

EL 3522

COPPER STRIKE LTD

**Annual Technical Report
12 Month period ending 22/02/07**

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Disclaimer

The conclusions and recommendations based on any interpretations of geoscientific data contained in this report are provided at the request of the client. Copper Strike Ltd accepts no liability resulting from commercial decisions or actions taken by the client based on the recommendations presented in this report.

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1.0 SUMMARY

EL3522 was granted to Copper Strike Ltd on 23 February 2006 for a period of one year.

A review of Open File Literature from the South Australian Department of Mines has defined several areas of interest. Limited field work was undertaken to assess some of the larger prospects. No drilling has been undertaken due to the Company's inability to secure a suitable drilling rig.

Copper Strike is seeking renewal of EL 3522 for one year, together with a reduction of the expenditure commitment to reflect the inability to acquire a suitable drill rig.

2.0 INTRODUCTION

EL 3522, covering an area of 546 km², is located in the Mount Lyndhurst area of South Australia, about 50 km north east of Leigh Creek, and falls on the Copley 1:250,000 sheet (Figure 1).

A current mineral production lease, ML5498, lies within the north western quadrant of the exploration lease.

Copper Strike Ltd is exploring the area for copper oxide and sulphide mineralization associated with diapirs in the Adelaide Geosyncline.

Work undertaken by Copper Strike to date has comprised a review of Open File literature and a reconnaissance field visit. A Work Area Clearance Agreement was signed with the Adnyamathanha people was signed. Several areas of interest were identified from the literature, including the White Lead area (at the southern margin of the Mt Lyndhurst diapir), the Burr and Mallee Mines area, Fielders Claim and an area just south of Mt Lyndhurst (referred to in the literature as 'Hogans Bore' or 'Pile on Rocks'). Some work in the Red Oxide Prospect is also warranted.

3.0 MINERALISATION

The area is known to be a copper-bearing province where it is postulated that upward flow of solutions, concentrated through extensively fractured diapiric zones, has lead to deposition of minerals where solutions or brines encountered sulphide, possibly in the form of pyritic host rocks (AMDEL Open File Report Envelope 1586, p 188)

Four areas worth investigation were identified from the Open File literature (see Figure 3 for location map);

- Mt Burr/Mallee Mine
- White Lead Area
- Fielders Claim
- Red Oxide Prospect.

3.1 Mt Burr/Mallee Mines

In 1970, Australia Aquitaine Petroleum (Open File Envelope 1509) conducted an exploration program over the Mt Burr area testing the Yudnamutanna Sub-group below the Tindelpina shale. Six exploration holes were drilled with locations defined by geochemical anomalies. Three yielded interesting assay results as listed Table 1.

Hole number	Depth	Average ppm Cu	Max ppm Cu	Thickness of anomaly zone	Geological observations
MTB4	450'	1,660	2,525	205-225 (20')	Quartzitic sandstone with disseminated pyrite (white grey)
MTB5	380'	1,000	2,250	190'-230' (40')	Quartzitic sandstone with disseminated pyrite (green grey and white)
MTB 6	250'	1,215	1,450	90-110' (20')	Quartzitic sandstone with disseminated pyrite and sometime malachite in diachases (white-grey)

Table 1. Anomalous results from Aquitaine Petroleum Pty Ltd, 1970 (Open File Envelope 1509))

The area was revisited in 1970 by Mines Exploration Proprietary Ltd (Open File Report Envelope 3610) where 661 soil samples were collected along 30 km of the Tindelpina Shale member of the Tapleys Hill formation. Although the results of the survey were deemed disappointing some of the highest assay values for Cu fall in the Mt Burr area and were noted to lie within close proximity of diapir breccias.

In 1983 (Open File Report Envelope 4540) Adelaide and Wallaroo Fertilizer Company drilled 36 pattern percussion holes in the Mt Burr area looking for additional reserves of copper oxide to supply the company's cupric oxide plant. The company reported drill hole intersections of;

MB29	8 m (7-15)	at 0.72% Cu
MB15	6 m (10-16)	at 0.62% Cu
MB16	5 m (4-9)	at 0.69% Cu

Although disappointing it was suggested in the report that these results may indicate potential to the north and north west of the drill site (Open File Report Envelope 4540, p 243).

In 1993 CRA drilled to test the down dip extension of copper mineralization at the Mallee Mine area within the tillite.

Elevated copper (maximum 0.4%) was intersected between 102.00 – 111.10m, straddling the tillite/diapir contact.

(Open File Report Envelope 8509, p. 86)

The results were deemed indicative that further work in the area was unwarranted however the **'elevated Cu at the diapir/tillite contact shows that given a suitable trap site, this prospect may be productive elsewhere'**.

3.2 Mt Lyndhurst Diapir Area

Western Anomaly and White Lead Prospect

In 1966 the South Australian Department of Mines reserved part of the Lyndhurst diapir from mining exploration for research into the factors contributing to diapirism in the Flinders Ranges and the correlation between local diapirism and copper mineralization.

Extensive geological, geochemical and geophysical work was carried out over the area in 1966 and 1967.

Several prospects in the area were noted from geochemical anomalies and followed up with diamond drilling. Within the diapir mineralization occurs in diapiric blocks (referred to in the literature as the Western Anomaly - DLY1)

Outside the diapir mineralization is noted within the siltstone beds of the Yudnamutana subgroup (White Lead Area).

Western Anomaly

DLY1, sited 100 feet east of an outcrop of cupriferous shale and within the area of an intense S.P. anomaly (see page 16 of Department of Mines, South Australia, 1st Geological and Geochemical Report on the Lyndhurst Diapir for the Period January to May 1966 (RB6200132)) yielded a zone 175'-185' which assayed over 3000 ppm Cu although no visible copper mineralization was noted. This initial exploratory hole was sited within the Lyndhurst Diapir in a large block over ½ mile wide and 2 miles long, oriented NS close to the diapir's western margin. The block consists of quartzite in the west and shale in the east.

White Lead

The Cyprus Mines Corporation 1972 report on exploration in SML 314 refers to previously drilled hole DLY5, reporting an intersection of 0.64% Cu over a 145' width (Open File Report Envelope 1193, p .6). The location of this hole is outside the diapir in the White Lead area.

The diamond drill hole was drilled by the South Australian Department of Mines to test anomalous geochemical values (1966 Report RB6300127) and self potential anomalies (1967 Report RB650016, p. 5).

Mineralization is reported to occur as narrow 1 inch veins of quartz-pyrite-chalcopyrite, both parallel and perpendicular to bedding. Mineralised breccia

was also reported in the core. The original description of the hole from report RB6300127, page 20, is copied here;

'This hole intersected 182 feet of weathered Tapley Hill shale, then 149 feet of siltstones, thin quartzite and tillite of the Yudnamutana Sub-group, and penetrated 208 feet into quartzitic diapiric breccia. The siltstones and tillite are cut by thin quartz veins bearing small segregations of chalcopyrite, notably between 271.6 and 273.6 feet and 303.7 and 306.0 feet. Within the diapir breccia, sparsely disseminated chalcopyrite is present from 406-418 feet and from 453-490 feet.'

In 1971 AMDEL was commissioned to investigate the petrographic and geochemical nature of the Lyndhurst Diapir. In this report (Open File Envelope 1586) a detailed description of the core from DLY5 was presented. From page 67 of the report;

DLY5 passes through oxidized and leached Tapley Hill shales from 0ft-182(?) ft and through Yudnamutana siltstones with pebbly layers and minor tillite from 182(?) feet to 331 ft. Below 331 ft it passes through recrystallized, contorted, deformed and fractured siltstones (now quartzite) with shale (phyllite) layers. These deformed sediments alternate with zones of coarsely crystalline, drusy dolomite containing varying amounts of specular hematite, micaceous chlorite, pyrite, and chalcopyrite. Layered dolomitic and hematite-bearing siltstone and shale similar to the hematite bearing sediments described from DLY9 occur near bottom of the hole (below 523ft).

The geochemical analysis of samples from DLY5 from the AMDEL report are included as Figure 13 of this report. The figures presented do not equate to the Cyprus Mines Corporation 1972 report on exploration in SML 314 which reports an intersection of 0.64% Cu over a 145' width, but do indicate anomalous values of copper from 302 feet to 310 in the coarser grained layers of the Yudnamutana Siltstones and again at depth from 398 feet to 488 feet in coarse grained dolomite containing large specular hematite crystals, some pyrite, and chalcopyrite as irregular grains in interstices and along grain boundaries between dolomite crystals (open File Envelope 1586, p 74).

The White Lead area was revisited by Adelaide and Wallaroo Fertilizers in 1983 where assay results from percussion drilling yielded (Open File Report Envelope 4540 p 199);

Section 7000E	WL4	3 m intersection at 1.41% Cu
	WL5	1 m intersection at 1.43% Cu
Section 8000E	WL7	2 m intersection at 0.82% Cu
	WL8	3 m intersection at 0.64% Cu
		8 m intersection at 1.14% Cu
Section 9000E	WL17	10 m intersection at 0.64% Cu

3.3 Fielders Claim

Fielders Claim is located 24 kilometres east of Lyndhurst railway station and just north of the White Lead Mines. Oxidized copper mineralization is associated with diorite intrusives.

In 1973 (Envelope 2232) Cultus Pacific N.L. drilled intrusives known as Diorite 5 and 12 delineating a zone measuring 500' by 200' and 120' thick with an approximate grade of 0.3% Cu. This zone lies 400 feet SW of a zone 800' by 150' by 150' with a copper grade of .25% associated with diapiric breccia. From the report;

'Oxidized copper mineralization occurs in stockwork, veins or fractures and as disseminations in diorite plugs which resemble lopolithic structures. The zone of copper mineralization as established is shallow and flat lying and varies from 25 to 90 feet thick. The highest reading obtained was 2.6% Cu. Disseminated sulphides including chalcopyrite and pyrite were intersected below the oxidized zone of mineralization.'
(Open File Report Envelope 2232, p 16).

A best intersection obtained was PDH D5 P1 between 65 and 70 feet with an assay of 2.6% cu. The drillhole record describes the zone as;

'diorite, brown weathered as narrow dikes or sills intruding diapiric breccia, with micaceous hematite with malachite present.'

D5 P3 yielded copper values from 960-20,000 ppm between 0-70 feet (Open File Report 2232, p 104). The drill hole record describes the rock as;

'diorite, as above, with disseminations of malachite, cuprite and occasional chrysocolla from 20-90 feet, indicating 0.5 to 1% Cu.'

3.4 Red Oxide Prospect

The Red Oxide copper prospect is located 56 kms north northeast of Leigh Creek and 24 kms east of Lyndhurst Railway station. The prospect was the subject of exploration by Australasian Mineral Search and Investment Ltd in 1971 with anomalous copper values recorded in assays from trench samples of **1300 to 20000 ppm Cu**. Copper mineralization, as a series of veins carrying micaceous hematite, chalcopyrite and secondary copper minerals, is associated with a dioritic intrusive known as diorite number 6. The prospect was deemed too small for further investigations.

4.0 CONCLUSIONS AND RECOMMENDATIONS

Within EL 3255 old workings appear to be associated with the edge of diapirs. As much of the area has been prospected at surface it is expected that much of the current exploration will be focused on defining diapir edges at depth through drilling, geophysics, and geochemistry.

Four areas worth investigation were identified from the Open File literature;

- Mt Burr/Mallee Mine
- White Lead Area
- Fielders Claim
- Red Oxide Prospect.

Drilling of the best of these areas could be initiated rapidly on procurement of a suitable drill rig.

5.0 BIBLIOGRAPHY

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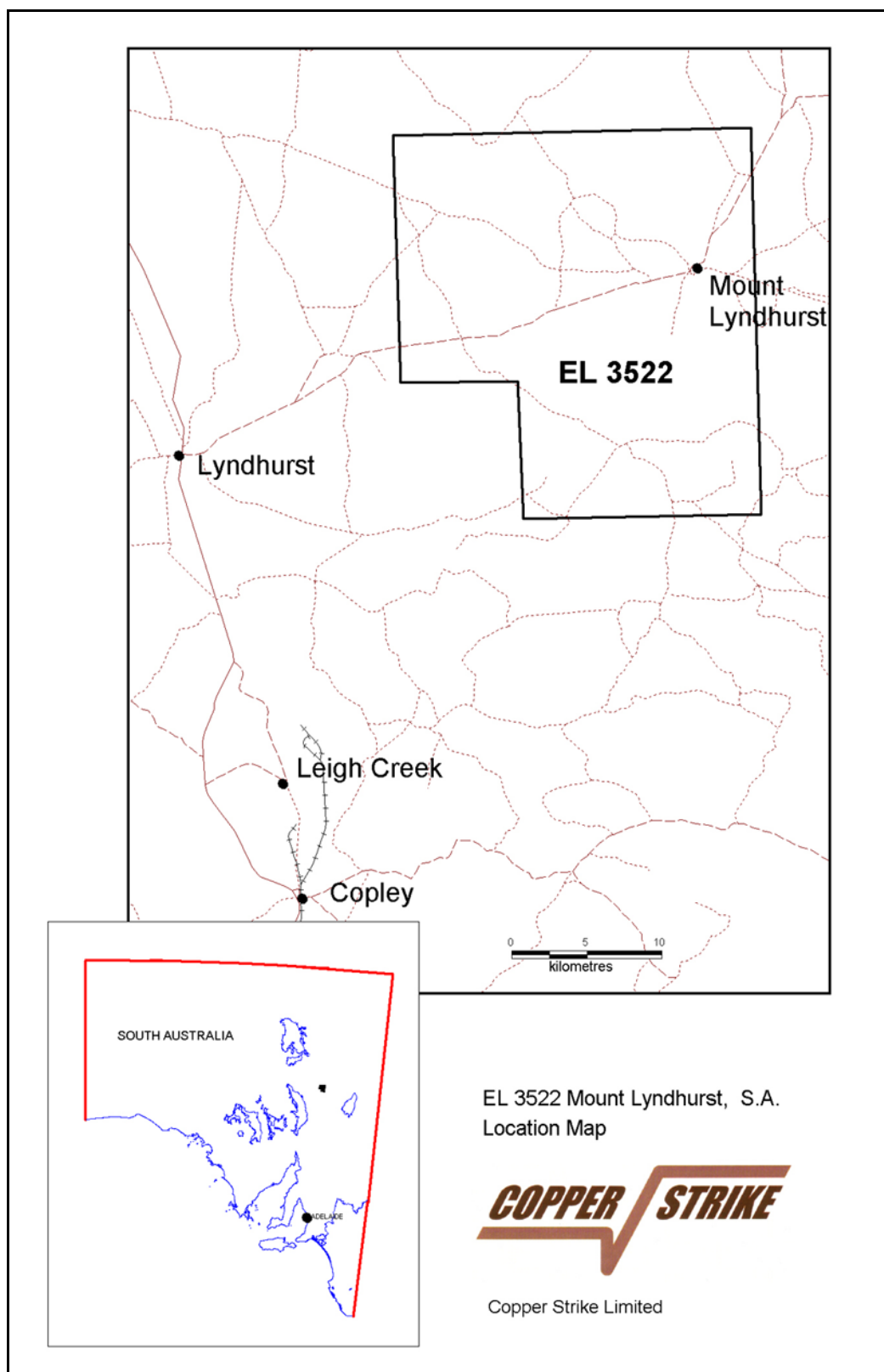


Figure 1 Location of the Copper Strike Tenement EL 3522

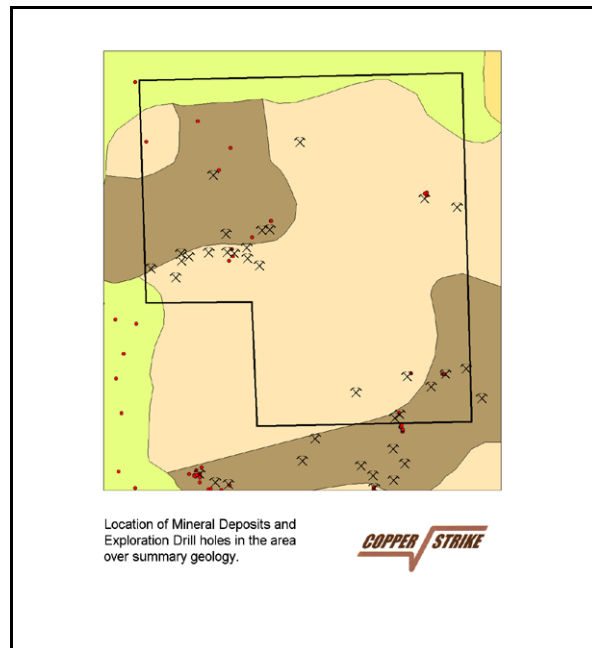


Figure 2 Location of Old Workings and Exploration Drill Holes

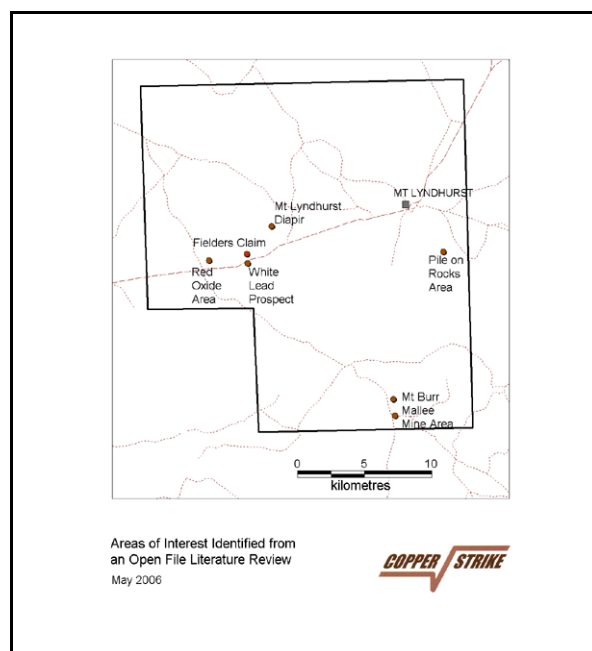


Figure 3 Areas of Interest

Expenditure Statement EL3522 12 Month Period to 22/02/07

Compilation and Review Of Existing Data	\$6469
Rent and Application Fees (to PIRSA)	\$4264
Reconnaissance Field Visit	\$5191
(Accommodation, Meals and other Expenses)	
Native Title Costs	\$2357
Geologist Salaries	\$1653
Total	\$19,934

EL 3550

COPPER STRIKE LTD

**Annual Technical Report for the Period
Ended April 30 2007**

Prepared by: Eadie, E.

Date of report: November 22 2007

Keywords: Copper,
Exploration,
Lyndhurst,
Diapirs
Copley Mapsheet



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SUMMARY

EL3550 was granted to Copper Strike Ltd on May 1 2006 for a period of one year.

EL 3550, covering an area of 296 km², is located approximately 30 km northeast of Leigh Creek in the Mount Lyndhurst South area of South Australia, and falls on the Copley 1:250,000 sheet (Figure 1).

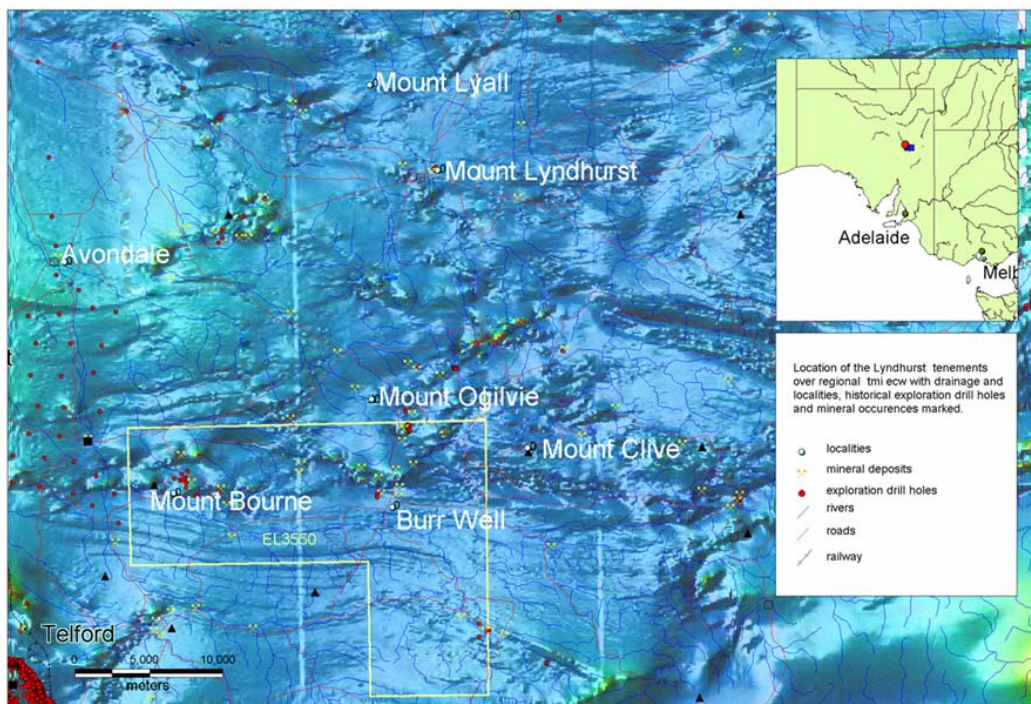


Figure 1 Location of EL 3550

Copper Strike Ltd is exploring the area for copper oxide and sulphide mineralization associated with diapirs in the Adelaide Geosyncline.

Work undertaken by Copper Strike to date has comprised a review of Open File literature and a reconnaissance field visit. A Work Area Clearance Agreement was signed with the Adnyamathanha people. No drilling has been undertaken due to the Company's inability to secure a suitable drilling rig.

Several areas of interest were identified from the literature, including Mt Bourne Area (which includes the Federal and Liberation Prospects), Paulls Consolidated Mines Area and Stones Claim.

Copper Strike is seeking renewal of EL 3550 for one year, together with a reduction of the expenditure commitment to reflect the inability to acquire a suitable drill rig. Copper Strike is also seeking a partner on the project.

1.0 INTRODUCTION

Copper Strike Ltd is exploring the area for copper oxide and sulphide mineralization associated with diapirs in the Adelaide Geosyncline.

A review of Open File Literature from the South Australian Department of Mines has defined several areas of interest. Limited field work was undertaken to assess some of the larger prospects

2.0 GEOLOGY

The Lyndhurst Project is set in Neoproterozoic (Adelaidean) sediments, situated in the northern Adelaide Fold Belt in South Australia (Figure 2). Copper prospects abound where the Sturtian tillite, the Tapley Hill Formation of the Umberatana Group, is cut by diapiric breccia (Figure 3). Older basement is not exposed in the immediate area. The nearest exposure of basement is in the Mt Painter Inlier 100km east of Lyndhurst, where Proterozoic granites, gneisses and metasediments are overlain by Neoproterozoic to Cambrian sediments of the Adelaide Fold Belt (Preiss, 1990).

The Adelaidean stratigraphy is divided into three stages: Willouran, Sturtian and Marinoan. The oldest Willouran stage contains Callana bed carbonates, which are only seen inside the diapirs in this area, along with diorite and small amounts of mafic rock. In the writer's experience the carbonates in the Lyndhurst Diapir typically have the look of broken strata and breccia associated with evaporites and re-mobilised by salt. In the Lyndhurst area the diapiric structures usually occupy domal positions with broad open folded synformal flanks. This pattern is seen throughout the Flinders Ranges and is reminiscent of "salt tectonic structures" documented in oil fields in the Middle East, but also in the Precambrian African Copperbelt. The diapirs are most often in contact with Sturtian Burra Group or Umberatana Group, and less commonly Marinoan Yerilina Group. Rocks of several ages have come into contact, suggesting faulting or a diapiric model.

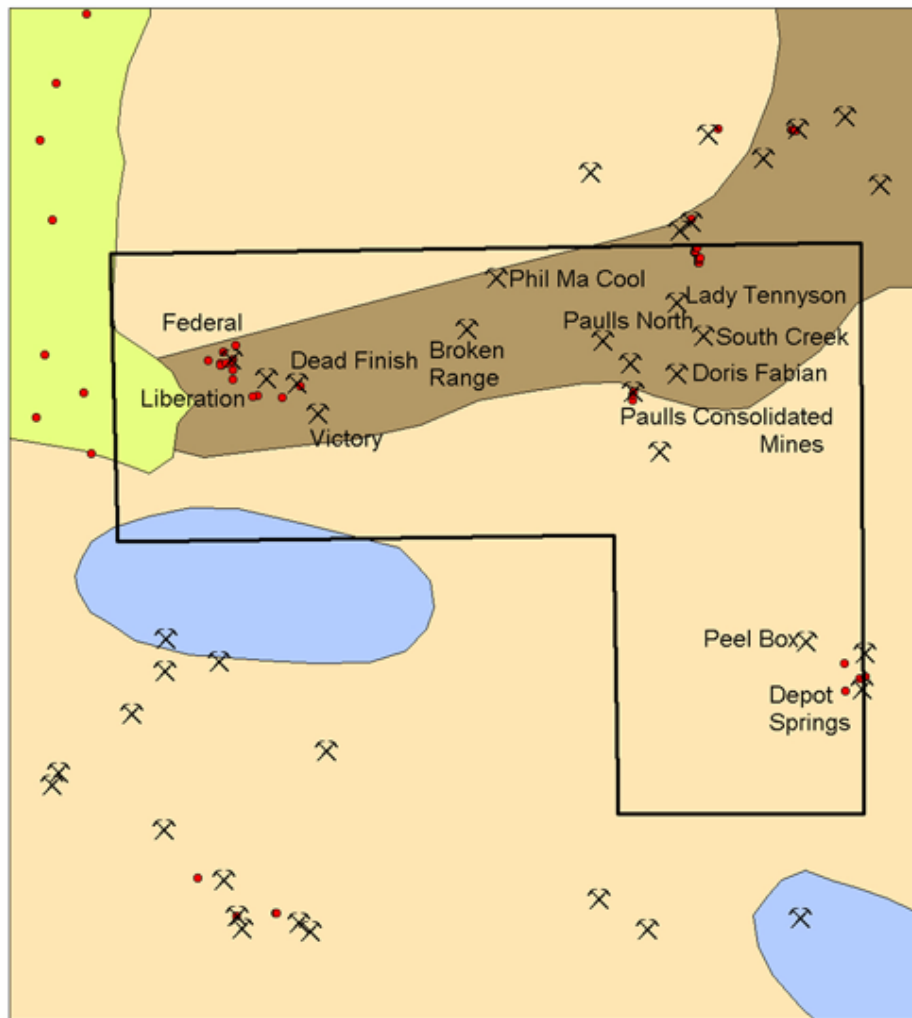
The stratum of the Burra Group comprises siltstone, shale and sandstone overlain by tillitic mudstone of the Tapley Hill Formation. The Tapley Hill Formation contains distinct glacial debris of grit and occasional pebbles. The overlying Yerilina Group comprises siltstone and sandstone that is overlain by Wilpena Group quartzite and shale. The rocks show very little metamorphism and are judged to be greenschist facies.

The diapirs consist essentially of blocks of feldspathic-siliceous dolomites, siltstones and sandstones and bedded micaceous quartzite set in a matrix of dolomitic breccia. The degree of crushing varies from diapir to diapir. The Lyndhurst Diapir also contains large sedimentary blocks which resemble Burra Group lithologies and widespread brecciation.

2.0 MINERALISATION

The area is known to be a copper-bearing province where it is postulated that upward flow of solutions, concentrated through extensively fractured diapiric zones, has led to deposition of minerals where solutions or brines encountered sulphide, possibly in the form of pyritic host rocks.

There are many historical mineral occurrences (figure 2) documented in the tenement area.



Location of Mineral Deposits and
Exploration Drillholes in Area
over Summary Geology



Figure 2 Mineral Occurrences in the Tenement Area

Four areas worth investigation were identified from the Open File literature (see Figure 3 for location map);

- Mt Bourne Area (includes the Federal and Liberation Prospects)
- Paulls Consolidated Mines Area and
- Stones Claim.

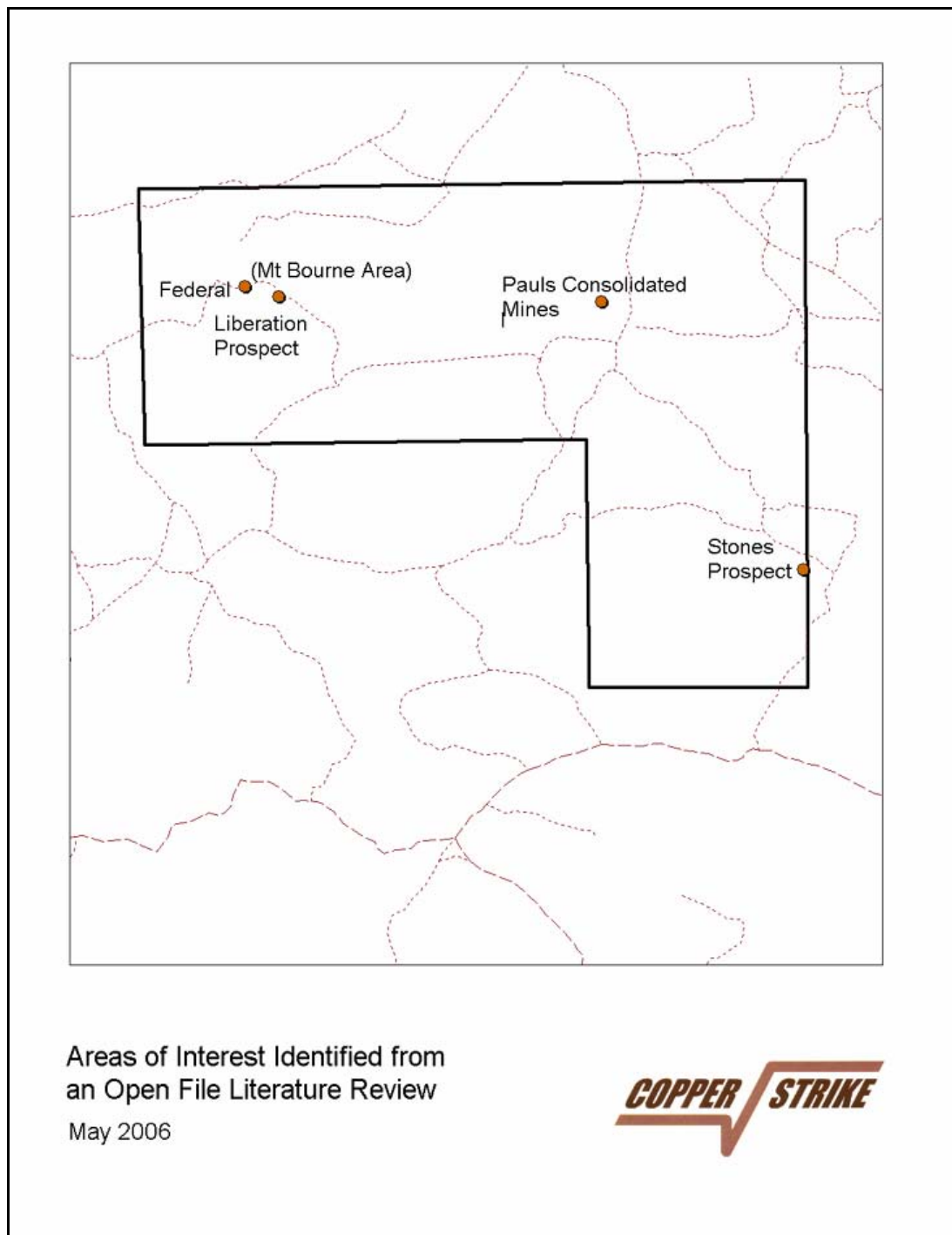


Figure 3 Areas of Interest

3.1 Mt Bourne Area

The Mount Bourne area is located 25 km NE of Copley and includes the Liberation and Federal Mine prospects. The area is a low priority prospect.

