



31 January 2011

ACTIVITIES REPORT FOR THE QUARTERLY PERIOD ENDED ON 31 DECEMBER 2010

GABANINTHA VANADIUM PROJECT

The Gabanintha Vanadium/Iron/Titanium Project is located 43 kilometres south east of Meekatharra, Western Australia.

No field work was carried out during the quarter.

Geological Resource Update

The Company appointed SRK Consulting Pty Ltd ("SRK") to conduct a geological resource update, evaluation and technical assessment. The results of this study are pending and will determine the next phase on the project.

The principle objective of the study being undertaken by SRK is to provide a staged work program to culminate in an updated resource statement and technical assessment. The two stages of the project are defined as:

1. An initial technical review leading to an assessment of the project data requirements and providing recommendations for necessary work programs; and
2. Undertaking a new resource estimate for the deposit.

The comprehensive assessment includes but is not limited to:

- A review of both recent and historical exploration activities;
- A review of the recently completed Concept Study;
- Selection of samples from the recent diamond drilling for assay and metallurgical testwork;
- A review and update of the geological database;
- An update of the geological resource model, and an updated resource statement; and
- A technical assessment for the project.

TURNER'S DOME PROJECT

The Company's Turner's Dome tenement, E25426, straddles the contact between the Arunta Block and the Ngalia Basin in the Northern Territory.

During the previous quarter, a four man crew conducted helicopter supported stream sediment sampling, rock chip sampling and sensitive MMI soil sampling over geophysically acquired targets in the tenement area, targeting gold, base metals and uranium mineralisation.

The company is currently assessing this first phase field work to determine justification for further expenditure on the tenements.

Edward Saunders
Chairman

For personal use only