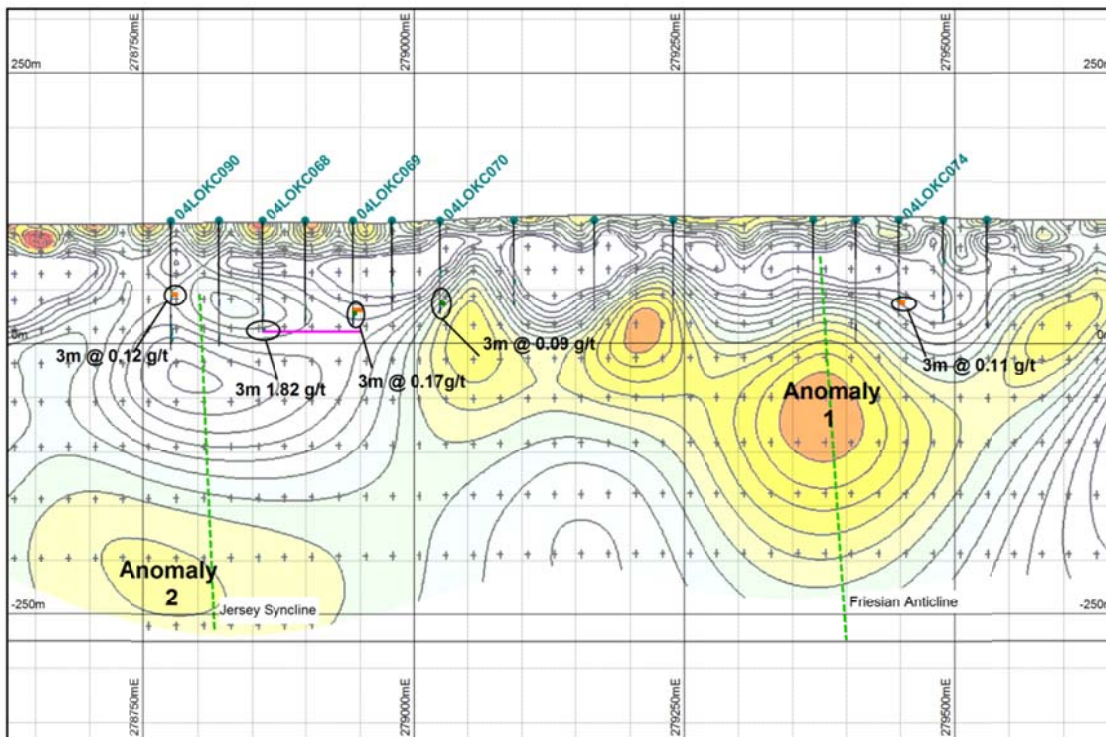


Figure 2 Modelled IP Chargeability section 5979300N

AirCore hole 04LOKC074 drilled just east of the Friesian Anticline was also anomalous in gold and arsenic (0.11 and 213 ppm respectively). As gold is known to migrate in the weathered zone of basement rocks, the presence of gold mineralisation in this AirCore hole is an indicator of mineralisation at greater depths, possibly related to Anomaly 1.

These geophysics anomalies provide ready-to-drill opportunities, and align well with structures observed to the north. Mineralisation is known to coincide with anticlines and synclines, and thus provide attractive follow up drill targets.

Exploration Overview

In less than 12 months of drilling over three phases, Timpetra has completed diamond drilling of over 3.9 km in 6 holes from surface plus 2 wedge holes on the Lockington South Prospect. While these programs have not resulted in the discovery of an ore body as yet, a large amount of encouraging geological data has been collected allowing for a much more complete understanding of this “blind” gold occurrence. Timpetra believes that the work that has been done demonstrates that significant gold mineralisation is present, and that geophysics is applicable in selecting further drill targets. Accordingly, the Company views the Lockington Project, as having considerable merit, warranting further drilling.

Timpetra has only tested the 3.5 km long Lockington South Prospect. The more than 10 km long Lockington East Prospect has had little attention, and remains essentially untested.

Strategic update

The Board of Directors is undertaking a strategic review on its Lockington Project based on the assay and IP survey results achieved to date, in line with the allocation of existing and future cash resources.

Timpetra is actively assessing a number of acquisition opportunities with the aim of finalising an acquisition in the current financial year.

Timpetra Chief Executive Officer, Dion Cohen said:

“Although the drilling has not yet resulted in the discovery of an ore body, we have collected a large amount of useful geological data. The IP survey has provided worthwhile drill targets for follow up drilling. The Company does not plan to spend more money on the Lockington Project except for maintenance costs.

The Company has a large cash balance and is well positioned to capitalise on acquisitions that are currently being evaluated. In the last 12 months, we have reviewed over 50 Projects and conducted negotiations on several. At present, we are considering four projects, all of which have considerable merit.”

Statement as to Competency

The Exploration Results in this report have been compiled by Mr Geoff Turner, who is a Member of the Australian Institute of Geoscientists. Mr Turner has more than ten years' experience in the estimation, assessment, and evaluation of mineral resources and ore reserves, and has more than 20 years' experience in exploration for the relevant style of mineralisation that is being reported. As such, Geoff Turner qualifies as a Competent Person as defined in the 2004 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”.

Geoff Turner is contracted to Timpetra Resources Ltd through his company Exploration Management Services Pty Ltd, and consents to the inclusion in this report of these matters based on the information in the form and context in which it appears.

Forward Looking Statements

This announcement contains certain forward looking statements which, by nature, contain risk and uncertainty because they relate to future events and depend on circumstances that are due to occur in the future.

There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements.

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