In 1995 CRA drilled 2 diamond drill holes and 7 reverse circulation drill holes in the Mount Bourne area to test a conductive/chargeable IP anomaly. Diamond Drill Hole DD93MC10 intersected a sequence of weathered green, grey, red-brown siltstone-shale and graphitic shale to a depth of 146 m overlying a highly brecciated and altered unit of siltstone-shale with dominant clay/rock flour matrix. No visible copper

mineralisation was observed in the drill hole with maximum values of 0.23% Cu and 24 ppm Au returned. Better results were returned in DD93MC11 with best intersections;

9 m @ 0.16% Cu from 13 m and

15 m @ 0.10% Cu from 55 m,

and from reverse circulation drilling; The best RC drill result was

RC93MC14 **6 m @ 0.84% Cu from 2 m,**

7m @ 0.31% Cu from 73 m, and

13 m @ 0.15% Cu from 92 m.

The main lithology in all drill holes was a pyritic graphitic siltstone /shale.

In 1997 BHP Minerals, exploring for stratiform copper oxide and sulphide deposits associated with diapirs in the Adelaide Geosyncline tested a TEM anomaly drilling slightly north of the earlier CRA exploration holes. No significant anomalous assay values were returned from the rock chip samples sent for analysis however it was recommended that more drilling, and at greater depths, be undertaken to try to explain the anomaly.

The Liberation prospect is located approximately 19 kilometres NE of Leigh Creek and is associated with the southern extension of the Burr Diapir.

Results from assaying samples from auger drilling in the area were deemed disappointing however it was indicated that an anomaly to the south still required follow-up and there was potential for enrichment of the deposit at depth in the south eastern corner of the gridded area. Best assay values recorded (100-410ppm Cu) were associated with purple siltstones, partially leached and altered.

The Federal Mine is located 0.8 km NW of the Liberation prospect, 2.5 km east of Mt Bourne and about 19km NE of Leigh Creek. The mine was worked in 1901 and then reopened in the 1960s for a couple of years. It is geologically located in the core of a large east west trending anticline (Open File Report, Envelop 2365, p 86) with workings located on a large rafted block within the southern extension of the Mt Burr Diapir. Mineralisation occurs along a faulted contact between carboniferous shale which contains syngenetic pyrite, and a red-grey siltstone. Results from auger drilling by Bridge Minerals (1975) revealed assay values of up to 880ppm Cu in reddish-ferruginous siltstone, with sandy quartzite. Although the results are not spectacular, the proximity to the Liberation and Mt Bourne prospects warrants further assessment and inclusion in Mt Bourne exploration programs.

3.2 Paulls Consolidated Mines

Paulls Consolidated mines are located 32 kilometers north east of Copley with Paulls East, Paulls West and Paulls North included in the grouping.

Mineralisation occurs within the Tindelpina shale and at the contact of this unit with an underlying tillite. Copper mineralisation is in the form of carbonates with some native copper and primary/secondary sulphides.

CRA noted a disrupted region where carbonate diapirism has occurred just to the north of the tillite unit (Open File Report Envelope 8509, p 108)

Two diamond drill holes were completed in 1995 by CRA following up on geochemical anomalies (line 276500E, values ranging between 116 and 460ppm Cu) and IP anomalies.

Best drill results were;

**DD93MC6 9.0 m @ 0.5% Cu from 106 m
(including 2.2 m @ 1.44% Cu from 108 m)**

**Native copper was present at the contact between the
Tindelpina Shale and Tillite.**

DD93MC7 intersected a sequence of weathered siltstone with a maximum copper assay value of 85ppm Cu.

3.3 Stones Claim

Perhaps the most interesting of prospects is the Stones Claim.

Stones Claim is located 32 km east north east of Copley and 9 km north east of the Depot Springs Homestead in the area of the Depot Springs and Peel Box Copper Mines (mined 1901).

The area was sampled geochemically (stream sediment) by Southern Cross Mining in 1970 (Open File Report, Envelope 1272 and 1339) and resampled by CRA in 1994 (Open File Report, Envelope 8509).

The area is dominated by a SE plunging anticline cut by the Mundy fault (Open File Report Envelope 8509, p 78). Outcrop mineralisation, as described in the CRA report, occurs as goethite-malachite-hematite veined siltstone and malachite stained ferruginous and fractured siltstone and sandstone (Open File Report, Envelope 8509 p 30).

CRA collected additional samples (Figure 12) and covered EL1742 with airborne magnetics. Drill locations were selected based on the results of these surveys and detailed geological mapping (Figure 13). Best drill intersections were;

DD92MC1	70.40 m @ 0.44% Cu from 116 m including
	20.90 m @ 1.11% Cu from 165.5 m
	3.65 m @ 5.02% Cu from 167.9 m
DD92MC2	3.00 m @ 0.11% Cu from 185.0 m
DD92MC4	5.20 m @ 0.40% Cu from 51.6 m
	11.05 m @ 0.12% Cu from 153.8 m

The prospect was downgraded when DD93MC3 failed to find the mineralised horizon (faulted off) and a lack of significant mineralisation was found when drilling the same horizon on the SW limb of the anticline.

The location of the drill holes in relation to the Copley 1:250,000 geological map and the edge of EL3550 are depicted in Figure 4.

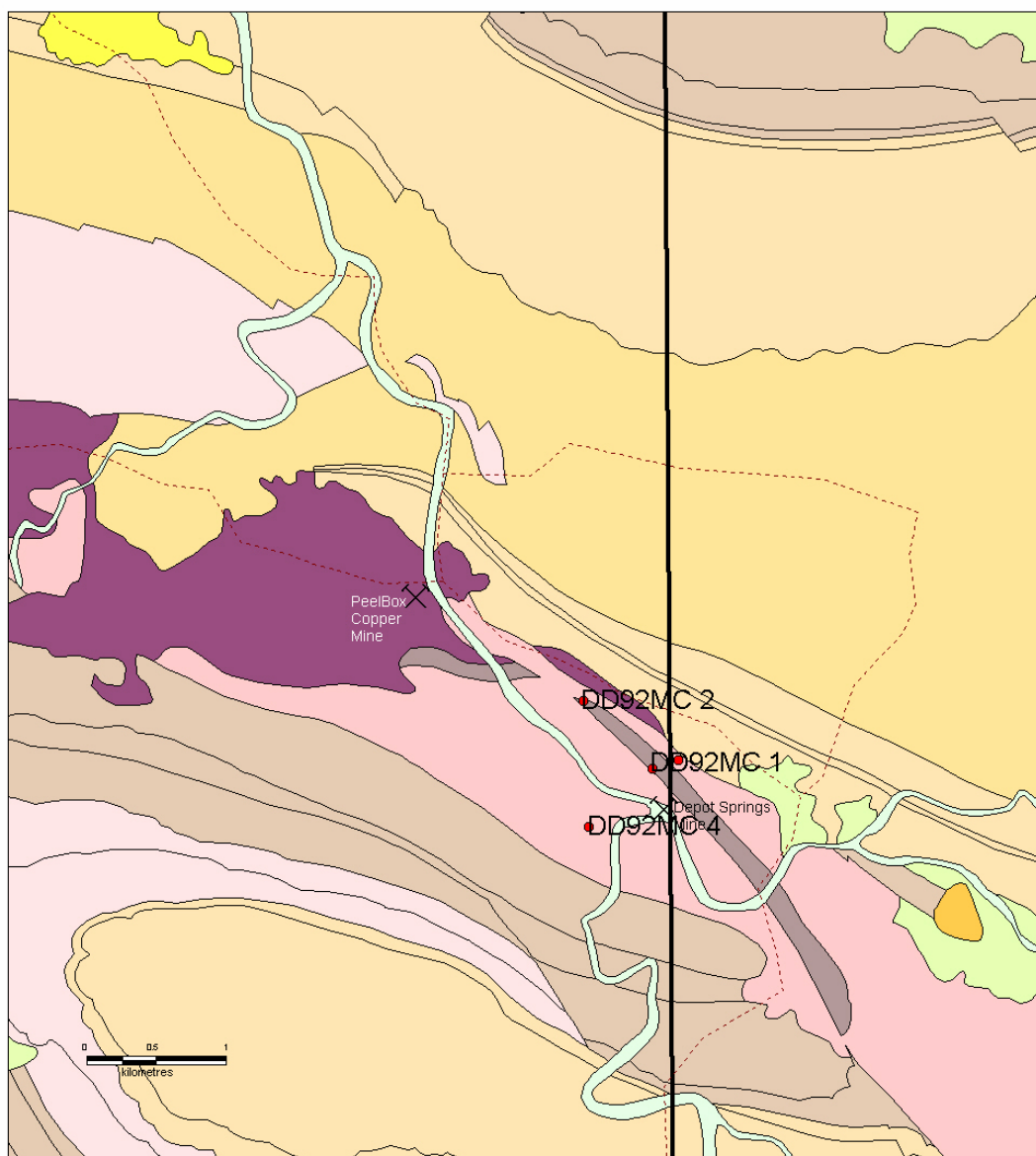


Figure 4 Stones Claim Prospect

3.0 WORK COMPLETED BY COPPER STRIKE IN THE REPORTING PERIOD

A reconnaissance field visit was made by Copper Strike Geologists to investigate old workings and assess the surface expression of mineralisation in the area.

4.0 EXPENDITURE

Over the past twelve months the following expenditure (inclusive of rent, application fees and tenement management costs) has been made;

Geologists Salaries (In house)	5750.00
Consultant Geologist	2500.00
Field Expenses	2809.58
Administration	1200.00
Native Title Negotiations	2936.37

Rent and other tenement management costs	4315.09
Total expenditure for the annual period to April 30 2007	19511.04

5.0 CONCLUSIONS AND RECOMMENDATIONS

Within EL 3550 old workings appear to be associated with the edge of diapirs. As much of the area has been prospected at surface it is expected that much of the current exploration will be focused on defining diapir edges at depth through drilling, geophysics, and geochemistry.

Three areas worth investigation were identified from the Open File literature;

- Mt Bourne Area
- Paulls Consolidated Mines Area and
- Stones Claim.

Drilling of the best of these areas could be initiated rapidly on procurement of a suitable drill rig.

6.0 REFERENCES

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EL3522 & EL3550

SYRAH RESOURCES LIMITED

ANNUAL REPORT FOR THE PERIOD ENDING

30 APRIL 2008

Prepared by:

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June 2008

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1.0 SUMMARY

This report documents exploration conducted during the second year of tenure at EL3522 and EL3550 (the Lyndhurst tenements).

Syrah Resources conducted the following exploration during this second year of tenure:

- Reconnaissance field visits to selected prospects
- Field mapping of prospects, including detailed mapping at Stones Claim
- Planning of drilling program, including submission of work program to PIRSA
- Cultural Heritage surveys at Stones Claim and White Lead Prospects
- Percussion drilling program at White Lead Prospect in EL3522

2.0 INTRODUCTION

EL3522 (549 km²) and EL3550 (296 km²) are located in the Flinders Ranges in the Lyndhurst region of South Australia. The tenements are located in an area centred approximately 35km north-east of the township of Copley, as shown in **Figure 1**. A current mineral production lease, ML5498, lies within the north western portion of EL3522.

EL3522 was granted to Copper Strike Ltd on 23rd February 2006 for a period of one year, and EL3550 was granted to Copper Strike on 1st May 2006 for a period of one year. Both licences were subsequently extended to two year periods.

During September 2007, these tenements were transferred from Copper Strike to Syrah Resources Ltd. The Instrument of Transfer of the tenements was completed on 15th February 2008, and The Deed of Assumption and Assignment for the transfer of all interests, rights and obligations from Copper Strike to Syrah Resources was completed on 6th February 2008.

Syrah Resources is exploring for base and precious metals in Early Proterozoic rocks of the Adelaide Geosyncline. Known copper and/or gold deposits in the area commonly occur in the Tapley Hill Formation, with the mineralisation believed to be associated with proximal diapiric structures.

3.0 FIELD MAPPING

3.1 Stones Claim Prospect

Detailed geological mapping was conducted using aerial photography enlarged to 1:2,500 scale, in order to investigate the following:

- Stratigraphy within the prospect area;
- Occurrence of copper mineralisation; and
- Relationship between mineralisation and structure.

The geological plan is presented as **Figure 2**. The following observations were made:

Stratigraphy

- The Stones Claim copper prospect occurs on the northern limb of an easterly plunging anticline.
- The mineralisation is hosted by a light brown shale unit (host shale); siltstone and sandstone horizons occur in the shale sequence, but these are relatively rare.
- The host shale is underlain by grey-green calcareous shale that weathers to a distinctive green-brown colour. This unit is relatively massive and extensively jointed.
- The host shale is overlain by a tillite (diamictite) which consists of a matrix of light brown shale containing rounded clasts of various compositions (quartz, sandstone, siltstone, etc.). The tillite is matrix-dominated in this area and in some areas the clasts are rare. The contact between the shale and the tillite is probably gradational, but is not clearly seen due to scree slope rubble.
- A major fault, trending sub-parallel to stratigraphy, is present near the base of the tillite. This structure is understood to be an extension of the Mundy Fault, and is characterised by extensive silicification and brecciation, as well as high iron content. The fault zone is relatively wide (up to 15 m) and is shown on the Syrah map as a significant 'silicified breccia unit' that pinches and swells along strike. The fault breccia forms a prominent ridge due to its high silica content. There is a 'break' in the fault near the eastern boundary of the tenement where the silicified breccia is 'absent', possibly due to shearing/ alteration caused by a later cross-cutting fault.

Mineralisation

- The CRA soil sample results indicate that the shale-siltstone sequence hosting the Stones Claim Prospect has elevated copper contents.
- Locally, folding and faulting of the sediments has resulted in marked thickening of the host sequence. It is believed that this structural deformation has produced open space and promoted fluid flow, resulting in copper mineralisation (enrichment/ upgrading) in the sediments.
- Field mapping has shown that the copper occurs in thin iron-rich horizons that are typically sub-parallel to bedding.
- Malachite is the common copper mineral at the surface. Goethite and hematite are abundant. Quartz veining is common and ankerite veining is comparatively rare.
- The best copper mineralisation occurs near the base of the host shale-siltstone sequence where it has been mined by early prospectors. Most of the old copper workings occur as shallow pits, although two adits were excavated to significant depths on the south side of the prospect.
- Copper (malachite staining) occurs in smaller concentrations stratigraphically higher in the sequence, and was not worked by the early prospectors.
- Based on observations during field mapping, Stones Claim appears to have potential for a low grade copper resource.

3.2 White Lead Prospect

Geological Mapping

Due to the good rock exposure and low structural complexity, the geology of the White Lead Prospect is relatively well understood.

During early April 2008, Syrah Resources conducted detailed geological mapping at 1:500 scale (**Figure 3**) in order to confirm lithology and structure at White Lead, prior to the proposed drilling program. Mapping confirmed that prospective shales and siltstones of the Tapley Hill Formation dip 60 - 70° to the south along a strike of approximately 280°.

The unit that hosts the main copper-bearing lode at White Lead is a white-grey shale/ siltstone horizon, commonly with a tillite component (glacial pebbles/ dropstones). The majority of the old copper workings (pits and trenches), with visible malachite and chalcocite mineralisation, occur in this shale/ siltstone unit. The shale/ siltstone unit is overlain by siltstone/ fine-grained sandstone to the south. A coarse-grained, gritty sandstone occurs as footwall sediments to the north of the shale/ siltstone. The coarse sandstone is in turn underlain by structurally chaotic rocks of the Lyndhurst Diapir (to the north of the White Lead Prospect). The Diapir comprises a large range of rock types including siltstone, sandstone, limestone, dolomite and diorite.

3.3 Mt Ogilvie Goldfield

The Mt Ogilvie Goldfield is located approximately 30km east of Lyndhurst township in the south-eastern portion of EL3522. Gold mineralisation in this area occurs in vein occurrences in siltstones and dolomites in the Tapley Hill Formation, and in alluvial deposits in the creeks draining northward from the ranges.

The Mt Ogilvie Goldfields were visited by Syrah Resources during early March 2008. Based on the ruins and workings at the goldfields, it would appear that mining of the alluvial and vein-bearing deposits continued over an extended period of time. A number of gold workings were inspected and rock chip samples were collected at selected locations. Deep shafts and adits were noted at some locations, while at others there were only shallow workings. The vein composition is dominantly quartz-ankerite, with varying amounts of ferruginous/ gossanous material. At one location, vein samples in mullock heaps contained significant secondary copper (malachite) and gossanous material.

The veins appear to be quite narrow and they are widely-spaced. Rock chip samples were collected at four locations and were sent to ALS for analysis. One sample returned an assay result of 0.72g/t Au and 2.13% Cu. Rock chip sample descriptions and assay results are included in **Appendix 1**.

No further work was recommended at this prospect.

4.0 CULTURAL HERITAGE SURVEY

Cultural Heritage surveys were conducted at two prospects during early March 2008. These included White Lead Prospect in EL3522 and Stones Claim Prospect in EL3550. The survey team included five representatives of the Adnyamathanha People, accompanied by an anthropologist.

The results of the survey were as follows:

- Approval to conduct drilling at the White Lead Prospect was granted.
- The proposed drilling program at the Stones Claim Prospect was not approved.

The Cultural Heritage Report cannot be included in this report due to confidentiality reasons.

5.0 DRILLING PROGRAM

Syrah conducted a percussion drilling program at the White Lead Prospect from 4th - 7th April 2008. The drilling company was Underdale Drillers Pty Ltd who are based in Adelaide.

5.1 Background

Percussion drilling by Adelaide and Wallaroo Fertilisers Ltd (1981-1983), indicated that copper mineralisation at White Lead does not continue to any significant depth. However, their holes were drilled to a maximum depth of 35m below ground level and grid line spacing for the drilling was 250m in the area of best mineralisation. In addition, the drill holes were all vertical and would have intersected the mineralised beds at an acute angle.

Hole WL68, drilled on Section Line 8740 E (local grid), recorded 19m at 1.25 % Cu. However, given that all holes were drilled at -90° (at an acute angle to the bedding), it was thought that the width of mineralisation in hole WL68 (and other holes drilled during this program) would be exaggerated. Although historic drill hole collars were not located in the field, Syrah was able to plot the approximate locations of the grid lines of the Adelaide & Wallaroo Fertilisers' drilling program.

Diamond drilling by the S.A. Mines Department (1968) recorded significant results in two drill holes (DLY5 and DLY7) at White Lead, with copper mineralisation recorded in both the Tapley Hill Formation and in the adjacent Lyndhurst Diapir. Both of these drill hole collars were located during the recent field trip. The collars are approximately 70m south of the White Lead lode. Drill hole DLY5 recorded 10m at 0.23 % Cu in the Tapley Hill Formation and 20m at 0.38 % Cu in the Diapir. Drill hole DLY7 recorded 20m at 0.38 % Cu in the diapir immediately beneath the Tapley Hill Formation.

5.2 2008 Drilling Program

Syrah decided to test White Lead mineralisation by drilling relatively close-spaced percussion holes near the main lode, in an area where Adelaide and Wallaroo Fertilisers recorded its best mineralisation. The drilling company was Underdale Drillers Pty Ltd.

A program of seven RC drill holes was completed for a total of 582m. This included five holes at 50m spacing to test mineralisation along the strike of the lode, and two step-back holes to test mineralisation at depth (**Figure 4**). Unfortunately, the drillers forgot their down-hole survey equipment and therefore the dip deviation of the drill holes was not measured. Water was reported in only one of the seven drill holes, with WLDH005 recording water at a depth of 94m. The drilling program is summarised in Table 1.

Table 1: Drill Hole Summary

Hole ID	Easting <i>GDA94</i>	Northing <i>GDA94</i>	Dip	Azimuth	Depth (m)
WLDH01	266737	6654844	-60	010	70
WLDH02	266687	6654850	-60	010	70
WLDH03	266686	6654833	-60	010	92
WLDH04	266588	6654845	-60	010	80
WLDH05	266587	6654828	-60	010	120
WLDH06	266638	6654856	-60	010	70
WLDH07	266549	6654862	-60	015	80

Samples were collected as 2m composites and dispatched to ALS Chemex for the analysis of Au, Cu, Pb, Zn and Ag. All samples were assayed for Cu, Pb, Zn and Ag using the ICP-MS method. Selected samples, generally those with visible copper, were assayed for Au using the AAS method.

Best results were recorded in the central part of the target area, including drill holes WLDH002, WLDH003 and WLDH006.

WLDH002: 26m @ 0.87% Cu, including 8m @ 1.69% Cu

WLDH003: 18m @ 0.91% Cu, including 10m @ 1.29% Cu

WLDH006: 30m @ 0.80% Cu, including 12m @ 1.61% Cu

The drill results showed that high grade copper is not restricted to the shale/siltstone horizon that hosts the White Lead lode. Significant mineralisation is also present in the overlying siltstone unit which recorded the highest copper grades in drill holes WLDH003 and WLDH006.

The copper occurs as secondary mineralisation in quartz veins, joints and fractures within the host rocks. The copper minerals included malachite (oxide) and chalcocite (sulphide), which are typical of near-surface supergene enrichment.

The mineralisation is within 40m of surface and is open along strike and, in places, to the south. Deeper drilling failed to intersect significant copper in the Lyndhurst Diapir which is located to the north of the lode. Wide spaced historic drilling to the west of this area reported anomalous copper in the diapir rocks, close to the contact with the lode.

The prospective White Lead stratigraphy has a large number of historical workings and anomalous copper over a strike length of several kilometres, which shows that there is significant scope for extensions to the mineralisation at White Lead. Additional drilling is planned. A detailed summary of drilling results is presented in Table 2.

Table 2: Summary of Drilling Results

Hole ID	From	To	Interval	Cu (ppm)
WLDH001	4	34	30	0.41
	14	26	12	0.61
WLDH002	2	28	26	0.87
	18	26	8	1.69
WLDH003	0	18	18	0.91
	0	10	10	1.29
WLDH004	0	28	28	0.16
WLDH005	0	28	28	0.22
	2	4	2	0.93
WLDH006	0	30	30	0.80
	0	12	12	1.61
WLDH007	2	24	22	0.17
	28	62	34	0.32
	32	40	8	0.77

Drill hole sections are presented as **Figures 5 to 9**. Drill log sheets and assay results are included in **Appendix 2**.

6.0 CONCLUSIONS

The Stones Claim Prospect could not be tested because the Adnyamathanha People would not allow earthmoving and drilling at this prospect. Syrah Resources has requested further arbitration with respect to proposed drilling at this prospect. We have forwarded a request to the Adelaide lawyers representing the Adnyamathanha People, who have indicated that the matter will be addressed at the next meeting of the Governing Committee of ATLA (Adnyamathanha Traditional Lands Association Aboriginal Corporation).

Follow-up percussion drilling is planned at the White Lead Prospect to test possible strike extensions to the copper mineralisation recorded during the recent drilling program.

7.0 EXPENDITURE

Exploration expenditure during the reporting period is as follows:

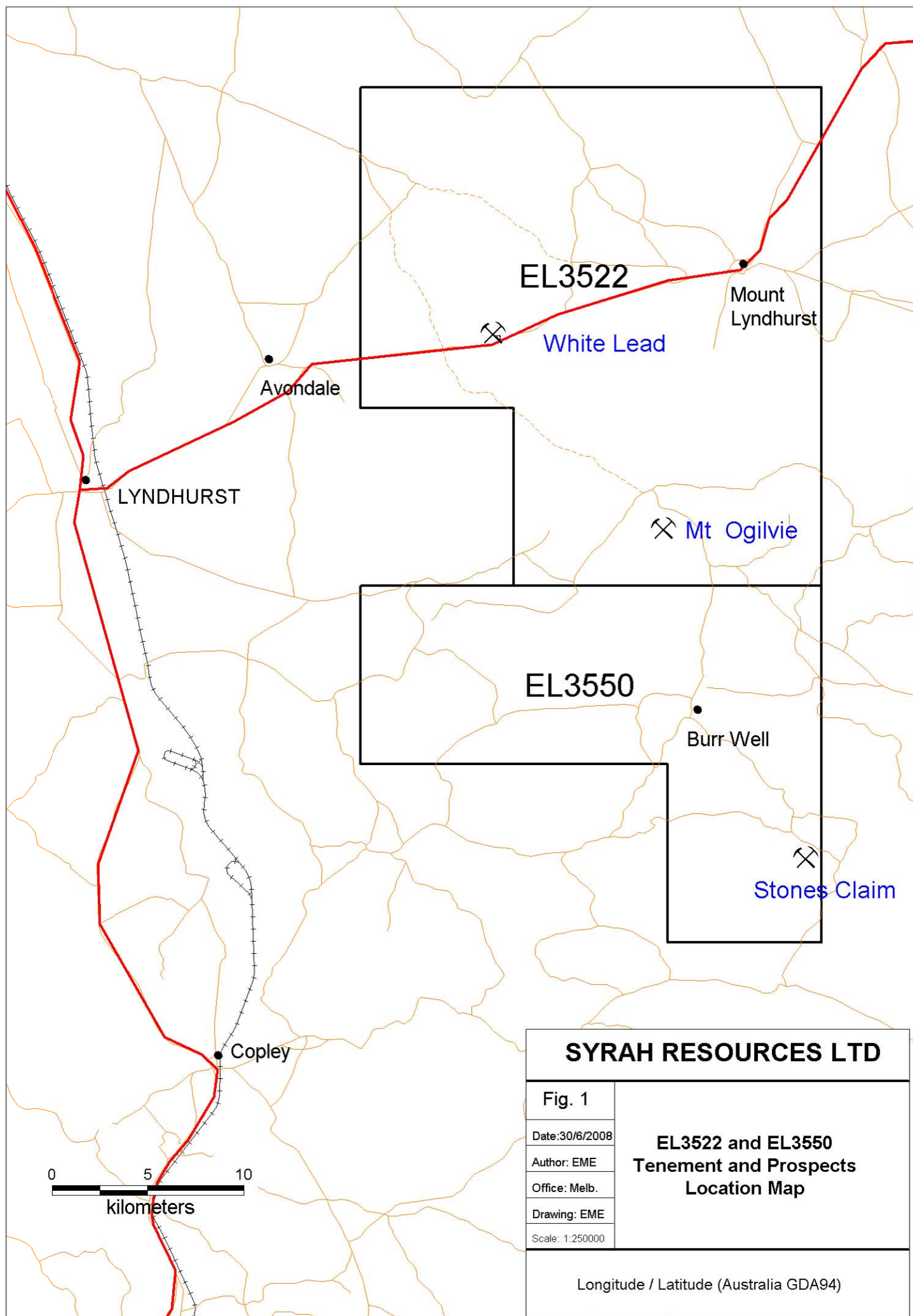
Tenement	31,082.72
Salaries	60,525.00
Contractors	57,652.53
Drilling	57,783.00
Laboratory	5,445.38
Cultural Heritage	10,954.83
Vehicle Hire	3,698.22
Field Expenses	6,150.91
Total	233,292.59

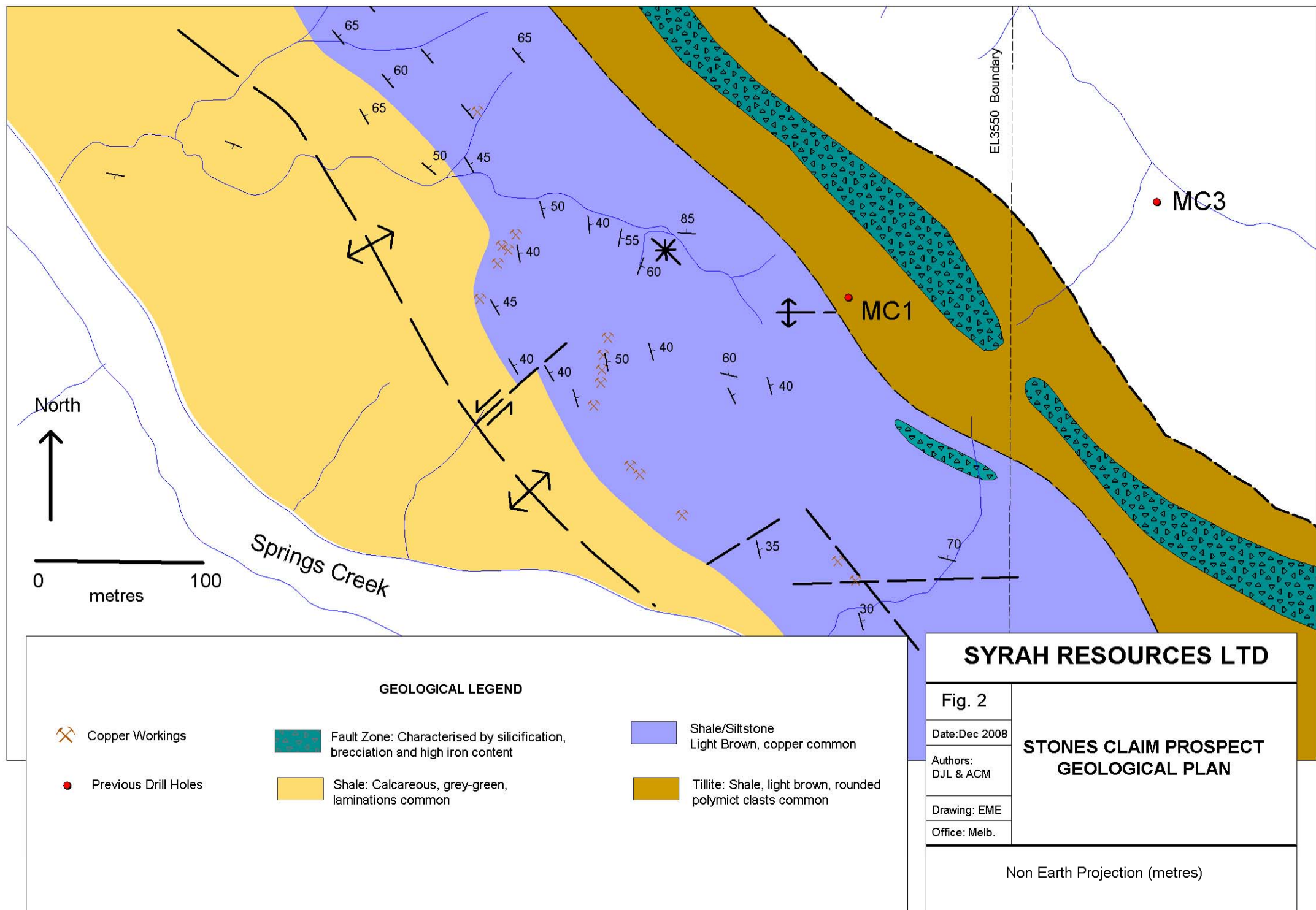
8.0 REFERENCES

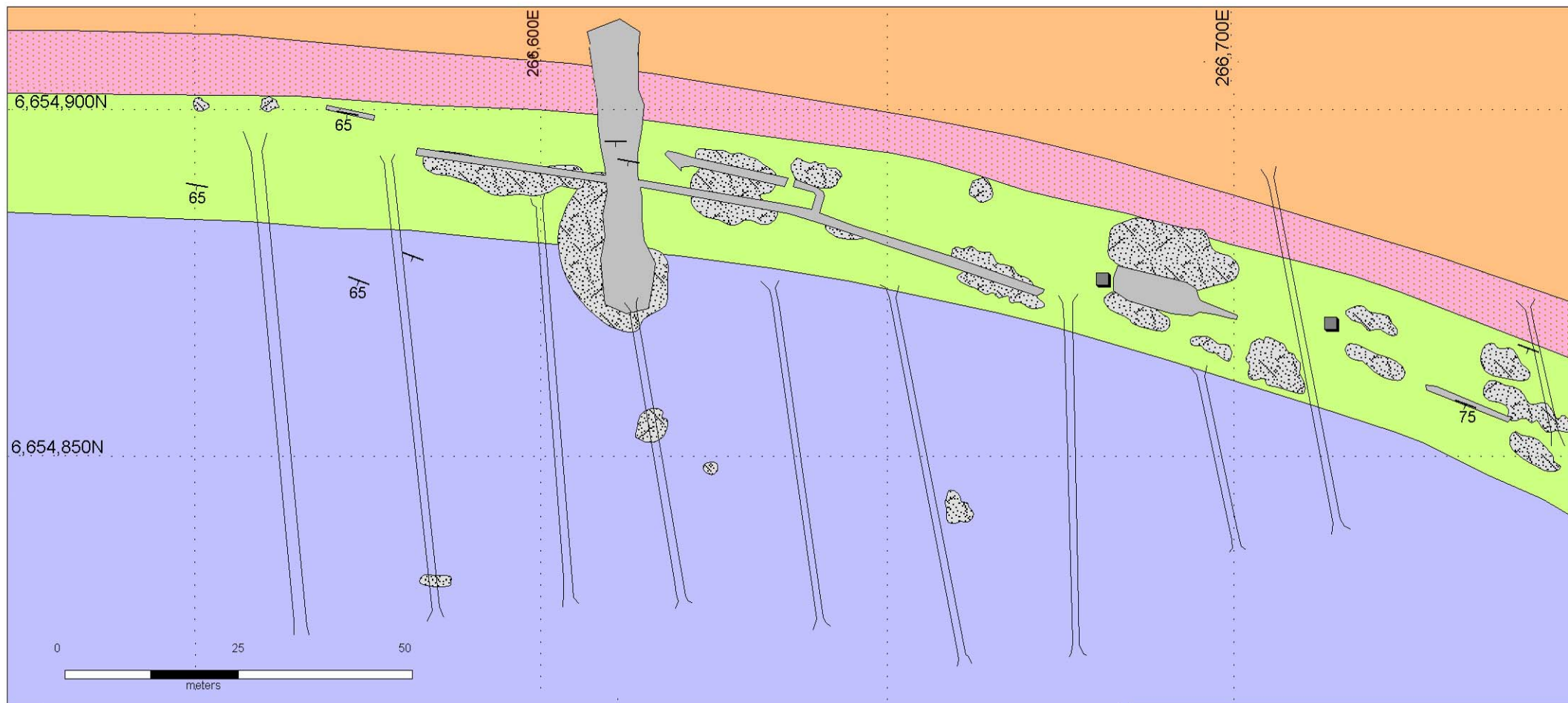
Adelaide and Wallaroo Fertilizers Ltd (1981-1983). EL 929 Mount Lyndhurst: Progress Reports for the Period 17/11/81 to 16/11/83 (unpublished). Open File Envelope 4540 - South Australia Department of Mines and Energy.

CRA Exploration Pty Ltd (1995). EL 1742 Mount Clive: Progress, Annual and Final Reports for the Period 26/8/91 to 8/2/95 (unpublished). Open File Envelope 8509 - South Australia Department of Mines and Energy.

FIGURES







LEGEND

- | | | |
|----------------|--|--|
| ■ Shafts | ■ Siltstone | ■ Sandstone;
gritty sandy
clasts at contact |
| — Costeans | ■ Siltstone/shale with
glacial dropstones | ■ Diapir; chaotic
disrupted bedding,
chevron folded sandstones,
siltstones. |
| — Bedding | | |
| — Trenches | | |
| ■ Mullock Heap | | |

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Fig. 3

Date: April 2008

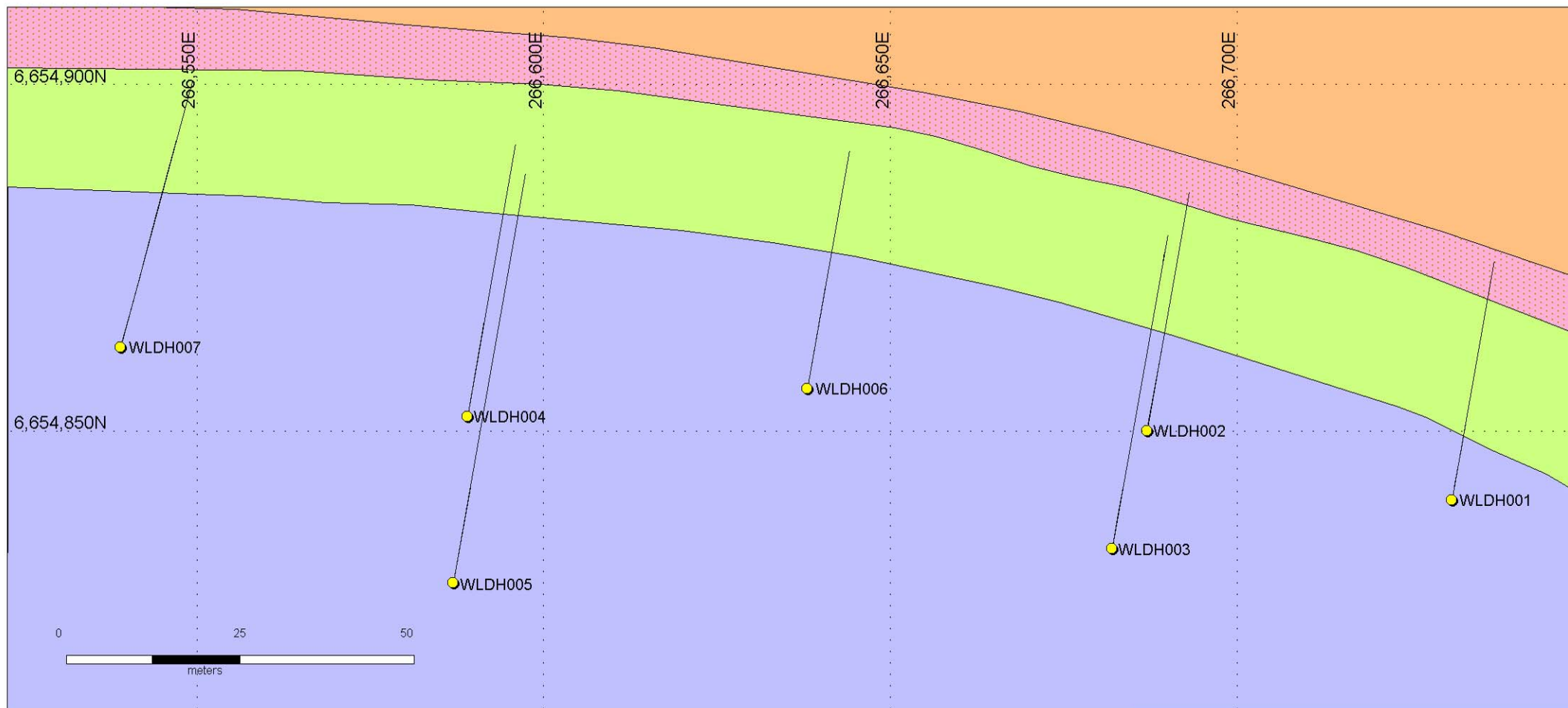
Author: ACM

Office: Melb.

Drawing: EME

WHITE LEAD PROSPECT GEOLOGICAL PLAN

MGA Zone 54 (GDA 94)



LEGEND

 Drill Hole collar and trace



Siltstone



Siltstone/shale with glacial dropstones



Sandstone;
gritty sandy
clasts at contact



Diapir; chaotic
disrupted bedding,
chevron folded sandstones,
siltstones.

SYRAH RESOURCES LTD

Fig. 4

Date: Apr 2008

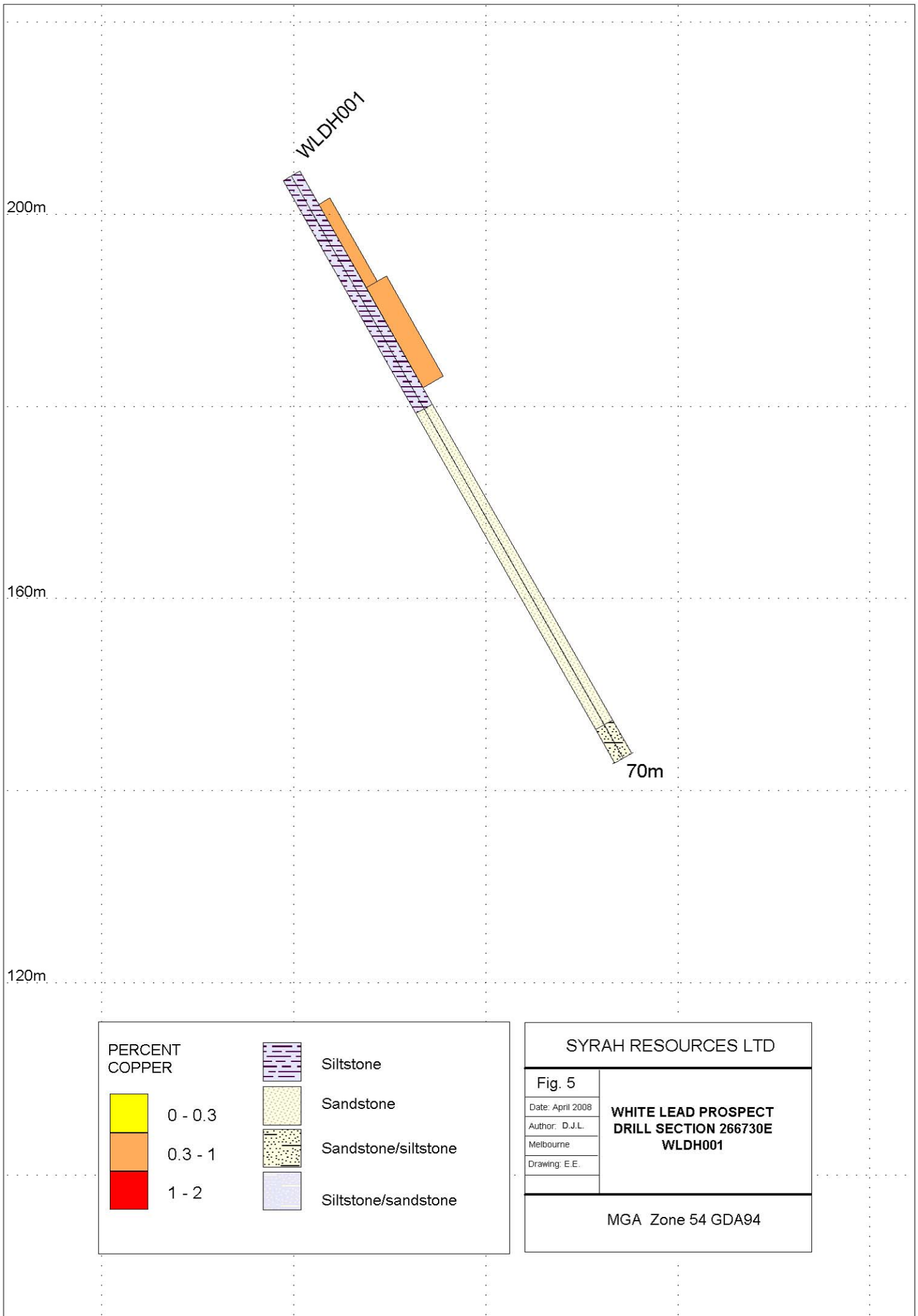
Author:
ACM

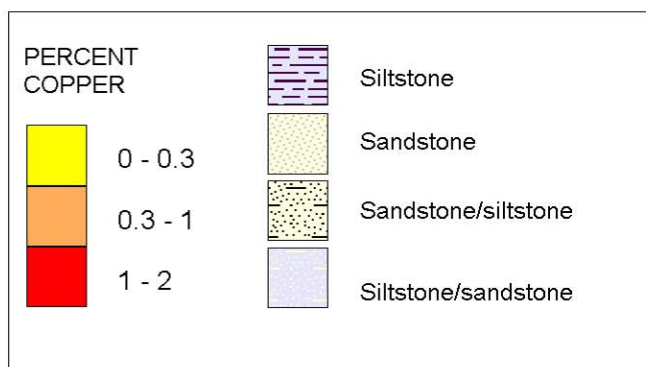
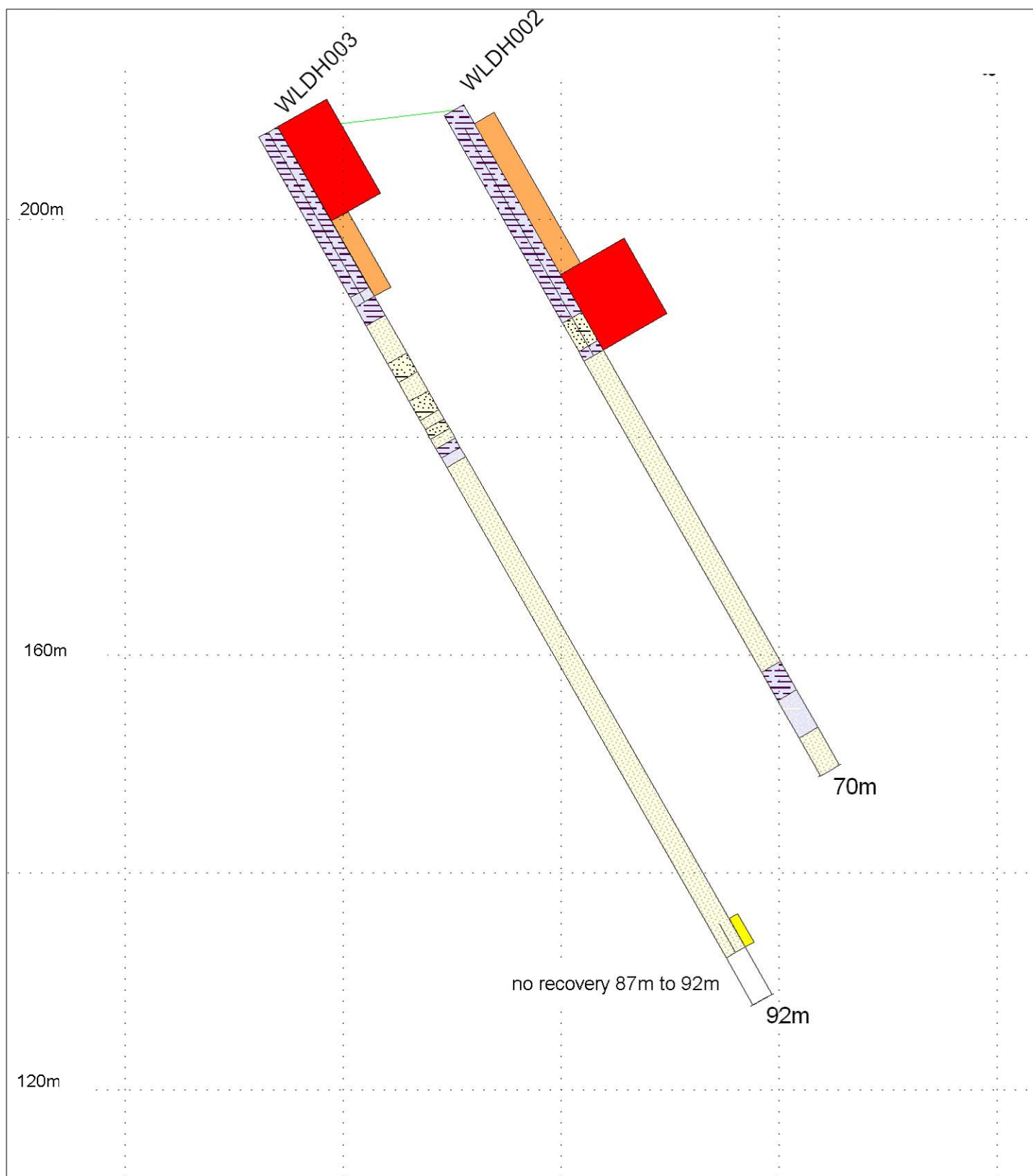
Drawing: EME

Office: Melb.

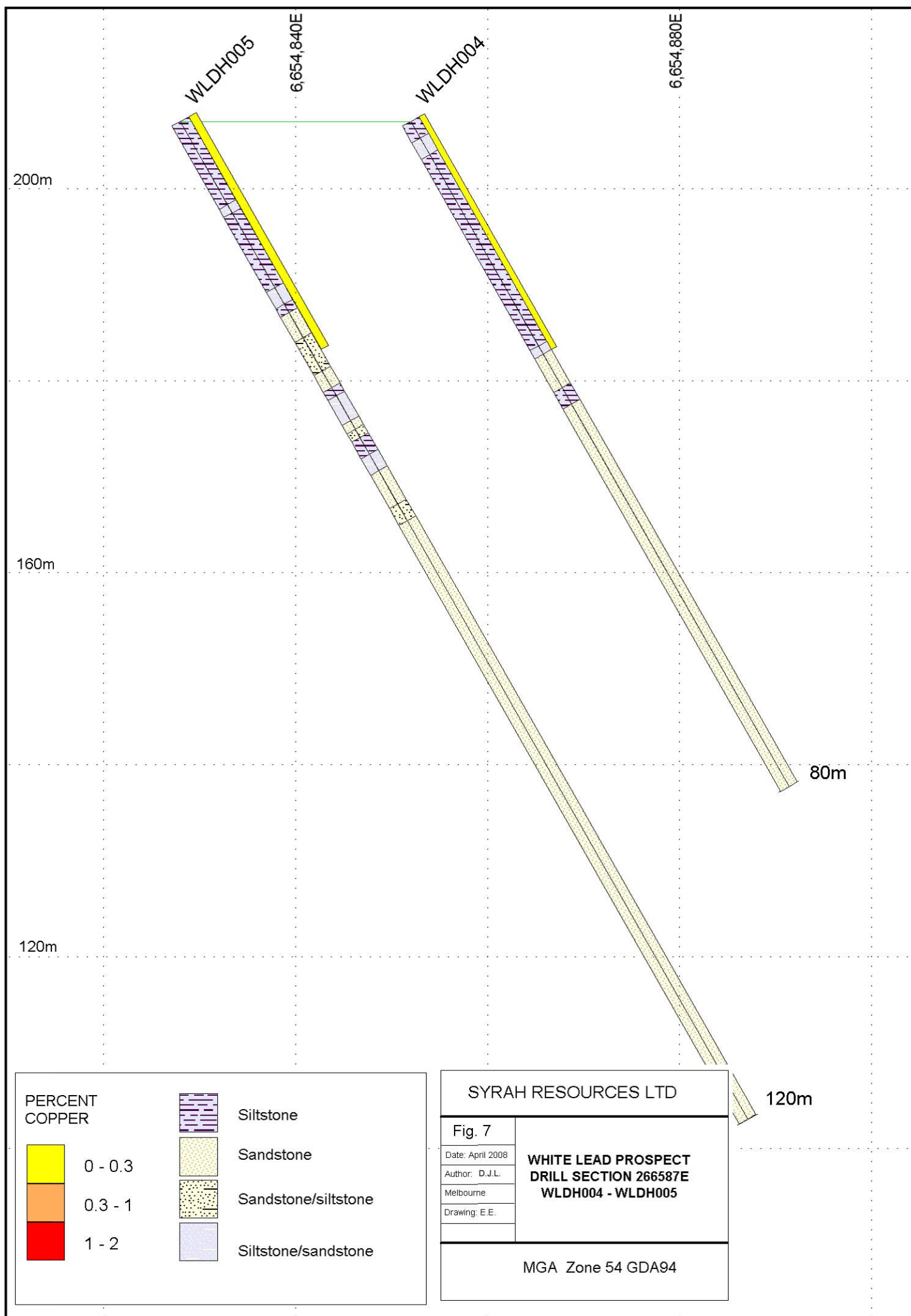
WHITE LEAD PROSPECT DRILL HOLE LOCARION PLAN

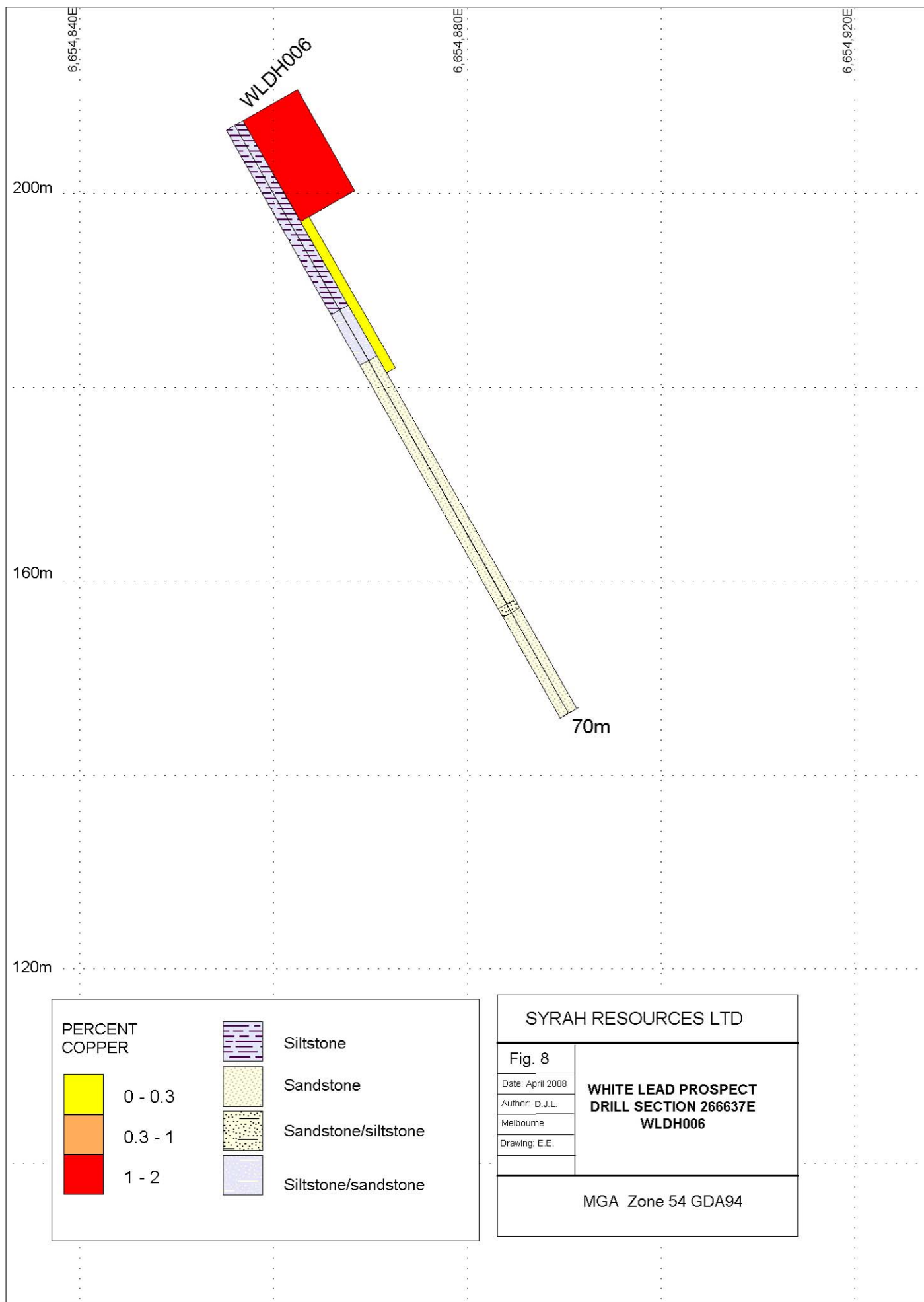
MGA Zone 54 (GDA94)

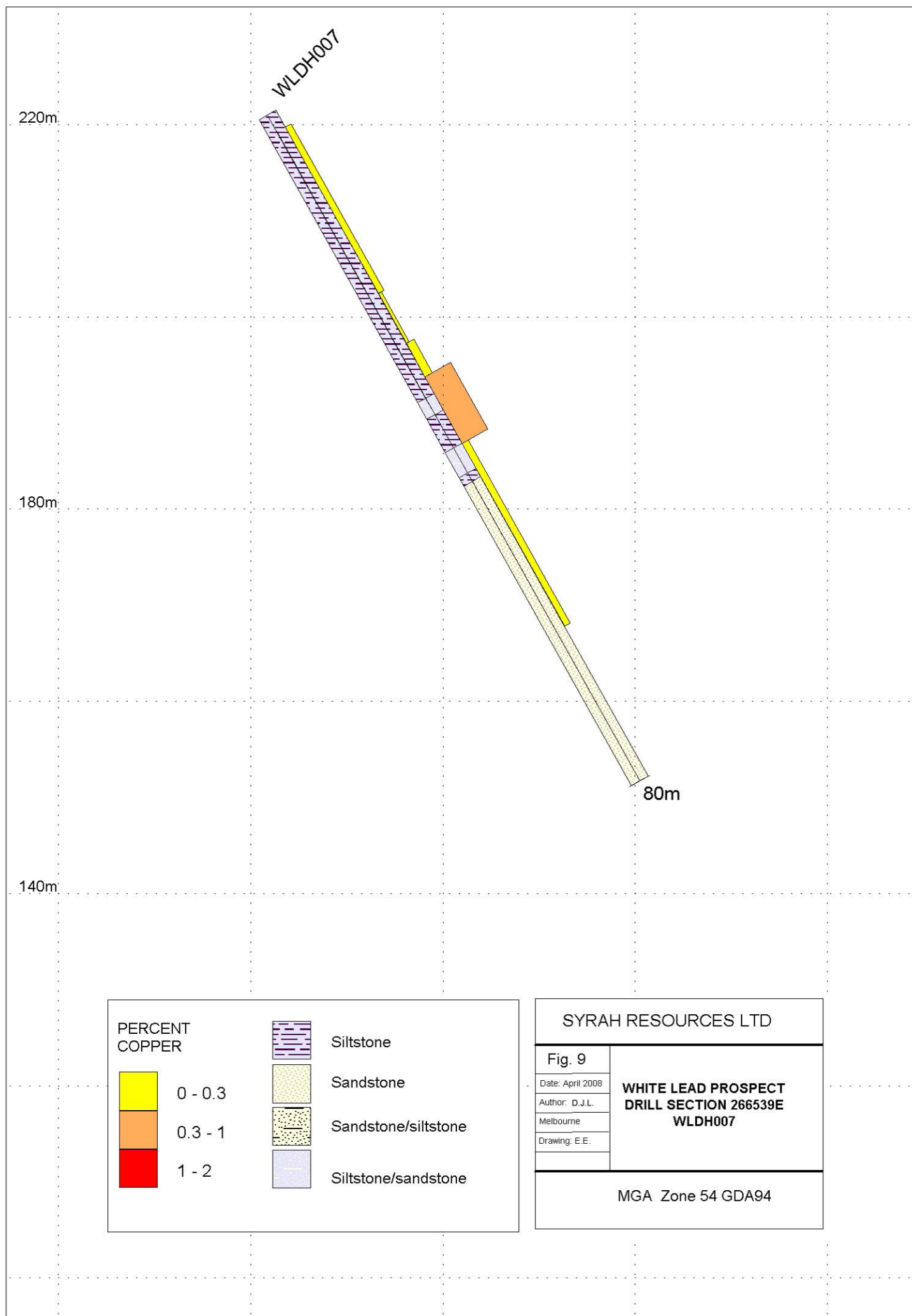




SYRAH RESOURCES LTD	
Fig. 6	WHITE LEAD PROSPECT DRILL SECTION 266683E WLDH002 - WLDH003
Date: April 2008	
Author: D.J.L.	
Melbourne	
Drawing: E.E.	
MGA Zone 54 GDA94	







APPENDIX 1

Mt Ogilvie Prospect

Rock Chip Sampling

SYRAH RESOURCES LIMITED

ROCK CHIP SAMPLING

Tenement	EL3522	Zone	54
Prospect	Mt Ogilvie	Lab.	ALS Chemex
Geologist	DJ Louwrens	Report	AD08041509
Date	4-Mar-08		

Sample ID	AMGE AGD84	AMGN AGD84	Description	Au g/t	Ag ppm	Cu ppm	Pb ppm	Zn ppm
156001	275,337	6,644,472	Adit on 020 ⁰ bearing; fgr, light brown dolomitic siltstone; strongly fractured and sheared in places; Mn + Fe staining; common quartz veinlets	<0.01	<0.5	147	111	338
156002	275,315	6,644,444	To SW of deep shaft; thin quartz veins in light brown to brown dolomite and calcareous siltstone; erratic distribution of x-cutting veinlets	<0.01	<0.5	60	9	16
156003	275,294	6,644,461	Gossanous quartz-siderite veining in mullock heap samples near adit; dolomite host rock; fractured and brecciated veins with common malachite; Mn, goethite, hematite	0.72	0.5	21300	13	50
156004	275,091	6,644,452	Samples collected in small pit to the south of a deep shaft; quartz-siderite veining in dolomite; malachite relatively common; some samples are gossanous and brecciated	0.14	1.6	9160	20	54

APPENDIX 2

White Lead Prospect

Drill Logs & Assay Results

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH001
GDA E	266737	Prospect	White Lead	Total Depth	70m
GDA N	6654844	Dip	-60	Geologist	A. McLellan
RL	204m	Azimuth	010M	Date	4/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
0	2	Silt	Wh	Fine grained	1 Fe Or		156005
2	4	Silt	Wh		2 Fe Or		156006
4	5	Silt	Or	Increased Fe alteration	2 Fe Or	Cu 1%	156007
5	6	Silt	Wh	White siltstone with malachite		Cu 1%	
6	7	Silt	Wh				156008
7	8	Silt	Wh		1 Fe Or	Cu 1%	
8	9	Silt	Wh/Or	Minor Cu	1 Fe Or	Cu 2%	156009
9	10	Silt	Wh			Cu 2%	
10	12	Silt	Red		3 Fe Red	Cu <1%	156010
12	13	Silt	Red		3 Fe Red		156011
13	14	Silt	Or		2 Fe Or		
14	15	Silt	Or		2 Fe Or		156012
15	16	Silt	Or	Very minor Cu	1 Fe Or	Cu < 1%	
16	17	Silt	Or	Very minor Cu	1 Fe Or	Cu < 1%	156013
17	18	Silt	Wh	White siltstone with malachite		Cu 2%	
18	19	Silt	Wh	White siltstone with malachite. Some qtz		Cu 2%	156014
19	20	Silt	Grey	Coarser grained. No Cu. Some qtz			
20	22	Silt	Grey/Red	Coarser grained. Minor Cu	1 Fe Or	Cu 1%	156015
22	24	Silt	Grey/Red	Coarser grained. Minor Cu	1 Fe Or	Cu < 1%	156016
24	25	Silt	Wh	White siltstone with malachite		Cu 3%	156017
25	26	Silt	Or/Red	Highly oxidised	3 Fe Or	Cu < 1%	
26	27	Silt	Or/Red	Highly oxidised	3 Fe Or	Cu < 1%	156018
27	28	Silt	Or		2 Fe Or		
28	30	Sst	Br	Sst + qtz	2 Fe Or		156019
30	32	Sst	Dk Br	Some white siltstone	2 Fe Or		156020
32	34	Sst	Br/Or	Some white siltstone. Minor qtz	2 Fe Or		156021
34	36	Sst	Br/Or	Some white siltstone	2 Fe Or		156022
36	38	Sst	Br/Or		2 Fe Or		156023
38	39	Sst	Br/Red		2 Fe Or		156024
39	40	Sst	Br/Grey	Sandy and greyish siltstone	2 Fe Or		

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH001
GDA E	266737	Prospect	White Lead	Total Depth	70m
GDA N	6654844	Dip	-60	Geologist	A. McLellan
RL	204m	Azimuth	010M	Date	4/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
40	41	Sst	Br/Or	Sst and grey siltstone	2 Fe Or		156025
41	42	Sst	Br/Red	Sst. Increased Fe content	3 Fe Red		
42	44	Sst	Br/Red		3 Fe Red		156026
44	46	Sst	Br/Red		3 Fe Red		156027
46	48	Sst	Or		2 Fe Or		156028
48	49	Sst	Or/Red		2 Fe Or		156029
49	50	Sst	Red		3 Fe Red		
50	52	Sst	Red		3 Fe Red		156030
52	54	Sst	Red		3 Fe Red		156031
54	56	Sst	Red/Or		3 Fe Red		156032
56	57	Sst	Red		3 Fe Red		156033
57	58	Sst	Or		2 Fe Or		
58	60	Sst	Or		2 Fe Or		156034
60	61	Sst	Or/Red		3 Fe Red		156035
61	62	Sst	Or		2 Fe Or		
62	63	Sst	Or		2 Fe Or		156036
63	64	Sst	Or	Increased Fe alteration	2 Fe Or		
64	65	Sst	Or	Some siltstone	2 Fe Or		156037
65	66	Sst	Dk Red	Deep/dark red. Some siltstone chips	3 Fe Red		156038
66	67	sst/silt	Red/Br	Some siltstone chips	2 Fe Red		
67	68	sst/silt	Red/Br		2 Fe Red		156039
68	70	sst/silt	Br/Red	Increased qtz content and siltstone.	2 Fe Red		

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH002
GDA E	266687	Prospect	White Lead	Total Depth	70m
GDA N	6654850	Dip	-60	Geologist	A. McLellan
RL	210m	Azimuth	010M	Date	4/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
0	1	Silt	Wh/Or		Fe 1 Br		156040
1	2	Silt	Wh	Very minor Cu		Cu < 1%	
2	3	Silt	Wh/Br		Fe 1 Br	Cu < 1%	156041
3	4	Silt	Wh			Cu < 1%	
4	6	Silt	Wh	Wh siltstone with minor Cu		Cu < 1%	156042
6	8	Silt	Wh			Cu 1%	156043
8	10	Silt	Wh			Cu 1%	156044
10	12	Silt	Gy/Br	Oxidised light brown/grey siltstone with malachite in Fe altered vein	Fe 1 Br/Red	Cu 1-2 %	156045
12	13	Silt	Gr/Or	Oxidised brown/orange siltstone. Malachite present	Fe 1 Br/Red	Cu 2%	156046
13	14	Silt	Br	Brown siltstone with minor qtz and Cu	Fe 1 Br/Or	Cu 1%	
14	15	Silt	Br	Minor Cu		Cu < 1%	156047
15	16	Silt	Br	Brown /orange siltstone. No visible Cu	Fe 1 Or		
16	17	Silt	Br	Brown siltstone with minor qtz and Cu	Fe 1 Or	Cu < 1%	156048
17	18	Silt	Br	Fine grained siltstone with Cu	Fe 1 Or	Cu 2%	
18	19	Silt	Br/Gy	Fine-medium grained siltstone. Malachite in fine grey siltstone	Fe 1 Br	Cu 1%	156049
19	20	Silt	Wh/Gy	Fine grained siltstone with Cu		Cu 3-5%	
20	22	Silt	Br/Gy	Brown/grey siltstone with malachite and chalcocite	Fe 1 Or	Cu 2%	156050
22	23	Sst/silt	Gy/Br	Brown/grey sandstone/coarse grained siltstone. Qtz ~5%	Fe 1 Or	Cu <1%	156051
23	24	Sst/silt	Gy/Red	Dull red sandstone/siltstone with malachite and chalcocite	Fe 1 Red	Cu 1%	
24	25	Sst/silt	Gy/Red	Dull red sandstone/siltstone with malachite and chalcocite	Fe 1 Red	Cu 2%	156052
25	26	Silt	Wh	White siltstone with Cu		Cu 1%	
26	28	Sst	Or	Very minor Cu	Fe 2 Or	Cu < 1%	156053
28	30	Sst	Or		Fe 2 Or		156054
30	32	Sst	Or		Fe 2 Or		156055
32	34	Sst	Or	Minor qtz ~5%	Fe 2 Or		156056
34	36	Sst	Or		Fe 2 Or		156057
36	37	Sst	Red		Fe 3 Red		156058
37	38	Sst	Or		Fe 2 Or		
38	40	Sst	Or		Fe 2 Or		156059
40	42	Sst	Or		Fe 2 Or		156060

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH002
GDA E	266687	Prospect	White Lead	Total Depth	70m
GDA N	6654850	Dip	-60	Geologist	A. McLellan
RL	210m	Azimuth	010M	Date	4/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
42	44	Sst	Or		Fe 2 Or		156061
44	46	Sst	Or		Fe 2 Or		156062
46	48	Sst	Or/Br		Fe 2 Or		156063
48	50	Sst	Or		Fe 2 Or/Br		156064
50	52	Sst	Or/Gy	Halite casts. Gy/Br sandstone	Fe 2 Or		156065
52	54	Sst	Or		Fe 2 Or		156066
54	56	Sst	Or		Fe 2 Or		156067
56	58	Sst	Or/Gy	Minor Gy siltstone	Fe 2 Or		156068
58	59	Sst	Or	Minor Gy siltstone	Fe 2 Or		156069
59	60	Silt	Gy/Red	Coarse siltstone	Fe 1 Red		
60	62	Silt	Gy/Red	Coarse gy siltstone.	Fe 1 Red		156070
62	64	Silt/sst	Gy	Coarse siltstone/sandstone	Fe 1 Red/Or		156071
64	66	Silt/sst	Gy/Red	Coarse grained siltstone. Minor chlorite alteration?	Fe/Chl 1 Red/Gr		156072
66	68	Sst	Gy/Red		Fe 1 Red		156073
68	70	Sst	Red	Minor Gy siltstone	Fe 1 Red		156074

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH003
GDA E	266686	Prospect	White Lead	Total Depth	92m
GDA N	6654833	Dip	-60	Geologist	A. McLellan
RL	206m	Azimuth	010M	Date	5/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
0	2	Silt	Wh	Overburden?		Cu 1%	156075
2	3	Silt	Red	Overburden?	Fe 2 Red		156076
3	4	Silt	Wh	Overburden?		Cu 1%	
4	5	Silt	Wh	Overburden?		Cu < 1%	156077
5	6	Silt	Wh				
6	8	Silt	Wh	Minor Fe staining	Fe 1 Or	Cu 1%	156078
8	9	Silt	Wh		Fe 1 Or	Cu < 1%	156079
9	10	Silt	Wh/Or	Fe alteration and Cu	Fe 2 Or	Cu 1%	
10	12	Silt	Wh		Fe 2 Or	Cu < 1%	156080
12	14	Silt	Wh	White siltstone with low grade malachite		Cu < 1%	156081
14	16	Silt	Wh	White siltstone with low grade malachite		Cu < 1%	156082
16	17	Silt	Wh			Cu < 1%	156083
17	18	Silt/sst	Wh	Sandstone and qtz rich. Minor Cu		Cu < 1%	
18	19	Silt	Wh		Fe 1 Or		156084
19	20	Silt	Wh		Fe 1 Or		
20	21	Sst	Or		Fe 2 Or		156085
21	22	Sst	Or	Qtz rich sanstone ~30%	Fe 2 Or		
22	23	Sst	Or	Qtz rich sanstone ~50%	Fe 2 Or		156086
23	24	Sst	Or	~5% qtz	Fe 2 Or		
24	26	Sst/silt	Or	Fine grained sandstone	Fe 2 Or		156087
26	28	Sst	Or	Qtz rich sandstone ~15%	Fe 2 Or		156088
28	30	Sst/silt	Or	Transition into finer grained siltstone	Fe 2 Or		156089
30	31	Sst	Or		Fe 2 Or		156090
31	32	Sst/silt	Or		Fe 2 Or		
32	33	Sst	Or		Fe 2 Or		156091
33	34	Silt	Or	Fine grained siltstone with some sandstone	Fe 2 Or		
34	35	Silt/sst	Or		Fe 2 Or		156092
35	36	Sst	Or	Increased Fe alteration	Fe 2 Or		
36	38	Sst	Or	Coarse sandstone	Fe 2 Or		156093
38	40	Sst	Or	Coarse sandstone	Fe 2 Or		156094
40	42	Sst	Or	Coarse sandstone	Fe 2 Or		156095
42	44	Sst	Or	Coarse sandstone	Fe 2 Or		156096

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH003
GDA E	266686	Prospect	White Lead	Total Depth	92m
GDA N	6654833	Dip	-60	Geologist	A. McLellan
RL	206m	Azimuth	010M	Date	5/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
44	46	Sst	Or	Coarse sandstone. Fe rich	Fe 2 Or		156097
46	47	Sst	Or	Coarse sandstone. Halite casts	Fe 2 Or		156098
47	48	Sst	Or	Coarse sandstone. Minor qtz	Fe 2 Or		
48	49	Sst	Or		Fe 2 Or		156099
49	50	Sst	Red/Gy	Redish/grey sandstone. Halite casts	Fe 1 Red		
50	51	Sst	Red/Gy		Fe 1 Red		156100
51	52	Sst	Or		Fe 2 Or		
52	54	Sst	Or		Fe 2 Or		156101
54	55	Sst	Or		Fe 2 Or		156102
55	56	Sst	Red/Gy		Fe 1 Red		
56	58	Sst	Red/Or		Fe 2 Or		156103
58	59	Sst	Or		Fe 2 Or		156104
59	60	Sst	Red/Gy		Fe 1 Red		
60	62	Sst	Red/Or		Fe 2 Or		156105
62	64	Sst	Red/Or		Fe 2 Or		156106
64	66	Sst	Red/Gy		Fe 1 Red		156107
66	68	Sst	Red/Gy		Fe 1 Red		156108
68	69	Sst	Or		Fe 1 Or		156109
69	70	Sst	Gy/Red	Minor qtz	Fe 1 Red		156110
70	72	Sst	Gy/Red	Increased qtz content ~10%	Fe 1 Red		156111
72	74	Sst	Gy/Lt Red		Fe 1 Red		156112
74	76	Sst	Or		Fe 2 Or		156113
76	78	Sst	Or/Red	Some grey chips	Fe 2 Or		156114
78	80	Sst	Gy/Red	Light grey sst with thin (2mm) qtz veins	Fe 1 Red		156115
80	82	Sst	Lt Gy	Qtz veins with Fe and Mn replacement?	Fe 1 Red		156116
82	83	Sst	Lt Gy	Qtz veining	Fe 1 Red		
83	84	Sst	Or	Qtz rich ~50%	Fe 2 Or		156117
84	85	Sst	Or	Qtz content ~30%. Coarse grained sandstone	Fe 2 Or		
85	86	Sst	Dk Or	Fe and Mn rich. Qtz ~5%	Fe 3 Red		156118
86	87	Sst	Dk Or		Fe 3 Or		
87	92	Sst	Black	No sample 87-90m. Hit cavity. Rod pushed through. Very porous grey/black sst. Hole			

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH004
GDA E	266588	Prospect	White Lead	Total Depth	80m
GDA N	6654845	Dip	-60	Geologist	A. McLellan
RL	207m	Azimuth	010M	Date	5/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
0	1	Silt	Br		Fe 1 Or		156119
1	2	Silt	Br	Speck of malachite associated with qtz vein	Fe 1 Or	Cu < 0.5%	
2	4	Silt/sst	Br	Coarse siltstone or sandstone. Fe staining on fractures	Fe 1 Or		156120
4	6	Silt	Br/Gy		Fe 1 Or		156121
6	7	Silt	Gy/Gr	Dull grey/green siltstone with Fe staining	Fe 1 Or		156122
7	8	Silt	Pur	Purple siltstone	Fe 1 Or		
8	10	Silt	Br		Fe 1 Or		156123
10	12	Silt	Br		Fe 1 Or		156124
12	14	Silt	Br		Fe 2 Or		156125
14	16	Silt	Br/Gy	Fe staining	Fe 2 Or		156126
16	18	Silt	Br		Fe 2 Or		156127
18	19	Silt	Br		Fe 2 Or		156128
19	20	Silt	Br/Blk	Brown siltstone with Fe staining	Fe 2 Or		
20	21	Silt	Br	Sniff of malachite	Fe 2 Or	Cu < 0.5%	156129
21	22	Silt	Br		Fe 2 Or		
22	23	Silt	Gy/Red	Dull red/grey siltstone	Fe 1 Red		156130
23	24	Silt	Br		Fe 2 Or		
24	26	Silt	Br		Fe 2 Or		156131
26	27	Silt	Br	Halite/(pyrite?) casts. Haematite stained	Fe 2 Or		156132
27	28	Silt/sst	Br	Slightly coarser siltstone	Fe 2 Or		
28	30	Sst	Br		Fe 2 Or		156133
30	31	Sst	Br		Fe 2 Or		156134
31	32	Sst	Br		Fe 2 Or		
32	33	Silt	Br	Fine grained siltstone	Fe 2 Or		156135
33	34	Sst	Br	Fine grained siltstone	Fe 2 Or		
34	36	Sst	Red	Heavy Fe alteration	Fe 3 Red		156136
36	38	Sst	Or	Heavy Fe alteration	Fe 3 Or		156137
38	40	Sst	Or		Fe 2 Or		156138
40	42	Sst	Or	Some siltstone	Fe 2 Or		156139
42	43	Sst	Red	Heavy Fe alteration	Fe 3 Red		156140

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH004
GDA E	266588	Prospect	White Lead	Total Depth	80m
GDA N	6654845	Dip	-60	Geologist	A. McLellan
RL	207m	Azimuth	010M	Date	5/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
43	44	Sst	Br		Fe 2 Br		
44	45	Sst	Br		Fe 2 Br		156141
45	46	Sst	Gy/Red	Grey/Red siltstone	Fe 1 Red		
46	48	Sst	Gy/Red		Fe 1 Red		156142
48	50	Sst	Br/Gy		Fe 2 Br		156143
50	51	Sst	Br		Fe 2 Br		156144
51	52	Sst	Red/Br		Fe 2 Red		
52	54	Sst	Red/Br		Fe 3 Red		156145
54	55	Sst	Red	Deep red Fe alteration	Fe 3 Red		156146
55	56	Sst	Red/Br		Fe 2 Or		
56	58	Sst	Br/Or		Fe 2 Br		156147
58	60	Sst	Br		Fe 2 Br		156148
60	61	Sst	Red/Br		Fe 2 Br		156149
61	62	Sst	Red		Fe 3 Red		
62	63	Sst	Red/Br		Fe 2 Br		
63	65	Sst	Red		Fe 2 Red		156150
65	66	Sst	Br		Fe 1 Br		156151
66	68	Sst	Or		Fe 2 Or		156152
68	70	Sst	Red/Br		Fe 2 Br		156153
70	71	Sst	Br		Fe 2 Br		156154
71	72	Sst	Gy/Red		Fe 2 Red		
72	74	Sst	Br		Fe 1 Or		156155
74	76	Sst	Br		Fe 2 Or		156156
76	78	Sst	Br		Fe 2 Or		156157
78	80	Sst	Br/Gr	Qtz rich sandstone	Fe 1 Or		156158

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH005
GDA E	266587	Prospect	White Lead	Total Depth	120m
GDA N	6654828	Dip	-60	Geologist	A. McLellan
RL	207m	Azimuth	010M	Date	6/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
0	2	Silt	Wh/Br	Overburden?		Cu < 0.5%	156159
2	4	Silt	Br/Or	Overburden?	Fe 2 Or	Cu < 0.5%	156160
4	6	Silt	Red/Br	Highly oxidised siltstone	Fe 3 Red		156161
6	8	Silt	Br	Becoming coarse	Fe 2 Or		156162
8	9	Silt	Red/Br		Fe 3 Red		156163
9	10	Silt	Or		Fe 2 Or		
10	11	Silt/sst	Gy/Or	Clayey	Fe 1 Or		156164
11	12	Silt	Gy	Fresh gy shale			
12	13	Silt	Gy	Minor Fe alteration	Fe 1 Or		156165
13	14	Silt	Gy/Br		Fe 2 Or		
14	16	Silt	Br	Minor qtz ~1%	Fe 2 Or		156166
16	17	Silt	Br		Fe 2 Or		156167
17	18	Silt	Br	Minor qtz ~1%			
18	19	Silt	Br	Coarser grained with increasing Fe alteration	Fe 2 Or		156168
19	20	Silt	Br	Coarser grained. Some Fe banding in chips	Fe 2 Or		
20	22	Silt/sst	Br/Blk	Coarse and fine layers/bedding. ~40-50% Fe staining	Fe 2 Or		156169
22	23	Silt	Gy/Br	Light grey siltstone with some Fe alteration	Fe 1 Or		156170
23	24	Sst	Br/Blk	Coarse siltstone or sandstone	Fe 2 Or		
24	26	Sst	Dk Br		Fe 2 Or		156171
26	28	Sst/silt	Br	Some fine grained siltstone	Fe 2 Or		156172
28	30	Sst/silt	Br/Lt Gy		Fe 2 Or		156173
30	32	Sst	Br		Fe 2 Or		156174
32	33	Silt	Br	Fine grained siltstone	Fe 2 Or		156175
33	34	Silt/sst	Br		Fe 2 Or		
34	36	Silt/sst	Pur/Gy	Purple/red siltstone with grey sandstone chips	Fe 2 Red		156176
36	37	Sst	Red	Heavy Fe alteration	Fe 3 Red		156177
37	38	Sst/silt	Red/Or		Fe 2 Red		
38	40	Silt	Red/Or	Fe altered siltstone	Fe 2 Red		156178
40	42	Silt/sst	Red/Or	Back into coarse chips	Fe 2 Or		156179
42	44	Sst	Br		Fe 2 Or		156180

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH005
GDA E	266587	Prospect	White Lead	Total Depth	120m
GDA N	6654828	Dip	-60	Geologist	A. McLellan
RL	207m	Azimuth	010M	Date	6/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
44	46	Sst	Red/Br		Fe 3 Red		156181
46	47	Sst/Silt	Br/Or	Some silty chips	Fe 2 Or		156182
47	48	Sst/Silt	Red		Fe 3 Red		
48	49	Sst	Red	Deep red/heavy Fe alteration	Fe 3 Red		156183
49	50	Sst	Dk Gy	Very distinctive collation of grey/orange and red sandstone	Fe 2 Red		
50	51	Sst	Br/Or	Qtz rich.	Fe 2 Or		156184
51	52	Sst	Br/Or	Pyrite! Very fine grained 1-2mm.	Fe 2 Or	Py <0.5%	
52	54	Sst	Br/Or		Fe 2 Or		156185
54	56	Sst	Or		Fe 2 Or		156186
56	58	Sst	Dk Br	"Siliceous" sandstone	Fe 1 Red		156187
58	59	Sst	Red		Fe 3 Red		156188
59	60	Sst	Dk Br		Fe 1 Red		
60	62	Sst	Dk Br	"Breccia" qtz rich sandstone	Fe 1 Or		156189
62	63	Sst	Red		Fe 3 Red		156190
63	64	Sst	Pur		Fe 2 Red		
64	65	Sst	Pur		Fe 1 Red		156191
65	66	Sst	Or		Fe 2 Or		
66	68	Sst	Or		Fe 2 Or		156192
68	70	Sst	Or		Fe 2 Or		156193
70	72	Sst	Dk Br		Fe 2 Br		156194
72	74	Sst	Or/Red		Fe 2 Or		156195
74	76	Sst	Or	Weak oxidation. Almost fresh gy sandstone	Fe 2 Or		156196
76	78	Sst	Gy		Fe 1 Red		156197
78	79	Sst	Gy		Fe 1 Red		156198
79	80	Sst	Red/Gy		Fe 2 Red		
80	81	Sst	Br		Fe 2 Or		156199
81	82	Sst	Red/Or		Fe 2 Red		
82	84	Sst	Or		Fe 2 Or		156200
84	86	Sst	Red/Gy		Fe 1 Red		156201
86	88	Sst	Red/Gy		Fe 1 Red		156202

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH005
GDA E	266587	Prospect	White Lead	Total Depth	120m
GDA N	6654828	Dip	-60	Geologist	A. McLellan
RL	207m	Azimuth	010M	Date	6/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
88	90	Sst	Red/Gy		Fe 1 Red		156203
90	92	Sst	Gy/Red	Weakly oxidised	Fe 1 Red		156204
92	94	Sst	Gy/Red		Fe 1 Red		156205
94	96	Sst	Gy/Red	Hit water here	Fe 1 Red		156206
96	98	Sst	Gy	Weakly oxidised	Fe 1 Red		156207
98	100	Sst	Gy	Weakly oxidised	Fe 1 Red		156208
100	102	Sst	Gy	Weakly oxidised	Fe 1 Red		156209
102	104	Sst	Gy	Weakly oxidised	Fe 2 Red		156210
104	106	Sst	Red/Br		Fe 1 Red		156211
106	107	Sst	Red/Br		Fe 2 Or		156212
107	108	Sst	Gy/Or		Fe 1 Red		
108	110	Sst	Gy	Very weak alteration	Fe 1 Red		156213
110	112	Sst	Gy		Fe 1 Red		156214
112	114	Sst	Gy		Fe 1 Red		156215
114	116	Sst	Gy		Fe 1 Red		156216
116	118	Sst	Gy/Br		Fe 2 Or		156217
118	120	Sst	Gy/Br		Fe 2 Or		156218

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH006
GDA E	266638	Prospect	White Lead	Total Depth	70m
GDA N	6654856	Dip	-60	Geologist	A. McLellan
RL	207m	Azimuth	010M	Date	7/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
0	1	Silt	Red/Br	Red brown siltstone with malachite. Overburden?	Fe 2 Red	Cu < 1%	156219
1	2	Silt	Red/Br	Red brown siltstone with malachite. Increased qtz content	Fe 2 Red	Cu 1%	
2	4	Silt	Br/Gr	Chalcocite and malachite in veins and siltstone	Fe 1 Red	Cu 3-5%	156220
4	6	Silt	Br/Gr		Fe 1 Or	Cu 1-2%	156221
6	8	Silt	Br/Gr		Fe 1 Or	Cu 2%	156222
8	10	Silt	Wh		Fe 1 Or	Cu 1-2%	156223
10	11	Silt	Wh	Malachite and chalcocite. Increased qtz ~20%	Fe 1 Or	Cu ~2%	156224
11	12	Silt	Br/Or		Fe 2 Or	Cu ~1%	
12	13	Silt	Br/Red	Minor Cu	Fe 3 Red	Cu < 0.5%	156225
13	14	Silt	Lt Gy	Less oxidation and more Cu	Fe 1 Or	Cu <1%	
14	15	Silt	Red/Br	Coarser grained	Fe 2 Red	Cu <1%	156226
15	16	Silt	Red/Br	Coarser grained with Fe staining on joints	Fe 2 Red	Cu < 0.5%	
16	18	Silt	Lt Gy	Light grey siltstone with Fe staining and minor malachite	Fe 1 Or	Cu < 0.5%	156227
18	20	Silt	Lt Gy	Heavy Fe staining. Minor Cu	Fe 1 Or	Cu < 0.5%	156228
20	22	Silt	Or	Coarse siltstone. Increased qtz content with minor malachite	Fe 2 Or	Cu < 0.5%	156229
22	24	Silt/sst	Or	Coarse siltstone with some qtz. Minor Cu		Cu < 0.5%	156230
24	26	Silt/sst	Or	Coarse siltstone	Fe 2 Br		156231
26	28	Silt/sst	Or	Coarse siltstone	Fe 2 Or		156232
28	30	Sst	Dk Br	Dark brown sandstone with increased iron alteration	Fe 2 Br		156233
30	31	Sst	Dk Br		Fe 2 Br		156234
31	32	Sst	Or		Fe 2 Or		
32	34	Sst	Or		Fe 2 Or		156235
34	36	Sst	Or		Fe 3 Red		156236
36	38	Sst	Or/Red		Fe 2 Or		156237
38	40	Sst	Or		Fe 2 Or		156238
40	42	Sst	Or/Red	Some halite casts	Fe 2 Or		156239
42	44	Sst	Or/Red		Fe 2 Or		156240
44	46	Sst	Or/Red		Fe 2 Or		156241
46	48	Sst	Or/Red		Fe 2 Or		156242
48	50	Sst	Red	Heavy Fe staining.	Fe 3 Red		156243

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH006
GDA E	266638	Prospect	White Lead	Total Depth	70m
GDA N	6654856	Dip	-60	Geologist	A. McLellan
RL	207m	Azimuth	010M	Date	7/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
50	52	Sst	Dk Br		Fe 2 Dk Br		156244
52	54	Sst	Dk Br		Fe 2 Dk Br		156245
54	56	Sst	Red/Br		Fe 2 Red		156246
56	57	Sst	Br		Fe 2 Br		156247
57	58	Sst/silt	Br/Red	Some fine grained chips	Fe 2 Br		
58	60	Sst	Br/Red		Fe 2 Red/Br		156248
60	62	Sst	Red	Heavy Fe alteration	Fe 2 Red		156249
62	64	Sst	Red/Br	"Siliceous" sandstone	Fe 2 Red		156250
64	66	Sst	Red		Fe 2 Red		156251
66	68	Sst	Red		Fe 2 Red		156252
68	70	Sst	Red		Fe 2 Red		156253

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH007
GDA E	266539	Prospect	White Lead	Total Depth	80m
GDA N	6654862	Dip	-60	Geologist	A. McLellan
RL	221m	Azimuth	015M	Date	7/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
0	2	Silt	Gy/Or	White/grey siltstone. No overburden this hole	Fe 1 Or		156254
2	4	Silt	Gy/Or	Pyrite casts in white/grey siltstone	Fe 1 Or		156255
4	6	Silt	Or	Qtz ~5%	Fe 2 Or		156256
6	7	Silt	Or		Fe 2 Or		156257
7	8	Silt	Or	Minor malachite	Fe 2 Or	Cu < 0.5%	
8	10	Silt	Or	Heavy Fe staining	Fe 2 Or		156258
10	12	Silt	Or		Fe 2 Or		156259
12	14	Silt	Or		Fe 2 Or		156260
14	15	Silt	Or	Increased qtz content. Malachite present	Fe 2 Or	Cu < 0.5%	156261
15	16	Silt	Or		Fe 2 Or		
16	17	Silt	Or		Fe 2 Or		156262
17	18	Silt	Or		Fe 1 Or		
18	20	Silt	Or/Red		Fe 1 Red		156263
20	22	Silt	Dk Br/Gy		Fe 2 Or		156264
22	23	Silt	Or		Fe 2 Or		156265
23	24	Silt	Gy		Fe 1 Or		
24	26	Silt	Gy		Fe 1 Or		156266
26	28	Silt	Gy		Fe 1 Or		156267
28	30	Silt	Gy	Minor malachite on bedding planes with Fe alteration	Fe 1 Or	Cu < 0.5%	156268
30	31	Silt	Br		Fe 2 Or		156269
31	32	Silt	Gy		Fe 2 Or	Cu < 0.5%	
32	33	Silt	Gy		Fe 2 Or		156270
33	34	Silt	Gy/Or		Fe 1 Or	Cu < 1%	
34	36	Silt/sst	Dk Br		Fe 3 Dk Br	Cu < 0.5%	156271
36	38	Silt	Br/Or		Fe 2 Or	Cu < 0.5%	156272
38	39	Silt	Or		Fe 2 Or	Cu < 1%	156273
39	40	Silt	Dk Br		Fe 3 Dk Br	Cu < 0.5%	
40	42	Silt/sst	Dk Br/Red		Fe 2 Red		156274
42	43	Silt/sst	Br		Fe 2 Br		156275
43	44	Silt	Lt Br		Fe 1 Or		

SYRAH RESOURCES LIMITED

PERCUSSION DRILL LOG

ZONE	54	Tenement	EL3522	Hole ID	WLDH007
GDA E	266539	Prospect	White Lead	Total Depth	80m
GDA N	6654862	Dip	-60	Geologist	A. McLellan
RL	221m	Azimuth	015M	Date	7/4/2008

Depth		Lithology		Comments	Alteration	Mineralisation	Sample No.
From	To	Code	Colour		Max. 3 codes Intensity 1-3	Up to 3 codes (with %)	
44	46	Sst	Dk Gy/Blk	Light red dusting/alteration on black sandstone. Minor qtz ~5%	Fe 1 Red		156276
46	48	Sst	Dk Gy/Blk	Light red dusting/alteration on black sandstone. More porous	Fe 1 Red		156277
48	50	Sst	Dk Gy/Blk		Fe 1 Red		156278
50	52	Sst	Dk Gy/Blk		Fe 2 Red		156279
52	54	Sst	Dk Br	Porous/weathered sandstone	Fe 2 Or		156280
54	55	Sst	Dk Br/Blk		Fe 2 Or/Br		156281
55	56	Sst	Br		Fe Br/Or		
56	58	Sst	Blk/Dk Gy		Fe 1 Red		156282
58	59	Sst	Blk/Gry		Fe 1 Red		156283
59	60	Sst	Red		Fe 3 Red		
60	62	Sst	Or/Red		Fe 2 Or		156284
62	64	Sst	Red/Gy		Fe 2 Red		156285
64	66	Sst	Red/Gy		Fe 2 Red		156286
66	68	Sst	Red/Gy		Fe 2 Red		156287
68	70	Sst	Red/Gy		Fe 2 Red		156288
70	72	Sst	Or/Gy		Fe 2 Or		156289
72	73	Sst	Or/Gy		Fe 2 Or		156290
73	74	Sst	Red/Gy		Fe 2 Red		
74	75	Sst	Red/Or		Fe 2 Red		156291
75	76	Sst	Or		Fe 2 Or		
76	78	Sst	Or		Fe 2 Or		156292
78	80	Sst	Red/Gy		Fe 2 Red		156293

SYRAH RESOURCES LIMITED**RC DRILLING RESULTS**

Tenement	EL3522
Laboratory	ALS Chemex
Report No.	AD08041509

Hole ID	Sample No.	From	To	Au	Ag	Cu	Pb	Zn
				ppm	ppm	ppm	ppm	ppm
WLDH001	156005	0	2	<0.01	0.5	1000	8	13
WLDH001	156006	2	4	<0.01	0.5	881	9	15
WLDH001	156007	4	6	<0.01	<0.5	3890	4	4
WLDH001	156008	6	8	<0.01	<0.5	5030	4	6
WLDH001	156009	8	10	<0.01	<0.5	6890	6	10
WLDH001	156010	10	12	0.01	<0.5	1770	7	7
WLDH001	156011	12	14	<0.01	<0.5	1390	6	16
WLDH001	156012	14	16	<0.01	<0.5	4780	5	18
WLDH001	156013	16	18	<0.01	<0.5	10400	6	14
WLDH001	156014	18	20	<0.01	<0.5	4650	7	13
WLDH001	156015	20	22	<0.01	<0.5	3580	8	10
WLDH001	156016	22	24	<0.01	<0.5	2310	6	6
WLDH001	156017	24	26	<0.01	0.5	11100	3	19
WLDH001	156018	26	28	<0.01	<0.5	1650	5	12
WLDH001	156019	28	30	<0.01	<0.5	964	5	13
WLDH001	156020	30	32	<0.01	<0.5	1730	3	27
WLDH001	156021	32	34		0.5	1070	3	15
WLDH001	156022	34	36		<0.5	781	5	12
WLDH001	156023	36	38		0.5	444	5	18
WLDH001	156024	38	40		0.5	575	4	20
WLDH001	156025	40	42		<0.5	479	3	16
WLDH001	156026	42	44		0.7	512	4	22
WLDH001	156027	44	46		<0.5	352	6	23
WLDH001	156028	46	48		0.5	431	4	24
WLDH001	156029	48	50		<0.5	424	4	27
WLDH001	156030	50	52		<0.5	333	5	24
WLDH001	156031	52	54		0.5	494	4	25
WLDH001	156032	54	56		<0.5	445	5	20
WLDH001	156033	56	58		<0.5	765	5	21
WLDH001	156034	58	60		<0.5	642	5	14
WLDH001	156035	60	62		<0.5	970	3	33
WLDH001	156036	62	64		0.6	545	55	49
WLDH001	156037	64	66		<0.5	329	22	33
WLDH001	156038	66	68		<0.5	348	24	36
WLDH001	156039	68	70		<0.5	420	14	29
WLDH002	156040	0	2	<0.01	0.5	842	11	9
WLDH002	156041	2	4	0.17	<0.5	3570	13	4
WLDH002	156042	4	6	0.06	<0.5	5140	13	8
WLDH002	156043	6	8	<0.01	<0.5	6370	12	10
WLDH002	156044	8	10	0.18	<0.5	4500	10	5
WLDH002	156045	10	12	<0.01	<0.5	4980	13	6
WLDH002	156046	12	14	<0.01	<0.5	6080	33	26
WLDH002	156047	14	16		<0.5	3720	13	10
WLDH002	156048	16	18		<0.5	8050	11	20

SYRAH RESOURCES LIMITED**RC DRILLING RESULTS**

Tenement	EL3522
Laboratory	ALS Chemex
Report No.	AD08041509

Hole ID	Sample No.	From	To	Au ppm	Ag ppm	Cu ppm	Pb ppm	Zn ppm
WLDH002	156049	18	20		<0.5	24800	13	9
WLDH002	156050	20	22		<0.5	24700	14	9
WLDH002	156051	22	24		<0.5	6940	12	6
WLDH002	156052	24	26		<0.5	11200	8	4
WLDH002	156053	26	28		<0.5	3340	7	8
WLDH002	156054	28	30		<0.5	1270	13	23
WLDH002	156055	30	32		0.7	665	9	34
WLDH002	156056	32	34		<0.5	749	7	27
WLDH002	156057	34	36		<0.5	643	4	19
WLDH002	156058	36	38		0.5	1140	5	39
WLDH002	156059	38	40		0.6	644	3	18
WLDH002	156060	40	42		0.5	588	4	22
WLDH002	156061	42	44		<0.5	503	4	18
WLDH002	156062	44	46		<0.5	516	4	16
WLDH002	156063	46	48		<0.5	652	2	14
WLDH002	156064	48	50		<0.5	408	4	15
WLDH002	156065	50	52		0.8	392	4	10
WLDH002	156066	52	54		0.7	430	6	8
WLDH002	156067	54	56		0.7	435	4	9
WLDH002	156068	56	58		0.7	393	4	6
WLDH002	156069	58	60		<0.5	358	13	8
WLDH002	156070	60	62		<0.5	159	7	6
WLDH002	156071	62	64		<0.5	141	4	5
WLDH002	156072	64	66		<0.5	223	4	4
WLDH002	156073	66	68		<0.5	140	9	12
WLDH002	156074	68	70		<0.5	116	8	7
WLDH003	156075	0	2	0.05	0.5	12600	5	7
WLDH003	156076	2	4	0.04	<0.5	15400	5	5
WLDH003	156077	4	6	<0.01	<0.5	4190	5	2
WLDH003	156078	6	8	<0.01	<0.5	14100	6	6
WLDH003	156079	8	10	<0.01	<0.5	18000	6	7
WLDH003	156080	10	12	<0.01	<0.5	7320	5	5
WLDH003	156081	12	14	<0.01	<0.5	4500	8	2
WLDH003	156082	14	16	<0.01	<0.5	2940	6	<2
WLDH003	156083	16	18	<0.01	<0.5	2830	7	<2
WLDH003	156084	18	20	0.01	<0.5	629	5	<2
WLDH003	156085	20	22	<0.01	<0.5	280	5	5
WLDH003	156086	22	24		<0.5	321	4	30
WLDH003	156087	24	26		<0.5	213	4	23
WLDH003	156088	26	28		<0.5	420	6	60
WLDH003	156089	28	30		0.6	235	8	33
WLDH003	156090	30	32		<0.5	200	5	23
WLDH003	156091	32	34		0.5	323	5	42
WLDH003	156092	34	36		0.6	224	5	26

SYRAH RESOURCES LIMITED**RC DRILLING RESULTS**

Tenement	EL3522
Laboratory	ALS Chemex
Report No.	AD08041509

Hole ID	Sample No.	From	To	Au	Ag	Cu	Pb	Zn
				ppm	ppm	ppm	ppm	ppm
WLDH003	156093	36	38		<0.5	364	4	43
WLDH003	156094	38	40		<0.5	257	4	43
WLDH003	156095	40	42		0.5	175	5	22
WLDH003	156096	42	44		<0.5	186	4	18
WLDH003	156097	44	46		<0.5	319	5	33
WLDH003	156098	46	48		<0.5	259	4	24
WLDH003	156099	48	50		<0.5	314	4	16
WLDH003	156100	50	52		0.5	317	4	18
WLDH003	156101	52	54		<0.5	358	2	27
WLDH003	156102	54	56		<0.5	361	2	22
WLDH003	156103	56	58		<0.5	92	4	7
WLDH003	156104	58	60		<0.5	150	4	10
WLDH003	156105	60	62		<0.5	97	2	5
WLDH003	156106	62	64		<0.5	90	4	6
WLDH003	156107	64	66		<0.5	46	3	2
WLDH003	156108	66	68		<0.5	43	3	3
WLDH003	156109	68	70		<0.5	37	4	3
WLDH003	156110	70	72		<0.5	26	4	2
WLDH003	156111	72	74		<0.5	52	4	29
WLDH003	156112	74	76		<0.5	89	3	17
WLDH003	156113	76	78		<0.5	67	4	12
WLDH003	156114	78	80		<0.5	75	7	24
WLDH003	156115	80	82		<0.5	142	5	13
WLDH003	156116	82	84		<0.5	863	6	7
WLDH003	156117	84	86		<0.5	2270	<2	23
WLDH003	156118	86	87		<0.5	2280	5	27
WLDH004	156119	0	2		<0.5	2200	5	29
WLDH004	156120	2	4		<0.5	1990	4	39
WLDH004	156121	4	6		<0.5	1580	3	35
WLDH004	156122	6	8		0.6	1710	4	35
WLDH004	156123	8	10		<0.5	1260	6	35
WLDH004	156124	10	12		<0.5	1350	6	41
WLDH004	156125	12	14		<0.5	1320	6	32
WLDH004	156126	14	16		<0.5	1210	5	21
WLDH004	156127	16	18	<0.01	<0.5	1690	6	23
WLDH004	156128	18	20	<0.01	<0.5	2220	6	25
WLDH004	156129	20	22	<0.01	<0.5	2450	<2	15
WLDH004	156130	22	24	<0.01	<0.5	1250	4	8
WLDH004	156131	24	26	<0.01	<0.5	1140	7	9
WLDH004	156132	26	28		<0.5	1570	8	13
WLDH004	156133	28	30		<0.5	705	6	16
WLDH004	156134	30	32		<0.5	590	4	29
WLDH004	156135	32	34		<0.5	498	5	21
WLDH004	156136	34	36		0.5	671	5	21

SYRAH RESOURCES LIMITED**RC DRILLING RESULTS**

Tenement	EL3522
Laboratory	ALS Chemex
Report No.	AD08041509

Hole ID	Sample No.	From	To	Au ppm	Ag ppm	Cu ppm	Pb ppm	Zn ppm
WLDH004	156137	36	38		<0.5	397	12	20
WLDH004	156138	38	40		<0.5	249	8	18
WLDH004	156139	40	42		<0.5	166	5	17
WLDH004	156140	42	44		<0.5	847	6	66
WLDH004	156141	44	46		<0.5	476	4	29
WLDH004	156142	46	48		<0.5	551	6	24
WLDH004	156143	48	50		<0.5	425	4	19
WLDH004	156144	50	52		<0.5	566	5	15
WLDH004	156145	52	54		<0.5	416	5	14
WLDH004	156146	54	56		<0.5	766	5	18
WLDH004	156147	56	58		<0.5	551	4	12
WLDH004	156148	58	60		<0.5	308	6	11
WLDH004	156149	60	62		<0.5	874	5	20
WLDH004	156150	62	64		<0.5	412	3	16
WLDH004	156151	64	66		<0.5	336	2	20
WLDH004	156152	66	68		<0.5	183	3	14
WLDH004	156153	68	70		<0.5	75	3	9
WLDH004	156154	70	72		<0.5	94	4	8
WLDH004	156155	72	74		<0.5	84	5	12
WLDH004	156156	74	76		<0.5	84	5	17
WLDH004	156157	76	78		<0.5	64	4	12
WLDH004	156158	78	80		<0.5	51	5	16
WLDH005	156159	0	2	0.02	<0.5	2210	4	13
WLDH005	156160	2	4	0.05	<0.5	9260	6	16
WLDH005	156161	4	6	<0.01	<0.5	2320	6	20
WLDH005	156162	6	8	<0.01	<0.5	1600	3	19
WLDH005	156163	8	10		<0.5	2140	6	39
WLDH005	156164	10	12		<0.5	1620	6	42
WLDH005	156165	12	14		<0.5	907	4	46
WLDH005	156166	14	16		<0.5	1140	5	57
WLDH005	156167	16	18		<0.5	1020	4	50
WLDH005	156168	18	20		<0.5	1240	4	51
WLDH005	156169	20	22		<0.5	2800	4	42
WLDH005	156170	22	24		<0.5	1270	5	30
WLDH005	156171	24	26		<0.5	1480	5	36
WLDH005	156172	26	28		<0.5	1460	5	29
WLDH005	156173	28	30		<0.5	859	7	19
WLDH005	156174	30	32		<0.5	747	4	22
WLDH005	156175	32	34		<0.5	372	4	24
WLDH005	156176	34	36		<0.5	368	4	38
WLDH005	156177	36	38		<0.5	260	4	19
WLDH005	156178	38	40		<0.5	296	7	26
WLDH005	156179	40	42		<0.5	345	5	38
WLDH005	156180	42	44		<0.5	230	7	22

SYRAH RESOURCES LIMITED**RC DRILLING RESULTS**

Tenement	EL3522
Laboratory	ALS Chemex
Report No.	AD08041509

Hole ID	Sample No.	From	To	Au	Ag	Cu	Pb	Zn
				ppm	ppm	ppm	ppm	ppm
WLDH005	156181	44	46		<0.5	274	5	17
WLDH005	156182	46	48	0.01	<0.5	378	6	16
WLDH005	156183	48	50	<0.01	<0.5	2480	5	14
WLDH005	156184	50	52	0.01	<0.5	754	5	12
WLDH005	156185	52	54	<0.01	<0.5	201	8	7
WLDH005	156186	54	56	0.01	<0.5	221	6	17
WLDH005	156187	56	58	0.04	<0.5	387	6	17
WLDH005	156188	58	60		<0.5	1220	3	10
WLDH005	156189	60	62		<0.5	211	4	6
WLDH005	156190	62	64		<0.5	243	4	14
WLDH005	156191	64	66		<0.5	157	4	14
WLDH005	156192	66	68		<0.5	174	4	11
WLDH005	156193	68	70		<0.5	90	5	11
WLDH005	156194	70	72		<0.5	118	4	17
WLDH005	156195	72	74		<0.5	193	3	17
WLDH005	156196	74	76		<0.5	300	4	31
WLDH005	156197	76	78		<0.5	62	4	7
WLDH005	156198	78	80		<0.5	20	4	4
WLDH005	156199	80	82		<0.5	160	5	8
WLDH005	156200	82	84		<0.5	162	5	7
WLDH005	156201	84	86		<0.5	27	4	11
WLDH005	156202	86	88		<0.5	29	4	7
WLDH005	156203	88	90		<0.5	17	3	5
WLDH005	156204	90	92		<0.5	22	5	23
WLDH005	156205	92	94		<0.5	33	11	12
WLDH005	156206	94	96		<0.5	62	5	7
WLDH005	156207	96	98		<0.5	36	5	35
WLDH005	156208	98	100		<0.5	49	6	16
WLDH005	156209	100	102		<0.5	35	3	10
WLDH005	156210	102	104		<0.5	49	4	30
WLDH005	156211	104	106		<0.5	54	4	15
WLDH005	156212	106	108		<0.5	26	5	8
WLDH005	156213	108	110		<0.5	30	5	28
WLDH005	156214	110	112		<0.5	12	4	11
WLDH005	156215	112	114		<0.5	11	3	6
WLDH005	156216	114	116		<0.5	16	5	26
WLDH005	156217	116	118		<0.5	9	2	10
WLDH005	156218	118	120		<0.5	26	4	6
WLDH006	156219	0	2	<0.01	<0.5	15500	9	6
WLDH006	156220	2	4	<0.01	<0.5	18000	6	4
WLDH006	156221	4	6	<0.01	<0.5	16200	8	4
WLDH006	156222	6	8	<0.01	<0.5	12700	5	4
WLDH006	156223	8	10	<0.01	<0.5	10700	5	2
WLDH006	156224	10	12	<0.01	<0.5	23700	7	3

SYRAH RESOURCES LIMITED**RC DRILLING RESULTS**

Tenement	EL3522
Laboratory	ALS Chemex
Report No.	AD08041509

Hole ID	Sample No.	From	To	Au	Ag	Cu	Pb	Zn
				ppm	ppm	ppm	ppm	ppm
WLDH006	156225	12	14	<0.01	<0.5	7640	10	4
WLDH006	156226	14	16	<0.01	<0.5	3850	7	<2
WLDH006	156227	16	18	<0.01	<0.5	1750	6	<2
WLDH006	156228	18	20	<0.01	<0.5	3010	5	2
WLDH006	156229	20	22	<0.01	<0.5	1900	5	4
WLDH006	156230	22	24	<0.01	<0.5	1380	7	3
WLDH006	156231	24	26	<0.01	<0.5	1110	9	4
WLDH006	156232	26	28		<0.5	843	5	5
WLDH006	156233	28	30		<0.5	1890	4	17
WLDH006	156234	30	32		<0.5	872	4	10
WLDH006	156235	32	34		<0.5	423	6	14
WLDH006	156236	34	36		<0.5	404	3	20
WLDH006	156237	36	38		<0.5	673	4	23
WLDH006	156238	38	40		<0.5	317	4	14
WLDH006	156239	40	42		<0.5	812	5	53
WLDH006	156240	42	44		<0.5	667	5	28
WLDH006	156241	44	46		<0.5	531	4	28
WLDH006	156242	46	48		<0.5	445	4	28
WLDH006	156243	48	50		<0.5	791	5	23
WLDH006	156244	50	52		<0.5	902	6	40
WLDH006	156245	52	54		<0.5	825	6	44
WLDH006	156246	54	56		<0.5	714	4	19
WLDH006	156247	56	58		<0.5	242	4	8
WLDH006	156248	58	60		<0.5	216	4	7
WLDH006	156249	60	62		<0.5	61	2	3
WLDH006	156250	62	64		<0.5	25	4	3
WLDH006	156251	64	66		<0.5	27	3	3
WLDH006	156252	66	68		<0.5	63	2	4
WLDH006	156253	68	70		<0.5	57	3	5
WLDH007	156254	0	2		<0.5	935	6	13
WLDH007	156255	2	4		<0.5	1130	8	15
WLDH007	156256	4	6		<0.5	1380	6	21
WLDH007	156257	6	8		<0.5	3080	6	21
WLDH007	156258	8	10		<0.5	2660	5	25
WLDH007	156259	10	12		<0.5	1390	7	24
WLDH007	156260	12	14		<0.5	1370	8	18
WLDH007	156261	14	16		<0.5	2240	7	26
WLDH007	156262	16	18		<0.5	1300	6	19
WLDH007	156263	18	20		<0.5	1170	8	18
WLDH007	156264	20	22		<0.5	1220	4	23
WLDH007	156265	22	24		<0.5	838	4	15
WLDH007	156266	24	26		<0.5	921	6	14
WLDH007	156267	26	28	<0.01	<0.5	882	9	7
WLDH007	156268	28	30	<0.01	<0.5	1970	7	7

SYRAH RESOURCES LIMITED**RC DRILLING RESULTS**

Tenement	EL3522
Laboratory	ALS Chemex
Report No.	AD08041509

Hole ID	Sample No.	From	To	Au	Ag	Cu	Pb	Zn
				ppm	ppm	ppm	ppm	ppm
WLDH007	156269	30	32	<0.01	<0.5	2340	8	7
WLDH007	156270	32	34	<0.01	<0.5	7300	6	10
WLDH007	156271	34	36	<0.01	<0.5	8490	6	10
WLDH007	156272	36	38	0.01	<0.5	3590	7	7
WLDH007	156273	38	40		<0.5	11300	8	9
WLDH007	156274	40	42		<0.5	1970	7	5
WLDH007	156275	42	44		0.5	2670	5	5
WLDH007	156276	44	46		<0.5	2790	5	7
WLDH007	156277	46	48		0.6	2330	4	15
WLDH007	156278	48	50		<0.5	1350	4	4
WLDH007	156279	50	52		<0.5	1060	3	4
WLDH007	156280	52	54		<0.5	2330	3	8
WLDH007	156281	54	56		<0.5	1710	2	5
WLDH007	156282	56	58		<0.5	1170	<2	9
WLDH007	156283	58	60		<0.5	1550	2	12
WLDH007	156284	60	62		<0.5	1170	4	8
WLDH007	156285	62	64		<0.5	461	3	4
WLDH007	156286	64	66		<0.5	240	5	3
WLDH007	156287	66	68		<0.5	71	4	3
WLDH007	156288	68	70		<0.5	49	3	3
WLDH007	156289	70	72		<0.5	35	2	3
WLDH007	156290	72	74		<0.5	119	3	4
WLDH007	156291	74	76		<0.5	82	2	3
WLDH007	156292	76	78		<0.5	39	2	4
WLDH007	156293	78	80		<0.5	20	<2	2



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CERTIFICATE AD08041509

Project: Mt Lyndhurst

P.O. No.: 268751

This report is for 302 Percussion samples submitted to our lab in Adelaide, SA, Australia on 8-APR-2008.

The following have access to data associated with this certificate:

ALISTAIR CAMPBELL

DAVID LOUWRENS

SAMPLE PREPARATION

ALS CODE	DESCRIPTION
WEI-21	Received Sample Weight
LOG-22	Sample login - Rcd w/o BarCode
LEV-01	Waste Disposal Levy
PUL-23	Pulv Sample - Split/Retain
SPL-21	Split sample - riffle splitter
BAG-01	Bulk Master for Storage
PUL-QC	Pulverizing QC Test

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
ME-OG46	Ore Grade Elements - AquaRegia	ICP-AES
Cu-OG46	Ore Grade Cu - Aqua Regia	VARIABLE
Au-AA25	Ore Grade Au 30g FA AA finish	AAS
ME-ICP61	33 element four acid ICP-AES	ICP-AES

To: **SYRAH RESOURCES LTD**
ATTN: ALISTAIR CAMPBELL
LEVEL 9
356 COLLINS STREET
MELBOURNE VIC 3000

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature:

Shaun Kenny, Brisbane Laboratory Manager



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Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg	PUL-QC Pass75um %	Au-AA25 Au ppm	ME-ICP61 Ag ppm	ME-ICP61 Cu ppm	ME-ICP61 Pb ppm	ME-ICP61 Zn ppm	Cu-OG46 Cu %
		0.02	0.01	0.01	0.5	1	2	2	0.01
156001		0.79		<0.01	<0.5	147	111	338	
156002		1.02		<0.01	<0.5	60	9	16	
156003		1.52		0.72	0.5	>10000	13	50	2.13
156004		1.13		0.14	1.6	9160	20	54	
156005		0.95	99.0	<0.01	0.5	1000	8	13	
156006		1.60		<0.01	0.5	881	9	15	
156007		1.49		<0.01	<0.5	3890	4	4	
156008		2.62		<0.01	<0.5	5030	4	6	
156009		2.39		<0.01	<0.5	6890	6	10	
156010		1.79		0.01	<0.5	1770	7	7	
156011		2.41		<0.01	<0.5	1390	6	16	
156012		3.00		<0.01	<0.5	4780	5	18	
156013		3.67		<0.01	<0.5	>10000	6	14	1.04
156014		2.19		<0.01	<0.5	4650	7	13	
156015		2.33		<0.01	<0.5	3580	8	10	
156016		2.37		<0.01	<0.5	2310	6	6	
156017		2.54		<0.01	0.5	>10000	3	19	1.11
156018		2.30		<0.01	<0.5	1650	5	12	
156019		1.72		<0.01	<0.5	964	5	13	
156020		2.36		<0.01	<0.5	1730	3	27	
156021		1.93			0.5	1070	3	15	
156022		2.94			<0.5	781	5	12	
156023		2.42			0.5	444	5	18	
156024		2.34			0.5	575	4	20	
156025		2.48			<0.5	479	3	16	
156026		1.74			0.7	512	4	22	
156027		3.13			<0.5	352	6	23	
156028		2.44			0.5	431	4	24	
156029		2.26			<0.5	424	4	27	
156030		1.54			<0.5	333	5	24	
156031		1.71			0.5	494	4	25	
156032		2.36			<0.5	445	5	20	
156033		1.91			<0.5	765	5	21	
156034		1.52			<0.5	642	5	14	
156035		2.47			<0.5	970	3	33	
156035D		1.96			<0.5	702	32	56	
156036		2.11			0.6	545	55	49	
156037		2.08			<0.5	329	22	33	
156038		1.69			<0.5	348	24	36	
156039		2.29			<0.5	420	14	29	



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Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg	PUL-QC Pass75um %	Au-AA25 Au ppm	ME-ICP61 Ag ppm	ME-ICP61 Cu ppm	ME-ICP61 Pb ppm	ME-ICP61 Zn ppm	Cu-OG46 Cu %
		0.02	0.01	0.01	0.5	1	2	2	0.01
156040		1.92		<0.01	0.5	842	11	9	
156041		1.47		0.17	<0.5	3570	13	4	
156042		1.25		0.06	<0.5	5140	13	8	
156043		1.87		<0.01	<0.5	6370	12	10	
156044		1.65	97.0	0.18	<0.5	4500	10	5	
156045		1.90		<0.01	<0.5	4980	13	6	
156046		1.51		<0.01	<0.5	6080	33	26	
156047		1.88		0.03	<0.5	3720	13	10	
156048		1.80		0.01	<0.5	8050	11	20	
156049		1.69		<0.01	<0.5	>10000	13	9	2.48
156050		1.49		<0.01	<0.5	>10000	14	9	2.47
156051		1.53		<0.01	<0.5	6940	12	6	
156052		1.73		0.02	<0.5	>10000	8	4	1.12
156053		1.40		<0.01	<0.5	3340	7	8	
156054		1.78		<0.01	<0.5	1270	13	23	
156055		1.53			0.7	665	9	34	
156056		1.95			<0.5	749	7	27	
156057		1.34			<0.5	643	4	19	
156058		1.71			0.5	1140	5	39	
156059		1.44			0.6	644	3	18	
156060		1.35			0.5	588	4	22	
156061		2.51			<0.5	503	4	18	
156062		1.35			<0.5	516	4	16	
156063		2.14			<0.5	652	2	14	
156064		1.95			<0.5	408	4	15	
156065		1.93			0.8	392	4	10	
156065D		1.63			<0.5	413	4	10	
156066		2.35			0.7	430	6	8	
156067		2.25			0.7	435	4	9	
156068		2.19			0.7	393	4	6	
156069		2.37			<0.5	358	13	8	
156070		2.34			<0.5	159	7	6	
156071		2.88			<0.5	141	4	5	
156072		2.78			<0.5	223	4	4	
156073		2.18			<0.5	140	9	12	
156074		3.29			<0.5	116	8	7	
156075		1.31		0.05	0.5	>10000	5	7	1.26
156076		2.14		0.04	<0.5	>10000	5	5	1.54
156077		1.86		<0.01	<0.5	4190	5	2	
156078		2.41		<0.01	<0.5	>10000	6	6	1.41



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Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg 0.02	PUL-QC Pass75um % 0.01	Au-AA25 Au ppm 0.01	ME-ICP61 Ag ppm 0.5	ME-ICP61 Cu ppm 1	ME-ICP61 Pb ppm 2	ME-ICP61 Zn ppm 2	Cu-OG46 Cu % 0.01
156079		2.22		<0.01	<0.5	>10000	6	7	1.80
156080		2.17		<0.01	<0.5	7320	5	5	
156081		2.00		<0.01	<0.5	4500	8	2	
156082		2.22		<0.01	<0.5	2940	6	<2	
156083		3.10	95.0	<0.01	<0.5	2830	7	<2	
156084		2.36		0.01	<0.5	629	5	<2	
156085		2.01		<0.01	<0.5	280	5	5	
156086		2.30			<0.5	321	4	30	
156087		2.34			<0.5	213	4	23	
156088		1.53			<0.5	420	6	60	
156089		2.08			0.6	235	8	33	
156090		1.98			<0.5	200	5	23	
156091		2.25			0.5	323	5	42	
156092		1.88			0.6	224	5	26	
156093		2.31			<0.5	364	4	43	
156094		2.01			<0.5	257	4	43	
156095		1.99			0.5	175	5	22	
156095D		1.23			0.5	166	6	21	
156096		2.31			<0.5	186	4	18	
156097		2.53			<0.5	319	5	33	
156098		1.40			<0.5	259	4	24	
156099		2.36			<0.5	314	4	16	
156100		1.61			0.5	317	4	18	
156101		1.70			<0.5	358	2	27	
156102		1.88			<0.5	361	2	22	
156103		1.90			<0.5	92	4	7	
156104		1.64			<0.5	150	4	10	
156105		2.30			<0.5	97	2	5	
156106		2.43			<0.5	90	4	6	
156107		1.52			<0.5	46	3	2	
156108		1.89			<0.5	43	3	3	
156109		1.95			<0.5	37	4	3	
156110		1.66			<0.5	26	4	2	
156111		1.92			<0.5	52	4	29	
156112		2.98			<0.5	89	3	17	
156113		1.80			<0.5	67	4	12	
156114		2.99			<0.5	75	7	24	
156115		2.33			<0.5	142	5	13	
156116		1.36			<0.5	863	6	7	
156117		1.65			<0.5	2270	<2	23	



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Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg	PUL-QC Pass75um %	Au-AA25 Au ppm	ME-ICP61 Ag ppm	ME-ICP61 Cu ppm	ME-ICP61 Pb ppm	ME-ICP61 Zn ppm	Cu-OG46 Cu %
		0.02	0.01	0.01	0.5	1	2	2	0.01
156118		0.30			<0.5	2280	5	27	
156119		1.99			<0.5	2200	5	29	
156120		2.76			<0.5	1990	4	39	
156121		3.47			<0.5	1580	3	35	
156122		2.47	97.0		0.6	1710	4	35	
156123		2.36			<0.5	1260	6	35	
156124		2.41			<0.5	1350	6	41	
156125		2.59			<0.5	1320	6	32	
156125D		1.90			<0.5	1210	3	28	
156126		1.84			<0.5	1210	5	21	
156127		2.57		<0.01	<0.5	1690	6	23	
156128		3.18		<0.01	<0.5	2220	6	25	
156129		3.19		<0.01	<0.5	2450	<2	15	
156130		2.95		<0.01	<0.5	1250	4	8	
156131		2.26		<0.01	<0.5	1140	7	9	
156132		2.59			<0.5	1570	8	13	
156133		2.33			<0.5	705	6	16	
156134		2.64			<0.5	590	4	29	
156135		3.16			<0.5	498	5	21	
156136		2.85			0.5	671	5	21	
156137		2.90			<0.5	397	12	20	
156138		3.07			<0.5	249	8	18	
156139		2.68			<0.5	166	5	17	
156140		2.99			<0.5	847	6	66	
156141		3.04			<0.5	476	4	29	
156142		2.41			<0.5	551	6	24	
156143		2.46			<0.5	425	4	19	
156144		2.95			<0.5	566	5	15	
156145		2.80			<0.5	416	5	14	
156146		2.47			<0.5	766	5	18	
156147		3.59			<0.5	551	4	12	
156148		2.58			<0.5	308	6	11	
156149		1.99			<0.5	874	5	20	
156150		2.90			<0.5	412	3	16	
156151		1.46			<0.5	336	2	20	
156152		2.74			<0.5	183	3	14	
156153		2.23			<0.5	75	3	9	
156154		2.46			<0.5	94	4	8	
156155		2.25			<0.5	84	5	12	
156155D		2.36			<0.5	125	5	10	



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Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg 0.02	PUL-QC Pass75um % 0.01	Au-AA25 Au ppm 0.01	ME-ICP61 Ag ppm 0.5	ME-ICP61 Cu ppm 1	ME-ICP61 Pb ppm 2	ME-ICP61 Zn ppm 2	Cu-OG46 Cu % 0.01
156156		1.97			<0.5	84	5	17	
156157		3.02			<0.5	64	4	12	
156158		2.30			<0.5	51	5	16	
156159		0.74		0.02	<0.5	2210	4	13	
156160		1.35	98.0	0.05	<0.5	9260	6	16	
156161		1.87		<0.01	<0.5	2320	6	20	
156162		1.65		<0.01	<0.5	1600	3	19	
156163		2.04			<0.5	2140	6	39	
156164		2.50			<0.5	1620	6	42	
156165		2.31			<0.5	907	4	46	
156166		2.29			<0.5	1140	5	57	
156167		2.35			<0.5	1020	4	50	
156168		1.81			<0.5	1240	4	51	
156169		1.97			<0.5	2800	4	42	
156170		1.97			<0.5	1270	5	30	
156171		1.79			<0.5	1480	5	36	
156172		1.67			<0.5	1460	5	29	
156173		1.90			<0.5	859	7	19	
156174		1.84			<0.5	747	4	22	
156175		1.52			<0.5	372	4	24	
156176		1.44			<0.5	368	4	38	
156177		1.84			<0.5	260	4	19	
156178		1.36			<0.5	296	7	26	
156179		1.67			<0.5	345	5	38	
156180		1.71			<0.5	230	7	22	
156181		1.55			<0.5	274	5	17	
156182		2.24		0.01	<0.5	378	6	16	
156183		2.00		<0.01	<0.5	2480	5	14	
156184		2.18		0.01	<0.5	754	5	12	
156185		2.03		<0.01	<0.5	201	8	7	
156185D		2.21		0.01	<0.5	125	7	7	
156186		1.63		0.04	<0.5	221	6	17	
156187		2.30			<0.5	387	6	17	
156188		2.15			<0.5	1220	3	10	
156189		1.83			<0.5	211	4	6	
156190		1.91			<0.5	243	4	14	
156191		1.89			<0.5	157	4	14	
156192		1.70			<0.5	174	4	11	
156193		1.74			<0.5	90	5	11	
156194		1.63			<0.5	118	4	17	



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		0.02	0.01	0.01	0.5	1	2	2	0.01
156195		1.89			<0.5	193	3	17	
156196		1.87			<0.5	300	4	31	
156197		2.10			<0.5	62	4	7	
156198		2.28			<0.5	20	4	4	
156199		1.76	99.0		<0.5	160	5	8	
156200		1.37			<0.5	162	5	7	
156201		1.78			<0.5	27	4	11	
156202		1.58			<0.5	29	4	7	
156203		2.04			<0.5	17	3	5	
156204		2.09			<0.5	22	5	23	
156205		2.17			<0.5	33	11	12	
156206		2.23			<0.5	62	5	7	
156207		2.48			<0.5	36	5	35	
156208		2.22			<0.5	49	6	16	
156209		2.89			<0.5	35	3	10	
156210		2.98			<0.5	49	4	30	
156211		3.46			<0.5	54	4	15	
156212		2.69			<0.5	26	5	8	
156213		2.11			<0.5	30	5	28	
156214		2.84			<0.5	12	4	11	
156215		2.09			<0.5	11	3	6	
156215D		1.92			<0.5	10	3	6	
156216		2.62			<0.5	16	5	26	
156217		2.28			<0.5	9	2	10	
156218		2.62			<0.5	26	4	6	
156219		3.26		<0.01	<0.5	>10000	9	6	1.55
156220		2.94		<0.01	<0.5	>10000	6	4	1.80
156221		2.92		<0.01	<0.5	>10000	8	4	1.62
156222		2.81		<0.01	<0.5	>10000	5	4	1.27
156223		2.61		<0.01	<0.5	>10000	5	2	1.07
156224		2.77		<0.01	<0.5	>10000	7	3	2.37
156225		2.76		<0.01	<0.5	7640	10	4	
156226		3.15		<0.01	<0.5	3850	7	<2	
156227		2.88		<0.01	<0.5	1750	6	<2	
156228		2.37		<0.01	<0.5	3010	5	2	
156229		2.36		<0.01	<0.5	1900	5	4	
156230		3.24		<0.01	<0.5	1380	7	3	
156231		2.50		<0.01	<0.5	1110	9	4	
156232		2.90			<0.5	843	5	5	
156233		2.87			<0.5	1890	4	17	



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Total # Pages: 9 (A)

Finalized Date: 20-MAY-2008

Account: SYRRES

Project: Mt Lyndhurst

CERTIFICATE OF ANALYSIS AD08041509

Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg	PUL-QC Pass75um %	Au-AA25 Au ppm	ME-ICP61 Ag ppm	ME-ICP61 Cu ppm	ME-ICP61 Pb ppm	ME-ICP61 Zn ppm	Cu-OG46 Cu %
		0.02	0.01	0.01	0.5	1	2	2	0.01
156234		2.31			<0.5	872	4	10	
156235		2.61			<0.5	423	6	14	
156236		2.67			<0.5	404	3	20	
156237		2.41			<0.5	673	4	23	
156238		2.42	96.0		<0.5	317	4	14	
156239		1.74			<0.5	812	5	53	
156240		2.31			<0.5	667	5	28	
156241		2.22			<0.5	531	4	28	
156242		2.19			<0.5	445	4	28	
156243		1.66			<0.5	791	5	23	
156244		1.29			<0.5	902	6	40	
156245		1.96			<0.5	825	6	44	
156245D		1.31			<0.5	814	5	43	
156246		1.99			<0.5	714	4	19	
156247		3.00			<0.5	242	4	8	
156248		3.37			<0.5	216	4	7	
156249		2.46			<0.5	61	2	3	
156250		3.19			<0.5	25	4	3	
156251		2.99			<0.5	27	3	3	
156252		2.32			<0.5	63	2	4	
156253		2.62			<0.5	57	3	5	
156254		1.13			<0.5	935	6	13	
156255		0.96			<0.5	1130	8	15	
156256		1.67			<0.5	1380	6	21	
156257		0.90			<0.5	3080	6	21	
156258		1.16			<0.5	2660	5	25	
156259		1.00			<0.5	1390	7	24	
156260		1.08			<0.5	1370	8	18	
156261		1.57			<0.5	2240	7	26	
156262		1.27			<0.5	1300	6	19	
156263		1.08			<0.5	1170	8	18	
156264		1.59			<0.5	1220	4	23	
156265		2.01			<0.5	838	4	15	
156266		1.54			<0.5	921	6	14	
156267		1.32		<0.01	<0.5	882	9	7	
156268		1.89		<0.01	<0.5	1970	7	7	
156269		1.38		<0.01	<0.5	2340	8	7	
156270		1.45		<0.01	<0.5	7300	6	10	
156271		1.52		<0.01	<0.5	8490	6	10	
156272		1.61		0.01	<0.5	3590	7	7	



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		0.02	0.01	0.01	0.5	1	2	2	0.01
156273		1.42			<0.5	>10000	8	9	1.13
156274		1.80			<0.5	1970	7	5	
156275		1.40			0.5	2670	5	5	
156275D		1.69			<0.5	2650	6	5	
156276		1.80	96.0		<0.5	2790	5	7	
156277		1.49			0.6	2330	4	15	
156278		1.77			<0.5	1350	4	4	
156279		2.20			<0.5	1060	3	4	
156280		1.03			<0.5	2330	3	8	
156281		1.11			<0.5	1710	2	5	
156282		2.16			<0.5	1170	<2	9	
156283		1.48			<0.5	1550	2	12	
156284		1.73			<0.5	1170	4	8	
156285		1.73			<0.5	461	3	4	
156286		1.98			<0.5	240	5	3	
156287		1.85			<0.5	71	4	3	
156288		1.92			<0.5	49	3	3	
156289		1.54			<0.5	35	2	3	
156290		2.66			<0.5	119	3	4	
156291		1.88			<0.5	82	2	3	
156292		1.78			<0.5	39	2	4	
156293		1.52			<0.5	20	<2	2	



EL3522 & EL3550

SYRAH RESOURCES LIMITED

ANNUAL REPORT FOR THE PERIOD ENDING

30 April 2009

*(datum GDA94 Z54 unless otherwise
specified)*

Prepared by:
E.M. Eadie
May 2009

Disclaimer

The conclusions and recommendations based on any interpretations of geoscientific data contained in this report are provided at the request of the client. Syrah Resources Ltd accepts no liability resulting from commercial decisions or actions taken by the client based on the recommendations presented in this report.

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1.0 SUMMARY

This report documents exploration conducted during the third year of tenure at EL3522 and EL3550 (the Lyndhurst tenements).

Syrah Resources is exploring for base and precious metals in Early Proterozoic rocks of the Adelaide Geosyncline. Known copper and/or gold deposits in the area commonly occur in the Tapley Hill Formation, with the mineralisation believed to be associated with proximal diapiric structures.

Syrah Resources conducted the following exploration during this period:

- Detailed field mapping at White Lead Prospect (EL3522)
- Completion of a 60 hole RAB drilling program at White Lead Prospect in EL3522
- Continued negotiation with traditional land holders at Stones Claim Prospect

Syrah Resources is currently in negotiation with a potential joint venture partner.

2.0 INTRODUCTION

EL3522 (549 km²) and EL3550 (296 km²) are located in the Flinders Ranges in the Lyndhurst region of South Australia. The tenements are located in an area centred approximately 35km north-east of the township of Copley, as shown in **Figure 1**. A current mineral production lease, ML5498, lies within the north western portion of EL3522.

EL3522 was granted to Copper Strike Ltd on 23rd February 2006 for a period of one year, and EL3550 was granted to Copper Strike on 1st May 2006 for a period of one year. Both licences were subsequently extended to two year periods.

These tenements were transferred from Copper Strike to Syrah Resources Ltd on 15th February 2008. EL3522 has recently been renewed for a further 2 year period with an application for renewal of EL3500 submitted in April 2009.

Syrah Resources is exploring for base and precious metals in Early Proterozoic rocks of the Adelaide Geosyncline. Known copper and/or gold deposits in the area commonly occur in the Tapley Hill Formation, with the mineralisation believed to be associated with proximal diapiric structures.

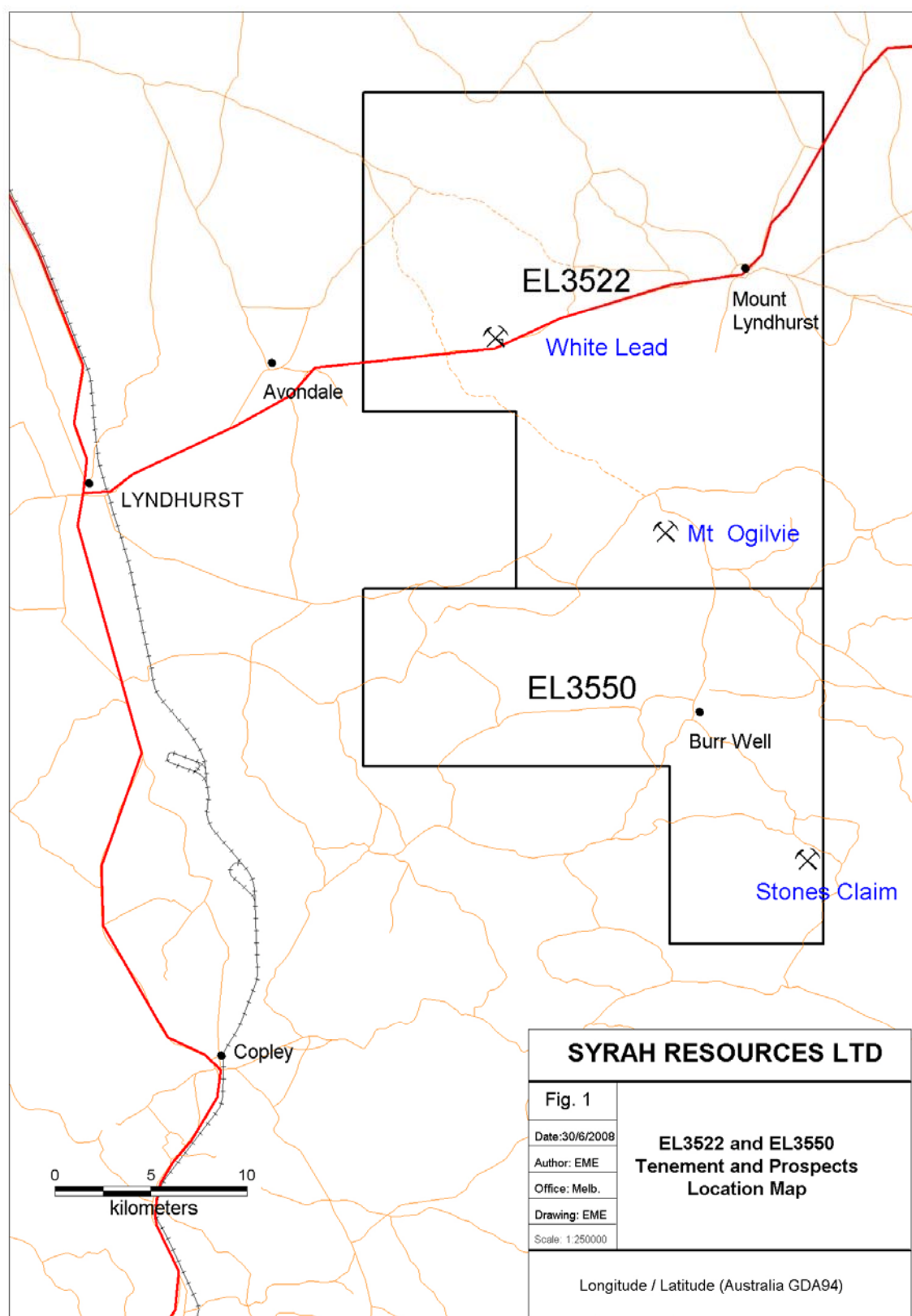


Figure 1 Location of EL3550 and EL3522

3.0 MINERALISATION MODEL

The mineralisation model for copper in the Adelaide Geosyncline comprises the following key points:

- Formation of diapirs derived from the salt-dominated Callanna beds during deposition of much of the Adelaidean succession, with regional fluid flow controlled by these structural highs;
- During the Delamerian (Cambro-Ordovician) inversion, reinforcing the early structural “dome-and-basin” architecture. A synchronous major fluid flow event, with mineralising fluids initially ascending on the margins of salt diapirs (seals) and at diapir-fault intersections. With increasing fluid temperature, dissolution of the diapiric salt and flow within the diapirs;
- Mineralisation deposited from highly oxidised fluids carrying Cu deposited at structural sites (such as fault intersections), in reduced stratigraphic units adjacent to diapirs also mafic mega-clasts within the diapirs.

3.0 PREVIOUS WORK

Work by previous explorers has been summarised in the 2007 Annual Report submitted to PIRSA.

Previous work by Syrah Resources included field mapping and an 8 hole drilling program at the White Lead prospect in 2007, field mapping at Stones Claim and an evaluation of other prospects was reported in the 2008 Annual Report.

4.0 NEW WORK DURING THE REPORTING PERIOD

4.1 GEOLOGICAL MAPPING AT WHITE LEAD PROSPECT

Due to the good rock exposure and low structural complexity, the geology of the White Lead Prospect is relatively well understood.

Syrah completed a semi-detailed mapping program during mid-July 2008. The copper-bearing stratigraphy comprises a sequence of glacial sediments dominated by siltstones and sandstones. The sequence includes three sub-units, including a lower tillite, a recessive siltstone, and interbedded siltstone and sandstone. To the south, the mineralised sequence is overlain by slaty shales with interbedded dolomites. The Lyndhurst Diapir, which may be described as a mega-breccia formed by diapiric rise of (former) salt, outcrops immediately to the north of the mineralised sequence.

The completed geological map is attached to this report as Plate 1 with a summary version as Figure 2.

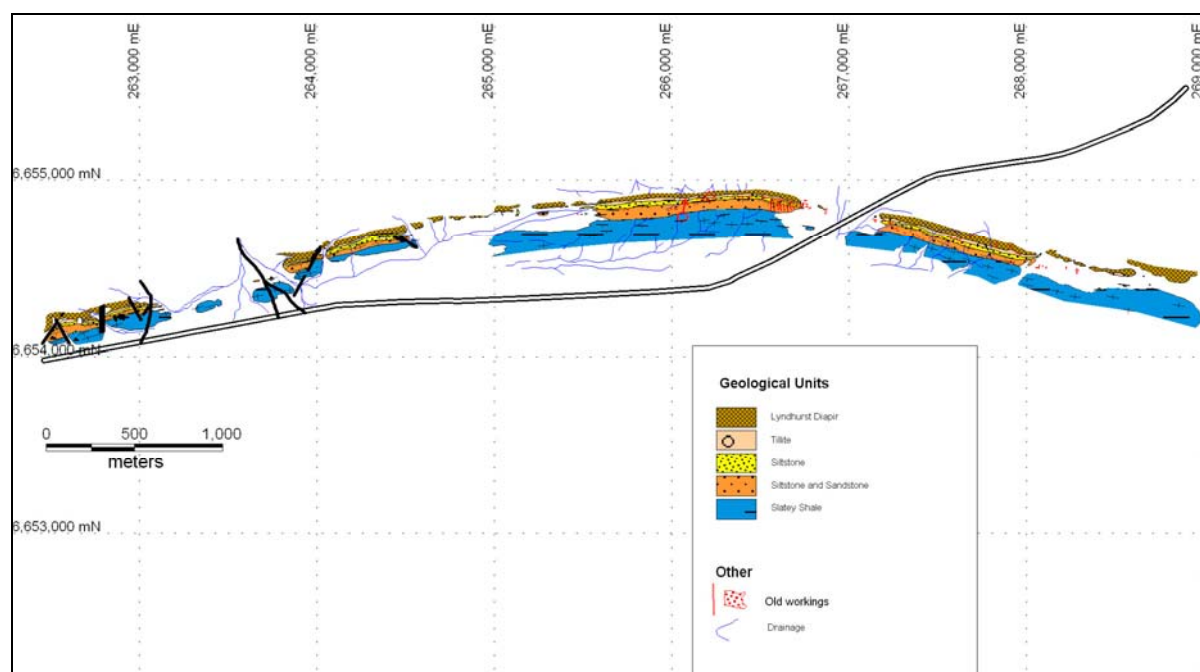


Figure 2 Summary of geological mapping

Major geological units are:

- Lyndhurst Diapir (structurally youngest);
- Glacial sediments (tillite, siltstone and interbedded siltstone and sandstone); and
- Slaty shale with dolomite interbeds.

Lyndhurst Diapir

This diapiric breccia is located to the north of the mineralised sequence. It comprises large rafts of a variety of rock types, including sedimentary and igneous lithologies. Some of these rafts are themselves mineralised, and have been the focus of copper exploration and mining in the past (eg. Fielder's Claim and Great Mount Lyndhurst prospects).

Glacial Sediments (?Merinjina Tillite)

This unit hosts the White Lead mineralisation and is generally 70-90m thick. While copper, mostly in the form of malachite, is noted to occur across the entire glacial sequence, it is most common near the base, near the contact with diapir. It is subdivided as follows:

- **Tillite:** Brown to reddish brown; sandstone-dominated matrix with rounded polymict clasts (igneous and sedimentary pebbles); generally 10-15m thick. Resistant unit, commonly forming low ridges, and sometimes host to copper mineralisation.
- **Siltstone:** Light brown to white; generally 15-20m thick. Glacial clasts are relatively common. A recessive unit, and a common host to copper mineralisation.
- **Interbedded Siltstone and Sandstone:** Light brown to reddish brown; generally 40-60m thick. Glacial pebbles occur in thin bands that are relatively continuous along strike, but not common. Large glacial 'dropstones' (boulder size), are observed in places. Common host to copper, mostly in the stratigraphically lower part

It was originally understood that the majority of this unit formed the basal part of the Tapley Hill Formation (as supported by published geological maps and literature), and the basal tillite (described above) was the Merinjina Tillite which stratigraphy underlies the Tapley Hill Formation. Subsequent mapping by Syrah has shown that the entire sequence of siltstones

and sandstones contains glacial pebbles and/or boulders and may in fact be entirely Merinjina Tillite.

Slatey Shale with Dolomite Interbeds (?Tindelpina Shale)

This unit is dominated by brown-grey calcareous shales and is generally of low relief. Thin dolomite interbeds commonly form low ridges within the shales. The shales represent a deeper water depositional environment. No mineralisation has been observed within this unit. It is probable that this unit represents the Tindelpina Shale, which is the basal member of the Tapley Hill Formation.

In the conceptual model for the primary Cu mineralization in the Adelaide Geosyncline, the Tapley Hill Formation and Merinjina Tillite, where they occur in close proximity to a diapir, and especially where faulting cuts the formation, are the main targets for mineralisation.

Clearly, secondary processes have modified the primary mineralisation. Controls on secondary mineralisation are more likely related to near-horizontal palaeo-surfaces.

There is evidence at White Lead for significant secondary influence on the blanket-like mineralisation.

4.2 CULTURAL HERITAGE SURVEY

Cultural Heritage surveys were conducted at White Lead during early March 2008 prior to the RC drilling program, and during mid-August 2008 before commencement of the RAB program. The surveys were conducted by representatives of the Adnyamathanha People accompanied by an anthropologist.

The Cultural Heritage survey cleared a strike length of approximately 4km for future drill programs, with Syrah granted approval to drill at all requested locations in the White Lead prospect area.

4.3 WHITE LEAD DRILLING PROGRAM

Syrah conducted a percussion drilling program at the White Lead Prospect from 4th - 7th April 2008 as reported in the 2008 Annual Report. This program identified significant copper mineralisation along a 200m strike length. The historical workings suggested that the copper is mainly hosted by the siltstone "lode" horizon, while the drilling results also found extensive mineralisation in the siltstone and sandstone unit to the south.

The encouraging results of this program lead to a second drill program at White lead, conducted late August- early September 2008 to test possible strike extensions to the copper mineralisation recorded during the previous drilling program. 60 RAB holes were drilled for a total of 2,237m. The RAB holes were completed on 100m-spaced grid lines along the east-west trend of the host stratigraphy, testing an overall strike length of approximately 3km. The locations of the drilling programs are presented on **Figure 3**, an aerial photograph of the White Lead prospect area.

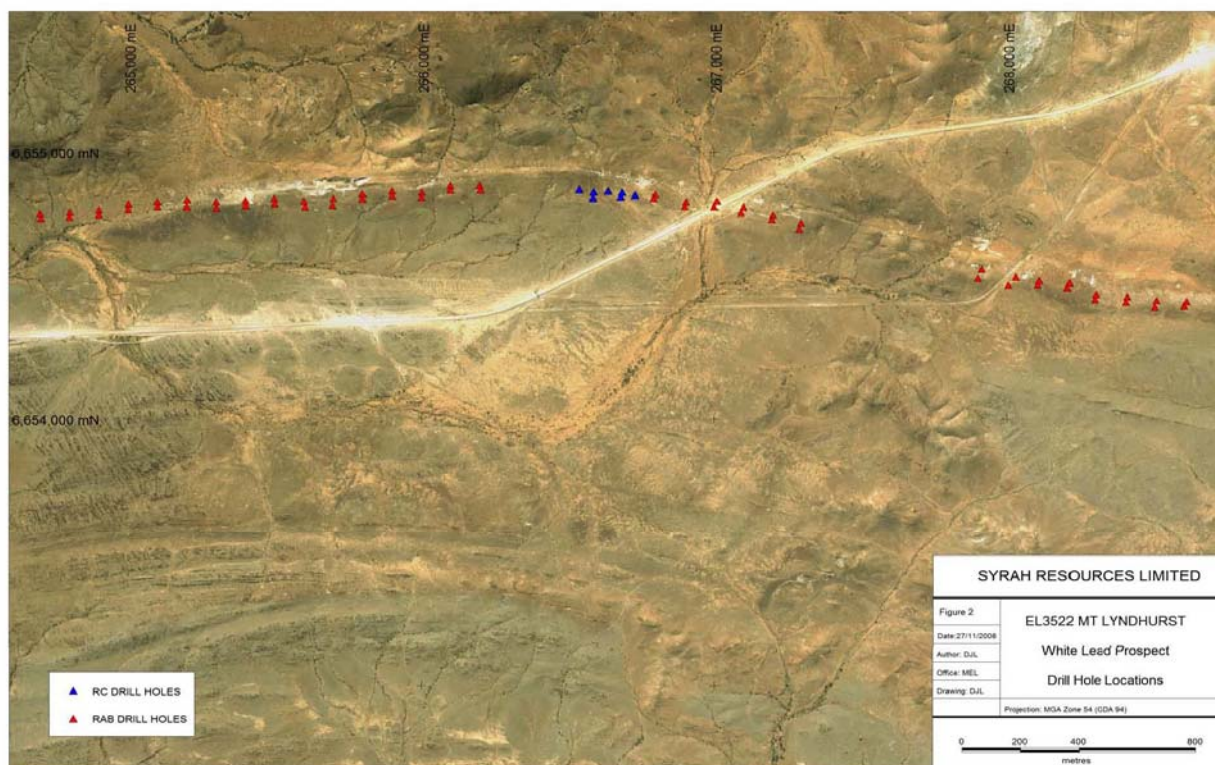


Figure 3 Location of drill holes over air photograph

The RAB drilling program tested copper mineralisation in the Tapley Hill Formation in selected areas to the east and west of the main White Lead workings. This program was designed to test the potential scale of the oxide copper mineralisation over a large section of the prospective horizon.

The RAB drilling was undertaken on 100m-spaced grid lines over a 3km strike length, with two holes per line drilled at -60° to the north. The plan allowed for variation of hole depth and number of holes per grid line, based on copper mineralisation logged during the drilling program.

Coordinates and collar survey data is presented in Table 1 below and in digital format in Appendix 1. Sample id refers to the down hole geochemical samples.

Hole ID	Easting GDA 54	Northing GDA z54	Elevation metres	Azimuth	Dip	Depth metres	Sample ID
RB001	264698	6654769	173m	355°	-60°	40m	149001 - 149020
RB002	264700	6654750	173m	355°	-60°	40m	149021 – 149041
RB003	264800	6654775	175m	355°	-60°	40m	149042 – 149061
RB004	264798	6654755	175m	355°	-60°	40m	149062 – 149082
RB005	264900	6654784	185m	355°	-60°	40m	149083 – 149102
RB006	264900	6654765	185m	355°	-60°	40m	149103 – 149123
RB007	265001	6654805	190m	355°	-60°	40m	149124 – 149143
RB008	265000	6654785	190m	355°	-60°	40m	149144 – 149164
RB009	265099	6654814	194m	000°	-60°	40m	149165 – 149184
RB010	265100	6654795	194m	000°	-60°	40m	149185 – 149205

RB011	265201	6654820	186m	000°	-60°	40m	149206 – 149225
RB012	265200	6654795	186m	000°	-60°	40m	149226 – 149246
RB013	265299	6654813	185m	000°	-60°	40m	149247 – 149266
RB014	265300	6654790	185m	000°	-60°	40m	149267 – 149287
RB015	265399	6654818	186m	000°	-60°	40m	149288 – 149307
RB016	265400	6654800	186m	000°	-60°	40m	149308 – 149328
RB017	265498	6654825	185m	000°	-60°	40m	149329 – 149348
RB018	265500	6654806	185m	000°	-60°	40m	149349 – 149369
RB019	265600	6654815	184m	355°	-60°	40m	149370 – 149389
RB020	265604	6654795	186m	355°	-60°	40m	149390 – 149410
RB021	265700	6654825	200m	355°	-60°	40m	149411 – 149430
RB022	265698	6654800	200m	355°	-60°	40m	149431 – 149451
RB023	265800	6654843	205m	355°	-60°	40m	149452 – 149471
RB024	265799	6654823	203m	000°	-60°	40m	149472 – 149492
RB025	265900	6654854	205m	000°	-60°	30m	149493 – 149507
RB026	265900	6654835	203m	000°	-60°	20m	149508 – 149518
RB027	265001	6654850	185m	355°	-60°	20m	149519 – 149528
RB028	266000	6654830	187m	000°	-60°	22m	149529 – 149540
RB029	266100	6654875	208m	000°	-60°	20m	149541 – 149550
RB030	266100	6654857	207m	000°	-60°	20m	149551 – 149561
RB031	266200	6654875	212m	355°	-60°	20m	149562 – 149571
RB032	266203	6654858	210m	355°	-60°	19m	149572 – 149582
RB033	266800	6654841	190m	355°	-60°	40m	149583 – 149592, 156419 – 156429
RB034	266905	6654813	190m	005°	-60°	26m	149593 – 149605
RB035	266900	665476	190m	005°	-60°	31m	149606 – 149622
RB036	267009	6654815	190m	020°	-60°	40m	149623 – 149626, 156382 – 156398
RB037	268605	6654423	185m	020°	-60°	40m	149627 – 149646
RB038	268613	6654438	185m	020°	-60°	40m	149647 – 149666
RB039	268510	6654441	185m	020°	-60°	40m	149667 – 149687
RB040	268504	6654418	185m	020°	-60°	40m	149688 – 149707
RB041	268405	6654435	186m	020°	-60°	40m	149708 – 149728
RB042	268410	6654455	186m	020°	-60°	40m	149729 – 149748
RB043	268300	6654445	190m	020°	-60°	40m	149749 – 149769
RB044	268303	6654465	190m	020°	-60°	40m	149770 – 149789
RB045	268205	6654488	190m	020°	-60°	40m	149790 – 149810
RB046	268213	6654507	191m	020°	-60°	40m	149811 – 149830
RB047	268105	6654501	190m	020°	-60°	40m	149831 – 149851
RB048	268110	6654518	190m	020°	-60°	40m	149852 – 149871

RB049	268030	6654530	190m	020°	-60°	40m	149872 – 149892
RB050	268005	6654500	190m	020°	-60°	40m	149893 – 149910
RB051	267913	6654560	200m	020°	-60°	40m	149913 – 149933
RB052	267900	6654525	215m	020°	-60°	40m	149934 – 149953
RB053	267290	6654712	220m	020°	-60°	40m	149954 – 149973
RB054	267297	6654734	220m	020°	-60°	40m	149975 – 149994
RB055	267200	6654765	195m	020°	-60°	40m	149995 – 150000, 156301 – 156315
RB056	267196	6654746	193m	020°	-60°	49m	156316 – 156340
RB057	267100	6654793	190m	020°	-60°	40m	156341 – 156361
RB058	267091	6654772	190m	020°	-60°	40m	156362 – 156381
RB059	267000	6654795	190m	020°	-60°	40m	156399 – 156418
RB060	266793	6654826	190m	020°	-60°	40m	156430 – 156449

Table 1 Drill Hole Coordinates

Detailed down hole geological logs are presented in digital format in Appendix 2. Codes used in the logs are presented in the table 2 below;

LITHOLOGY		LITHOLOGY DESCRIPTORS		MINERALISATION	
AMP	Amphibolite	SUL	Sulphide	act	actinolite
BAS	Basalt	VN	Vein	amph	amphibole
BX	Breccia			bar	barite
CAT	Cataclasite		TEXTURE	biot	biotite
CLY	Clay	cgr	coarse grained	cal	calcite
CS	Calc-silicate	mgr	medium grained	cb	carbonate
DOL	Dolerite	fgr	fine grained	chl	chlorite
EPI	Epidotite			cpy	chalcopyrite
FT	Fault	tr	trace	epi	epidote
GN	Gneiss			fsp	feldspar
GOS	Gossan		COLOUR	gar	garnet
GR	Granite	pl	pale	gln	galena
GRV	Gravel	lt	light	hbl	hornblende
IS	Ironstone	dk	dark	hem	hematite
MIG	Migmatite	mo	mottled	kspar	K feldspar
MYL	Mylonite			mt	magnetite
PEG	Pegmatite	bl	blue	mal	malachite
PE	Pelite	bk	black	mo	molybdenum
PM	Psammopelite	bn	brown	musc	muscovite
PS	Psammite	cm	cream	plag	plagioclase
QZT	Quartzite	gn	green	po	pyrrhotite

SND	Sand	gy	grey	py	pyrite
SCH	Schist	or	orange	px	pyroxene
SHL	Shale	pk	pink	qz	quartz
SHR	Shear zone	pp	purple	ser	sericite
SKN	Skarn	rd	red	sid	siderite
SLTS	Siltstone	wh	white	sill	sillimanite
SST	Sandstone	yl	yellow	sph	sphalerite

Table 2 Lithological Codes

Samples were sent to ALS Labs in Adelaide for copper assay. Complete Assay data is presented in Appendix 3 with significant intercepts presented in Table 3.

As shown in **Figure 3**, there are breaks in the RAB grid in two areas. Drilling was not conducted in these areas, because a) surface mapping indicated low mineralisation potential, or b) significant earthmoving activities would have been necessary due to steep topography.

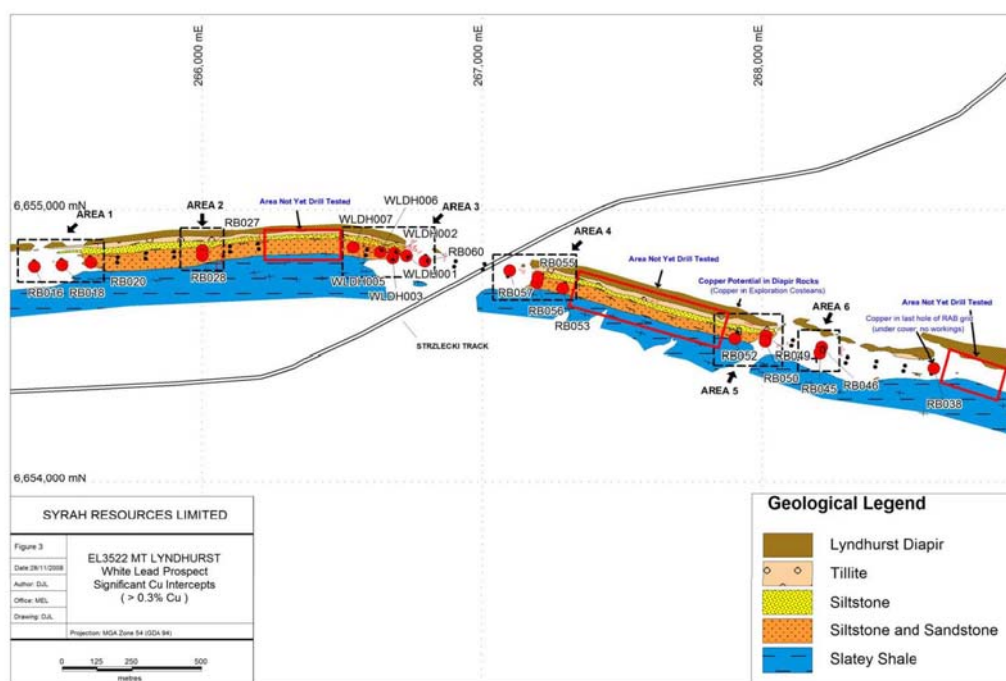


Figure 4 Location of drill holes (black circles) with drill holes encountering significant Copper marked in red (larger circles)

It had been intended to drill all holes to at least 40m, but ten holes did not reach this depth due to rig equipment problems. However, the drilling program was not compromised, with the depths of these ten drill holes sufficient to provide a suitable test of potential copper mineralisation. The depth of drill hole RB056 was extended to 49m because visible mineralisation was logged below 40m.

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)
RB016	8	10	2	0.51
RB018	2	4	2	0.63
RB020	8	10	2	0.39
	14	20	6	0.48
RB027	8	10	2	1.28
	14	16	2	0.34
	18	20	2	0.36
RB028	12	22	10	0.57
RB038	32	34	2	0.44
RB045	26	30	4	0.37
RB046	8	10	2	0.51
	14	16	2	0.75
RB049	12	14	2	0.59
	32	34	2	1.11
RB050	26	32	6	0.68
RB052	12	18	6	1.06
	28	32	4	1.02
RB054	0	6	6	0.37
RB055	2	12	10	0.70
RB056	42	46	4	0.51
RB057	24	26	2	0.47
RB060	26	32	6	1.50

Table 3 Significant Copper Intercepts (0.3% cut-off)

4.4 REHABILITATION PROGRAM

Following completion of the drilling programs, Syrah conducted rehabilitation of all drill sites and access tracks at the White Lead prospect.

Immediately after drilling, the RC and RAB holes were backfilled to ground surface using drill cuttings. Subsequently, all drill sites were further leveled and harrows were used to scarify the drill sites and access tracks. Grid pegs and any litter were removed from the sites.

Photography of site rehabilitation was completed and a Rehabilitation Report was submitted to Primary Industries and Resources of South Australia (PIRSA) on 25 November 2008.

5.0 NON JORC RESOURCE ESTIMATES

Based on the results of the RC and RAB drilling programs, six areas of significant copper mineralisation (named Areas 1 to 6 from west to east) have been defined, as shown in

Figure 3. Possible resources for these areas have been calculated using the results of the drilling and a number of assumptions which are described below.

There is a low level of confidence in the tonnage calculations for the six areas, given that the spacing between grid lines is 100m and continuity of the mineralisation between the grid lines is not known. Similarly, the width and depth of mineralisation has not been fully tested, and there may be more than one mineralised interval across strike.

For this exercise, it was assumed that:

- a) there is continuity between mineralised drill holes;
- b) mineralisation extends 50m from mineralised to 'un-mineralised' holes for the RAB drilling, and 25m for the RC drilling;
- c) only those intervals reported in drilling are present across strike; and
- d) the copper has a depth extent of 20m (where mineralised depth is not confirmed by drilling).

The tonnages were calculated using a cut-off grade of 0.3% Cu, a minimum width of 2.0m and an SG of 2.2g/cm³ (not supported by test work). The estimates are non-JORC compliant and are not for public release. Importantly, with only two holes on each grid line and some of these collared in areas of no outcrop, it is possible that the RAB drilling has not tested areas of more significant, concealed mineralisation.

Area 1

Three drill holes, at 100m spacing intersected the following:

Table 4: Area 1 Mineralisation

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)
RB016	8	10	2	0.51
RB018	2	4	2	0.63
RB020	8	10	2	0.39
	14	20	6	0.48

This gives a potential strike length of approximately 300m (**Figure 4**). Each of these drill holes is the southern-most of the two drill holes on the grid lines. Area 1 may contain 50,000 tonnes at a grade of approximately 0.5% Cu.

Area 2

Two drill holes, spaced 20m apart on one grid line intersected the following:

Table 5: Area 2 Mineralisation

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)
RB027	8	10	2	1.28
	14	16	2	0.34
	18	20	2	0.36
RB028	12	22	10	0.57

This area has a potential strike length of 100m (**Figure 4**), and is closed off to the east and west. Area 2 may contain 75,000 tonnes at a grade of approximately 0.5% Cu.

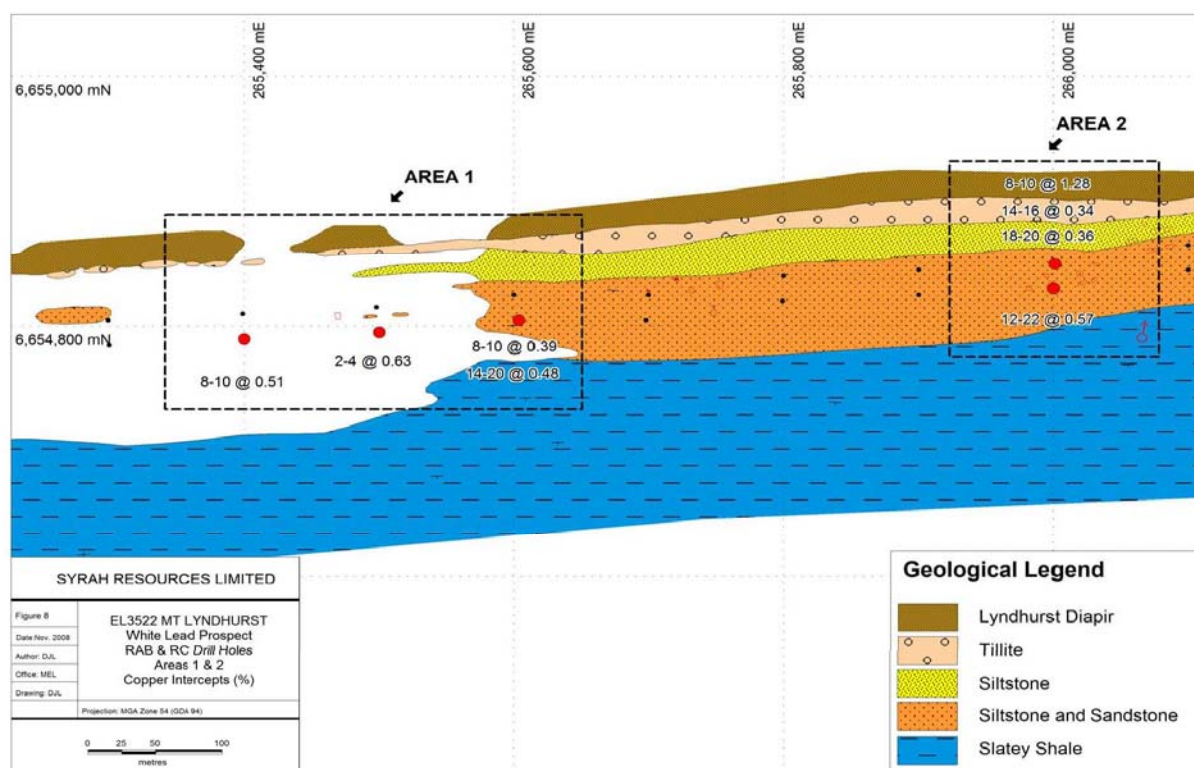


Figure 5 Copper Intercepts - Areas 1 and 2

Area 3

Five drill holes, on four grid lines intersected the following:

Table 6: Area 3 Mineralisation (includes 2007 RAB drill holes)

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)
WLDH001	14	26	12	0.61
WLDH002	2	28	26	0.87
WLDH003	0	18	18	0.91
WLDH006	0	30	30	0.80
WLDH007	32	40	8	0.77
RB060	26	32	6	1.50

A total of 320,000 tonnes at 0.8% Cu was previously calculated for the RC drilling in Area 3 (Figure 5). WLDH007 was not used in this calculation because assays from drill holes WLDH004 and WLDH005 (to the east) did not meet the cut-off grade. The drilling did not close off mineralisation, particularly to the east, but also to the north and south. The RAB drilling results reported 6m at 1.5% Cu in RB060, which is located about 70m east of the RC drilling. This increased the tonnage estimate of Area 3 to approximately 350,000 tonnes, with a marginal increase in copper grade.

Area 4

Four drill holes, on three 100m-spaced grid lines intersected the following:

Table 7: Area 4 Mineralisation

Hole ID	From(m)	To (m)	Interval (m)	Cu (%)
RB054	0	6	6	0.37
RB055	2	12	10	0.70
RB056	42	46	4	0.51
RB057	24	26	2	0.47

These results give a potential strike length of approximately 300m (**Figure 5**), possibly extending further to the east, given that the RAB drilling is not closed off in this direction. Area 4 may contain 100,000 tonnes at a grade of approximately 0.55% Cu.

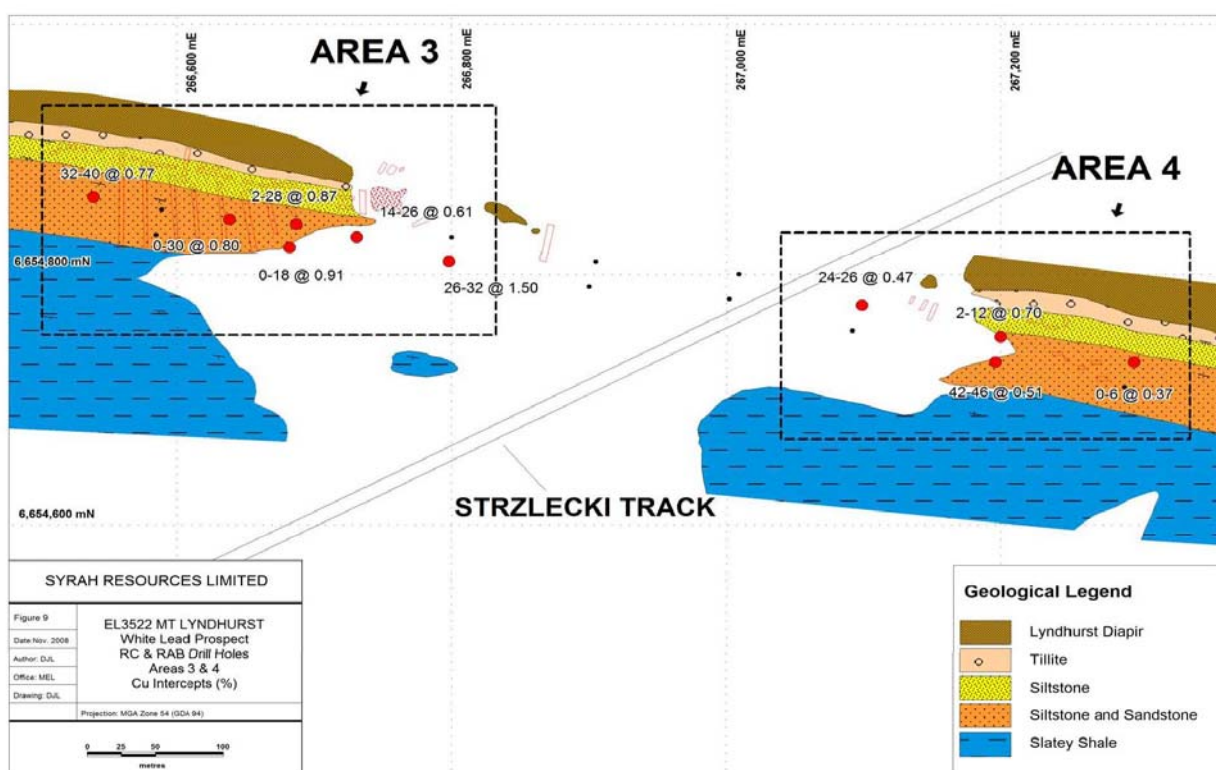


Figure 6 Copper Intercepts - Areas 3 and 4

Area 5

Three drill holes, on two 100m-spaced grid lines intersected the following:

Table 8: Area 5 Mineralisation

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)
RB049	12	14	2	0.59

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)
	32	34	2	1.11
RB050	26	32	6	0.68
RB052	12	18	6	1.06
	28	32	4	1.02

These results give a potential strike length of approximately 200m (Figure 6), with possible extension to the west, given that the RAB drilling is not closed off in this direction. Area 5 may contain 100,000 tonnes at a grade of approximately 0.90% Cu.

Area 6

Two drill holes, on one grid line intersected the following:

Table 9: Area 6 Mineralisation

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)
RB045	26	30	4	0.37
RB046	8	10	2	0.52
	14	16	2	0.75

These results give a potential strike length of approximately 100m (**Figure 6**), with mineralisation open to the north and south. Area 6 may contain 35,000 tonnes at a grade of approximately 0.50% Cu.

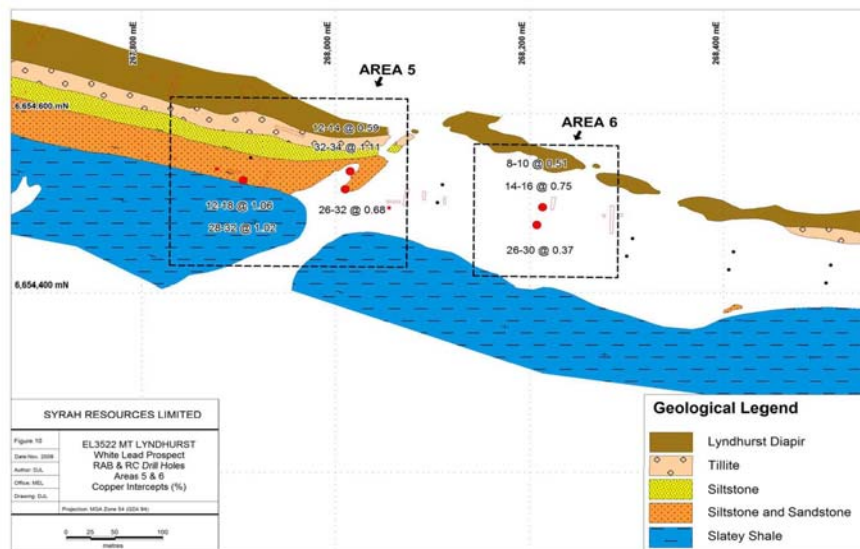


Figure 7 Copper Intercepts Areas 5 and 6

Using calculations from the six areas described above, the White Lead prospect area potentially has a combined copper resource of approximately 710,000 tonnes at a grade of 0.75% Cu as shown in Table 7.

Table 10: Total White Lead Copper Resource

	Tonnage	Grade (% Cu)
Area 1	50,000	0.50
Area 2	75,000	0.50
Area 3	350,000	0.80
Area 4	100,000	0.55
Area 5	100,000	0.90
Area 6	35,000	0.50
Total	710,000	0.75

It should be noted that the exploration target figure could be considerably higher, given that there is a 100m spacing between RAB lines, a mineralisation depth of only 20m has been adopted, and there is scope for copper to the north and south of the areas tested, including the Lyndhurst Diapir which is known to host copper mineralisation.

6.0 PROPOSED WORK PROGRAM FOR 2009-2010

Given the strong potential for additional oxide copper, further drilling is recommended to define the limits of mineralisation at White Lead. Drilling to date has targeted only selected areas along the strike of the prospective Merinjina Tillite and did not effectively test copper in the Lyndhurst Diapir to the north or other unit that are in contact with the diapir. In addition, RAB drilling was conducted on 100m-spaced grid lines with only two RAB holes drilled per line. Drilling results show that mineralisation has not been closed off either along or across strike.

Areas proposed for future drill testing include the following areas:

- Two strike-extensive areas within the trend of the copper-bearing sequence that were not drill tested by Syrah and which cover a total strike length of approximately 800m;
- An area to the east of the Syrah RAB grid where a hole in the final fence line recorded a narrow, low grade copper intercept;
- Areas north and south of mineralised RC and RAB drill holes that were not closed off; and
- Mineralisation within the diapir and other units (apart from Merinjina Tillite) when adjacent to the diapir
- Some locations where there are historical workings.

The resource could be further increased by adding smaller areas of mineralisation recorded by drilling which do not appear to have the same strike length or width as those in Areas 1 to 6. Only two holes were drilled on the RAB grid lines, and one to two on the RC grid lines, and it follows that mineralisation is open in those areas not tested. Copper mineralisation

may extend to the east of the RAB grid, with the eastern-most drill hole reporting 0.44% Cu over 2m.

Exploration scope for copper mineralisation includes the sequence of glacial sediments in the Merinjina Tillite and areas within the Lyndhurst Diapir to the immediate north. Shafts and pits are particularly common to the north and north-west of Area 5 and drill testing of these areas may be warranted. Several copper occurrences in the diapir and basal tillite have not yet been drill tested by Syrah and represent additional exploration targets.

There could be areas where the copper mineralisation extends deeper than has been recorded during recent drilling. Further, there are two areas not drill tested by Syrah that cover a strike length of some 800m along the trend of the copper-bearing sequence that may contain mineralisation. These areas of further exploration potential are shown in **Figure 7**.

Follow-up percussion drilling is planned at the White Lead Prospect to test possible strike extensions to the copper mineralisation recorded during the recent drilling program.

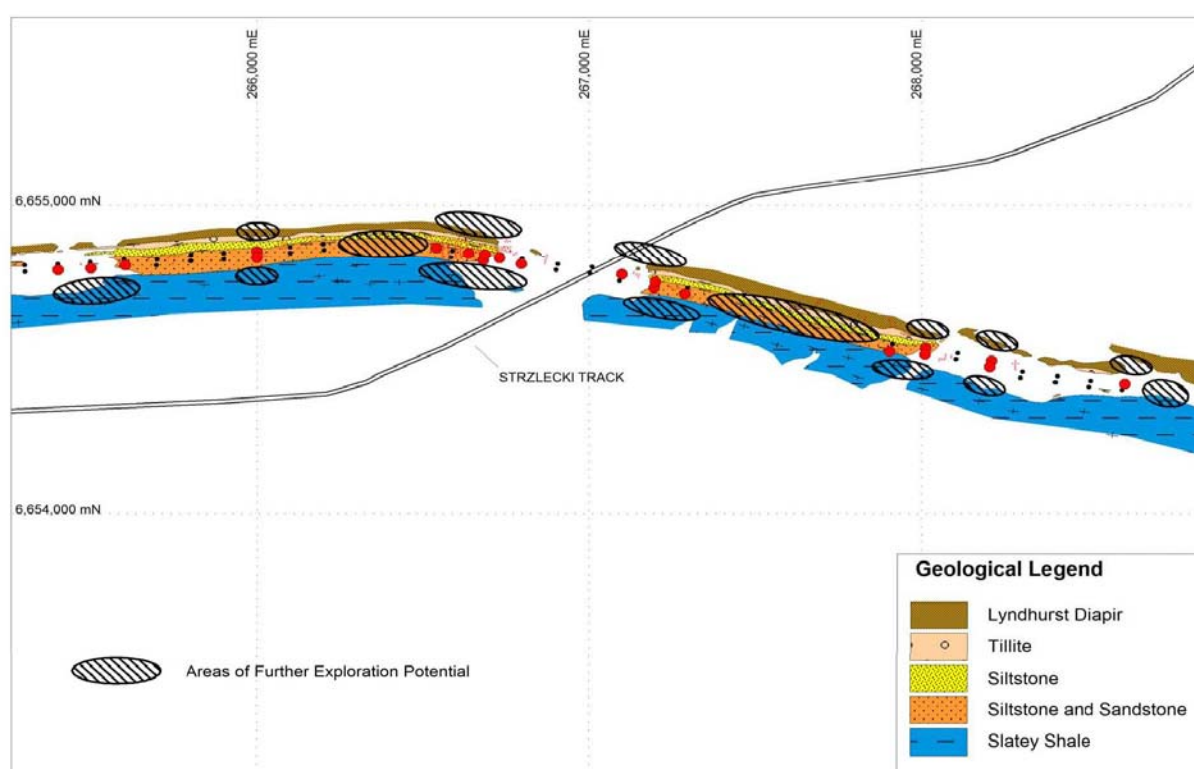


Figure 8 Areas of Further Exploration Potential

Of further note is that the Fielders Claim prospect is some 350m to the north of the White Lead prospect, and has a historical non-JORC resource estimate of 1.0 Mt at 0.3% Cu. South Breccia Prospect, located 120m north-east of Fielders Claim, has a non-JORC resource estimate of 1.4 Mt at 0.25% Cu. The Fielders Claim and South Breccia Prospects have previously been reviewed by Syrah but have not been subject to any new drilling.

The Stones Claim Prospect (EL3550) could not be tested because the Adnyamathanha People would not allow earthmoving and drilling at this prospect. Syrah Resources has requested further arbitration with respect to proposed drilling at this prospect. We have forwarded a request to the Adelaide lawyers representing the Adnyamathanha People, who have indicated that the matter will be addressed at the next meeting of the Governing Committee of ATLA (Adnyamathanha Traditional Lands Association Aboriginal Corporation).

7.0 EXPENDITURE

Allowable exploration expenditure **EL3522** during the reporting period is as follows:

Drilling	136582.04
Consultant Geologists	23280.41
Field Expenses	15050.14
Geochemistry	16866.6
Data Management and Administration	4065.46
Total	195,844.65

Allowable exploration expenditure **EL3550** during the reporting period is as follows:

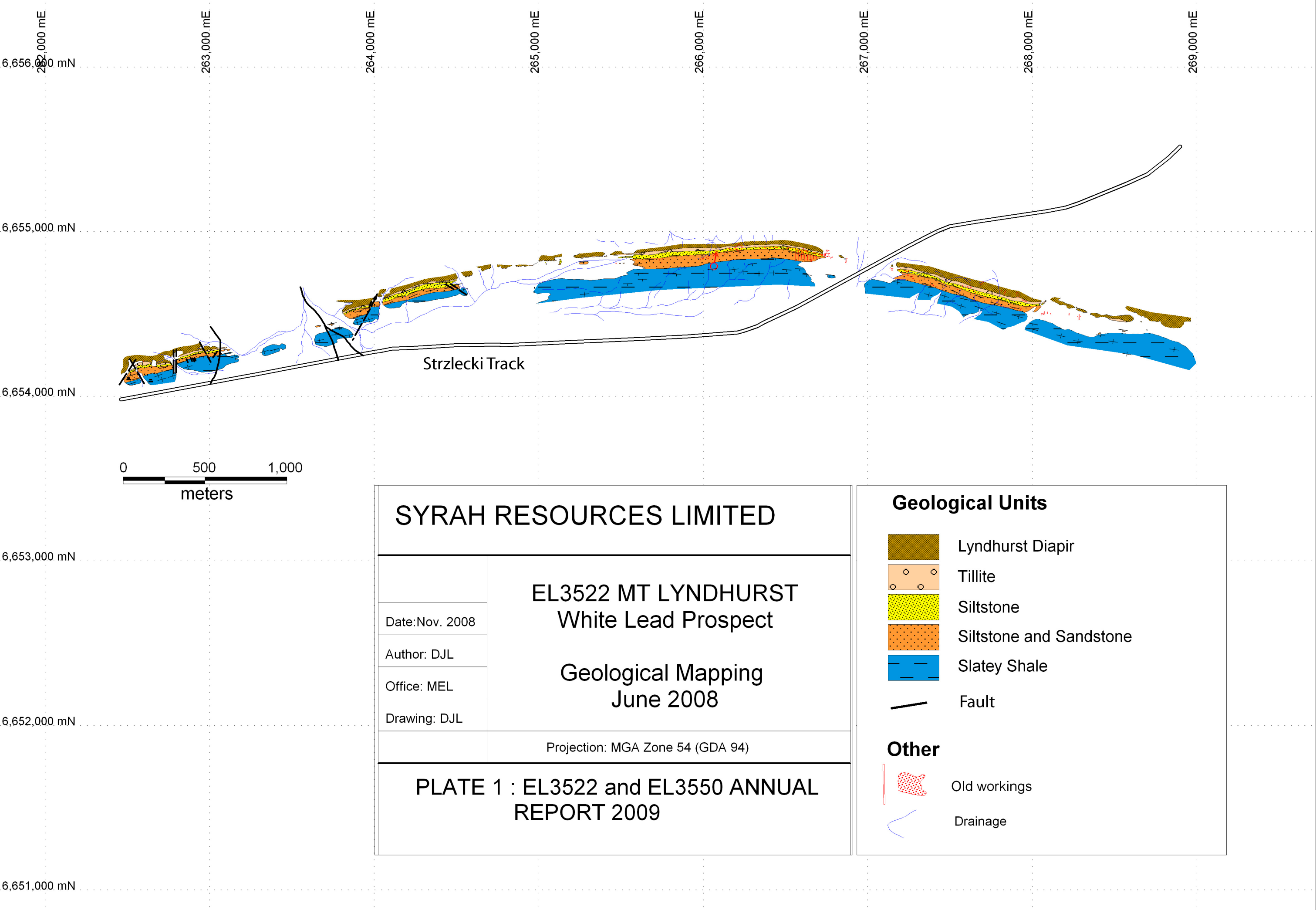
Data Management and Administration	465.00
Total	465.00

8.0 REFERENCES

Adelaide and Wallaroo Fertilizers Ltd (1981-1983). EL 929 Mount Lyndhurst: Progress Reports for the Period 17/11/81 to 16/11/83 (unpublished). Open File Envelope 4540 - South Australia Department of Mines and Energy.

CRA Exploration Pty Ltd (1995). EL 1742 Mount Clive: Progress, Annual and Final Reports for the Period 26/8/91 to 8/2/95 (unpublished). Open File Envelope 8509 - South Australia Department of Mines and Energy.

Syrah Resources Ltd (2008) EL 3522 & EL3550 Annual Report for the Period Ending 30 May 2009 (unpublished) South Australia Department of Mines and Energy.



ANNUAL TECHNICAL REPORT
EXPLORATION DURING THE PERIOD
JANUARY TO APRIL 2010
ON LYNDHURST PROJECT (EL3522 and EL3550)

HOLDER: SYRAH RESOURCES LTD

OPERATOR: ZURICH RESOURCES PTY LTD

April 2010

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1. SUMMARY OF ALL ACTIVITIES CONDUCTED

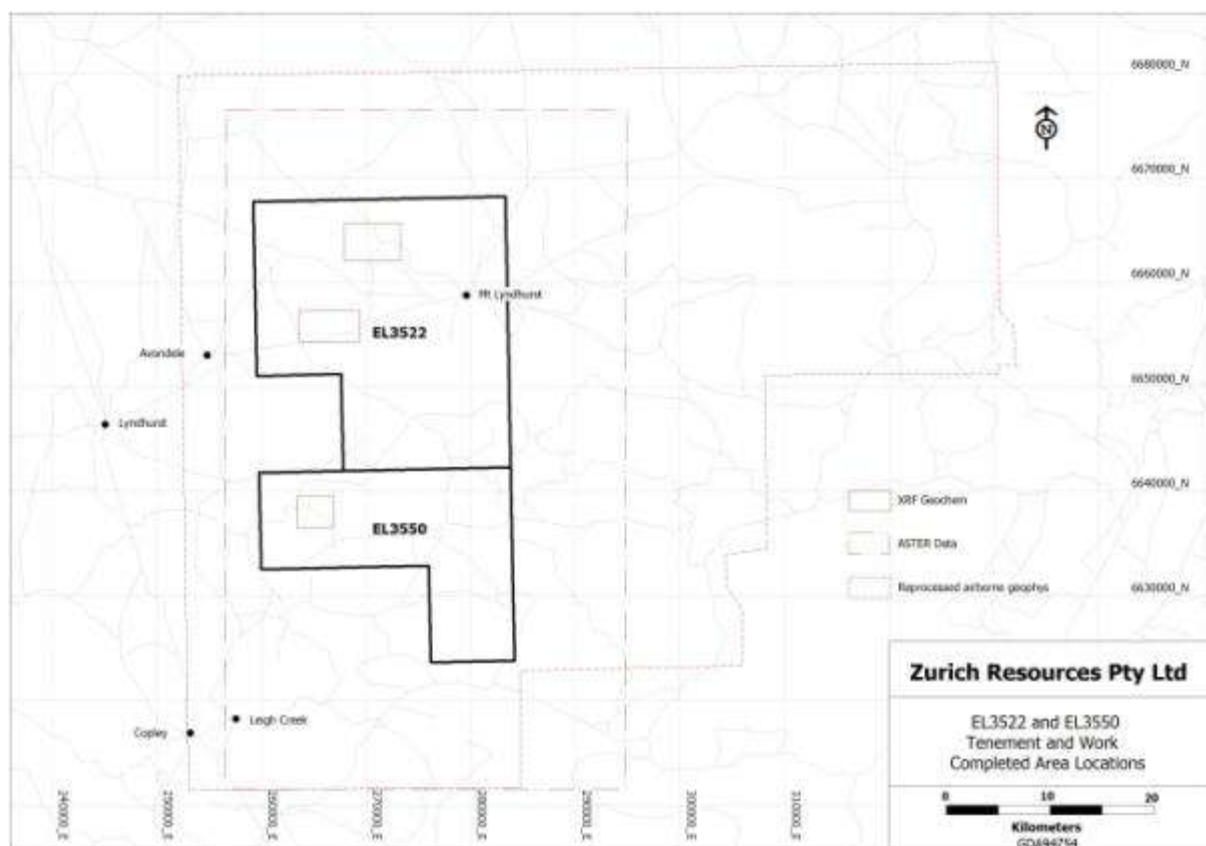
Zurich Resources P/L signed a Joint Venture Agreement (JVA) with Syrah Resources Ltd (Syrah) on the 21st December 2009 to earn up to and 80% interested in EL3522. Another JVA with Syrah on the 2nd February 2010 to earn up to 80% in EL3550.

Work undertaken by Zurich Resources P/L on the tenements to the end of March 2010 included;

- *Identification of significant copper occurrences from open source literature*
- *Purchase and processing of ASTER data*
- *Reprocessing of CRAE airborne magnetic and radiometric data*
- *Field inspection of known copper occurrences, ASTER and magnetic data features*
- *Limited orientation XRF stream sediment and soil geochemistry (data file included)*

2. EXPLORATION INDEX MAP

The exploration index map located the working areas have been done in the period covered the licences (EL3522 and EL3550) is as below;



Map 1: the exploration index map show the tenement area and work completed during the period January to April 2010.

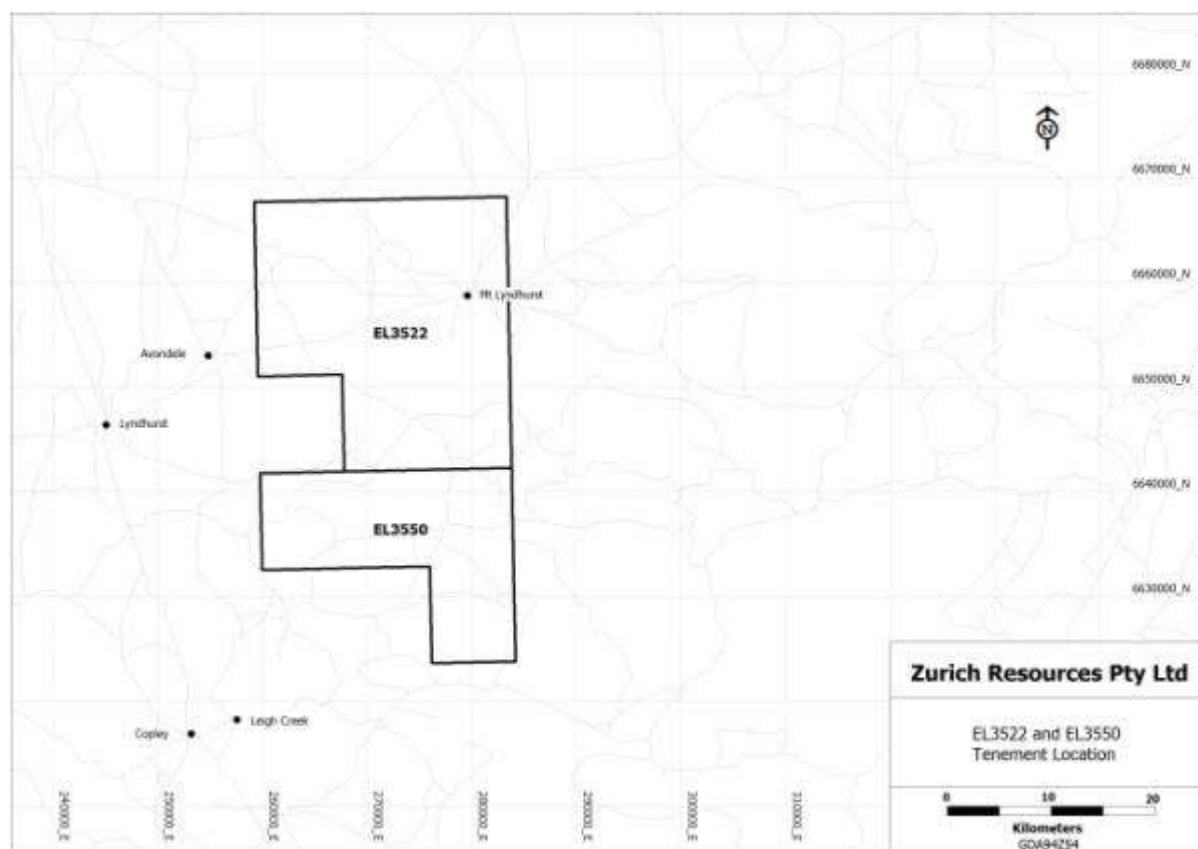
3. KEYWORDS

Copper, Lyndhurst, White Lead, XRF Geochemistry, Copely, Adelaide Geosyncline

4. INTRODUCTION

The Mount Lyndhurst Project comprises two exploration licences located approximately 35km northeast of Leigh Creek in the northern Flinders Ranges, as show in **Map 2**. The Mount Lyndhurst license (EL3522) and Mount Lyndhurst South license (EL3550) have been granted in February and April 2009 cover approximately 549km² and 296km² respectively and holder by Syrah Resources Ltd. Both licenses contain numerous small secondary copper oxide occurrences which were worked in the early 1900's. Both areas are considered prospective for intrusive related copper and gold mineralisation.

The following report details the limited exploration work undertaken up to the end of March 2010 by Zurich Resources P/L.



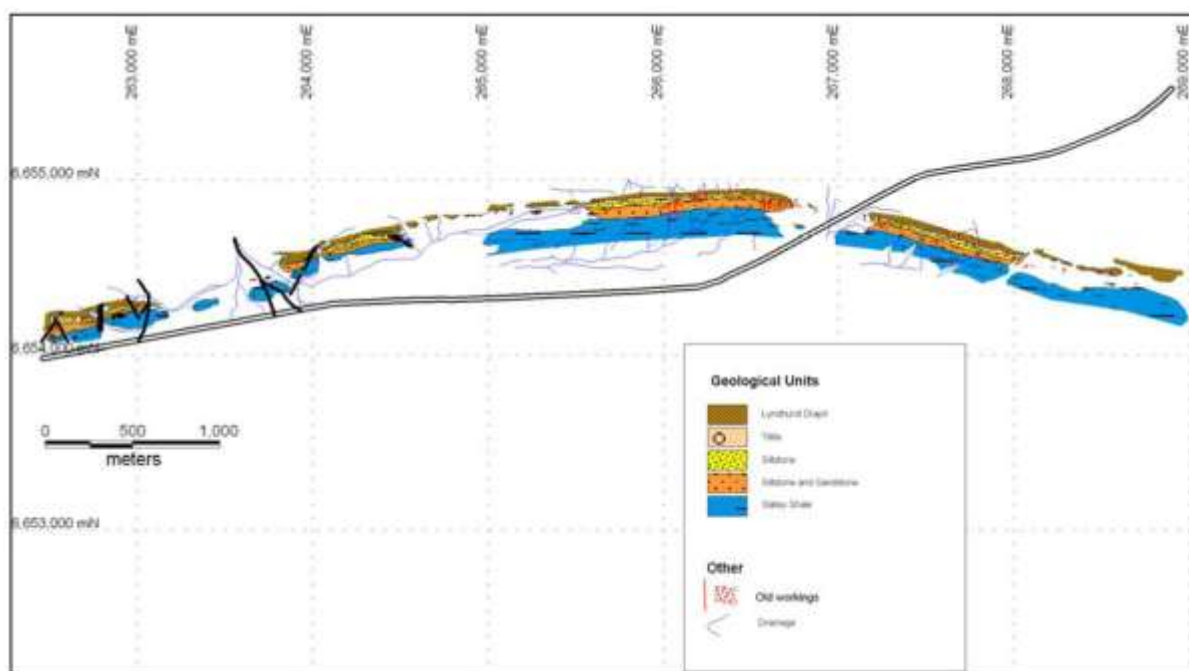
Map 2: the licences EL3522 and EL3550 tenement location.

5. GEOLOGY

Due to the good rock exposure and low structural complexity, the geology of the White Lead Prospect is relatively well understood.

Syrah completed a semi-detailed mapping program during mid-July 2008. The copperbearing stratigraphy comprises a sequence of glacial sediments dominated by siltstones and sandstones. The sequence includes three sub-units, including a lower tillite, a recessive siltstone, and interbedded siltstone and sandstone. To the south, the mineralised sequence is overlain by slaty shales with interbedded dolomites. The Lyndhurst Diapir, which may be described as a mega-breccia formed by diapiric rise of (former) salt, outcrops immediately to the north of the mineralised sequence.

The summary geological map is as **Map 3**.



Map 3: Summary of geological mapping (copy from Syrah 2009).

The major geological units in the licences tenements are:

- Lyndhurst Diapir (structurally youngest);
- Glacial sediments (tillite, siltstone and interbedded siltstone and sandstone); and
- Slaty shale with dolomite interbeds.

Lyndhurst Diapir

This diapiric breccia is located to the north of the mineralised sequence. It comprises large rafts of a variety of rock types, including sedimentary and igneous lithologies. Some of these rafts are themselves mineralised, and have been the focus of copper exploration and mining in the past (eg. Fielder's Claim and Great Mount Lyndhurst prospects).

Glacial Sediments (?Merinjina Tillite)

This unit hosts the White Lead mineralisation and is generally 70-90m thick. While copper, mostly in the form of malachite, is noted to occur across the entire glacial sequence, it is most common near the base, near the contact with diapir. It is subdivided as follows:

- Tillite: Brown to reddish brown; sandstone-dominated matrix with rounded polymict clasts (igneous and sedimentary pebbles); generally 10-15m thick. Resistant unit, commonly forming low ridges, and sometimes host to copper mineralisation.
- Siltstone: Light brown to white; generally 15-20m thick. Glacial clasts are relatively common. A recessive unit, and a common host to copper mineralisation.
- Interbedded Siltstone and Sandstone: Light brown to reddish brown; generally 40-60m thick. Glacial pebbles occur in thin bands that are relatively continuous along strike, but not common. Large glacial 'dropstones' (boulder size), are observed in places. Common host to copper, mostly in the stratigraphically lower part.

It was originally understood that the majority of this unit formed the basal part of the Tapley Hill Formation (as supported by published geological maps and literature), and the basal tillite (described above) was the Merinjina Tillite which stratigraphy underlies the Tapley Hill Formation. Subsequent mapping by Syrah has shown that the entire sequence of siltstones and sandstones contains glacial pebbles and/or boulders and may in fact be entirely Merinjina Tillite.

Slaty Shale with Dolomite Interbeds (?Tindelpina Shale)

This unit is dominated by brown-grey calcareous shales and is generally of low relief. Thin dolomite interbeds commonly form low ridges within the shales. The shales represent a deeper water depositional environment. No mineralisation has been observed within this unit. It is probable that this unit represents the Tindelpina Shale, which is the basal member of the Tapley Hill Formation.

In the conceptual model for the primary Cu mineralization in the Adelaide Geosyncline, the Tapley Hill Formation and Merinjina Tillite, where they occur in close proximity to a diapir, and especially where faulting cuts the formation, are the main targets for mineralisation.

Clearly, secondary processes have modified the primary mineralisation. Controls on secondary mineralisation are more likely related to near-horizontal palaeo-surfaces.

There is evidence at White Lead for significant secondary influence on the blanket-like mineralisation.

6. GEOPHYSICS

6.1. Airborne Magnetic Data

Open file geophysical data collected by CRAE in the early 1990's was reprocessed to produce a series of images including;

tmi-1VD-GREYSCALE; tmi-2TILT-GREYSCALE; tmi-2VD-GREYSCALE; tmi-AGC7-GREYSCALE; tmi-AS-SUN180; tmi-AS-SUN180-LIN; tmi-ON-1VD-SUN180; tmi-RTP-ON-RTP1VD-SUN180; tmi-sun180; tmi-sun180-LIN; tmi-TILT-GREYSCALE; U-FLAT; K-FLAT; TC-FLAT; TERNARY; TERNARY-LIN; TERNARY-LIN-ON-TILTMAG-SUN180; TH-FLAT.

The magnetic data is very effective at identifying large scale structural corridors and intrusive complexes and in combination with the illite channel ASTER data, forms a basis of target generation for ground inspection.

Newly processed images are presented in Appendices 1 to 18.

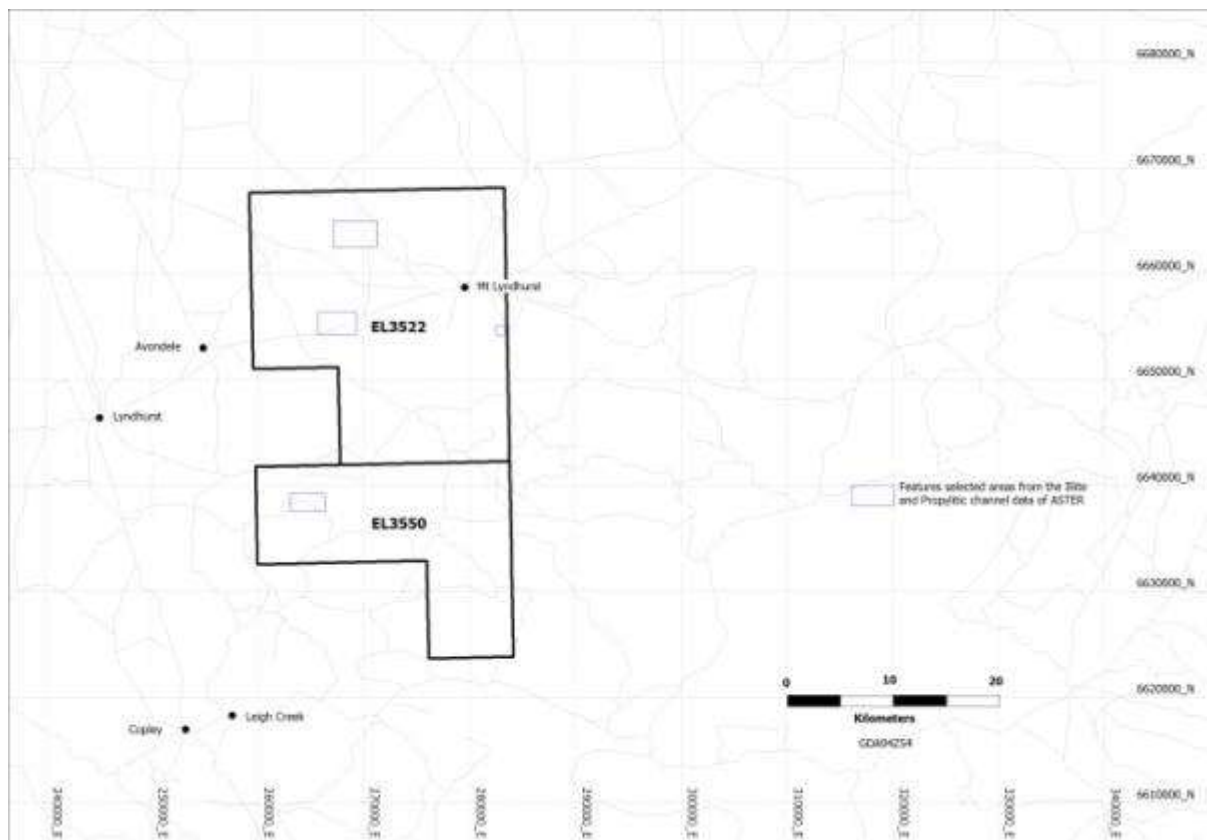
7. REMOTE SENSING DATA

7.1. ASTER Data

ASTER data was purchased and processed to produced a series of images including;

Iron Oxide; Kalolinite-Illite; Propylitic; Prospectir; Silica; SWIR_log_residual; TIR_false_color; VNIR_bw; VNIR_false_color.

A selection of features were selected from the Illite and Propylitic channel data for ground inspection to determine if there exists any obvious relationship to hydrothermal alteration, see **Map 4** and **Table 1**.



Map 4: the feature selected areas from the Illite and Propylitic channel data of ASTER.

SW Corner	NE Corner	Target	Ranking	Observations	Follow Up Prioritisation
267158/6662635	271248/6664946	Large, irregular illite signal	1	Broad zones of leached and probably altered siltstones. Some quartz veining and copper oxide occurrences.	High
265735/6654277	269292/6656322	Illite channel and some propylitic channel in area of porphyritic dioritic intrusives	2	Scattered quartz vein copper carbonate and oxides and some altered fractionated intrusives with strong clay-sericite alteration in places	High
263068/6637561	266357/6639161	Widespread illite channel features near known copper occurrence and intrusives	3	Broad zones of leached and probably altered siltstones. Some quartz veining and copper oxide occurrences.	Moderate
282540/6654188	283340/6655166	Strong, discrete propylitic anomaly, elevated topography	4	Mass of Fe carbonate and quartz veining, no copper anomalism	Non

Table 1: the selection features from the Illite and Propylitic channel data and observation results.

The ASTER images are presented in **Appendices 19 to 27**.

8. SURFACE GEOCHEMISTRY

8.1. XRF Geochemistry

A brief orientation survey was undertaken to determine the usefulness of geochemistry data collected with handheld XRF meter in the area.

60 second analysis of silt to fine sand fraction of active drainage beds gives similar copper anomaly contrasts to previous sampling by CRAE and provides significantly better Cu contrast than surveys by the mines department during the late 1960's.

Detailed stream sediment geochemical testing using handheld XRF meter will be an integral part of ongoing exploration programs by Zurich Resources P/L.

9. DRILLING

The company's activities to date have no drilling work done in the licences area.

10. ENVIRONMENT

The company's activities to date have been relative low impact.

11. REPORTING ON ORE RESERVES AND RESOURCES

The company's activities to date have no technical work for ore reserves and resources done in the licences area.

12. EXPENDITURE STATEMENT

Allowable exploration expenditure **EL3522** during the reporting period is as follows;

Exploration Geochemistry	2,800.00
Vehicles and Fuel	1,330.00
Technical Contractors and Consultants	15,400.00
Labour and Assistants	1,610.00
Geophysics and Remote Sensing	2,030.00
Tenement Costs	3,106.00
Travel	1,540.00
Accommodation and Meals	945.00
Administration	1,400.00
Total	30,161.00

Allowable exploration expenditure **EL3550** during the reporting period is as follows;

Exploration Geochemistry	1,200.00
Vehicles and Fuel	570.00
Technical Contractors and Consultants	6,600.00
Labour and Assistants	690.00
Geophysics and Remote Sensing	870.00
Tenement Costs	1,331.00
Travel	660.00
Accommodation and Meals	405.00
Administration	600.00
Total	12,926.00

13. CONCLUSIONS

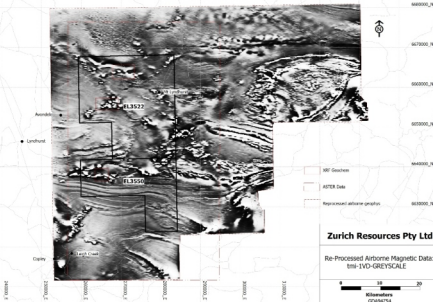
Two prospects of copper oxide mineralisation and three prospects of copper sulphide mineralisation were generated from regional field traversed and portable geochemistry analysed.

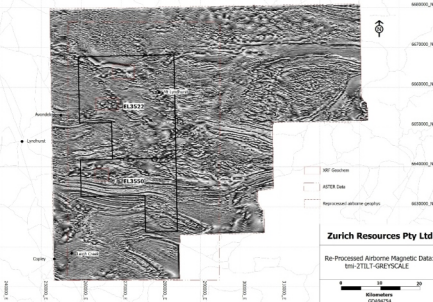
At the White Lead and Paulls Consolidated prospects are significant for copper oxide mineralisation deposit along strike about 2.5 and 1.5km in order. The systematic soil geochemistry programme has been planned in those prospects then the detail systematic ore reserve drilling programme will be requiring after.

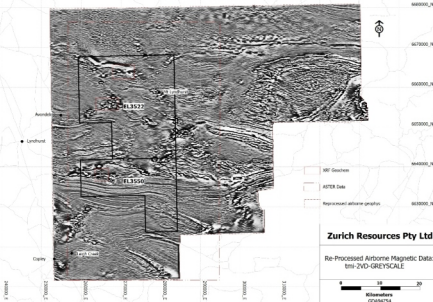
At the Lynda Lorna Doone, Mt Lyndhurst and Federal prospects are significant for copper mineralisation deposit. The ground geological mapping, magnetic survey and stream sediment programme have been planned in those prospects then the systematic soil geochemistry programme and detail 3D IP-Resistivity survey will be requiring in targeting areas after.

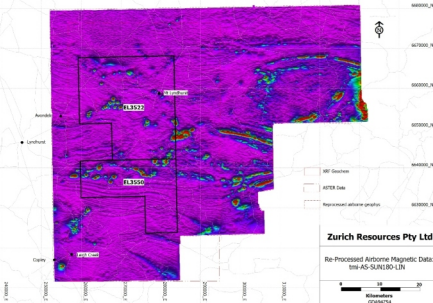
14. REFERENCES

EL3522 & EL3550 SYRAH RESOURCES LIMITED ANNUAL REPORT FOR THE PERIOD ENDING 30 April 2009 (unpublished).



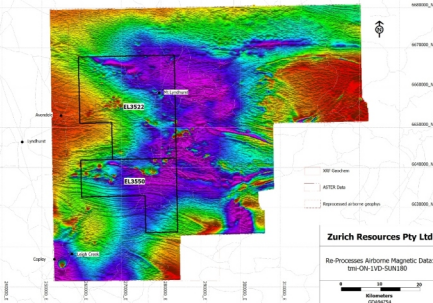


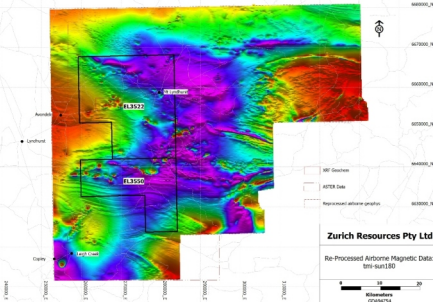


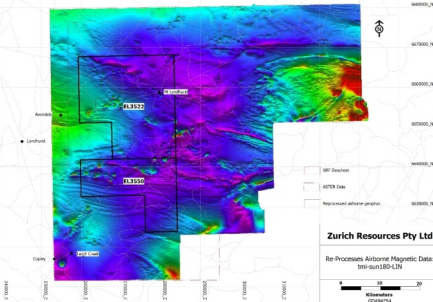


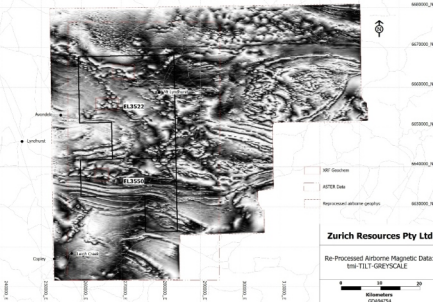
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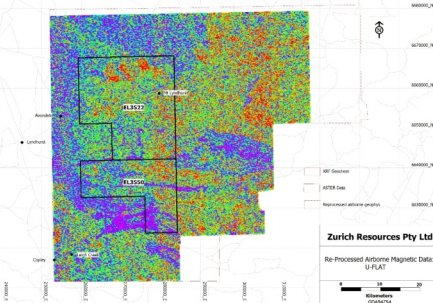
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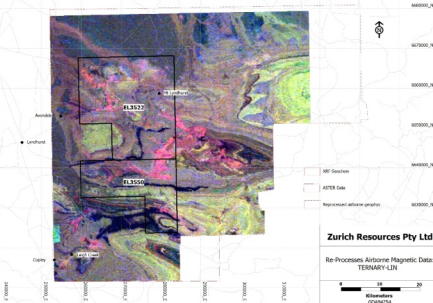


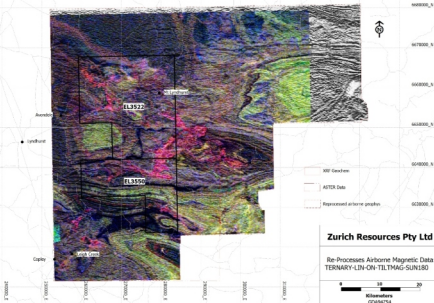


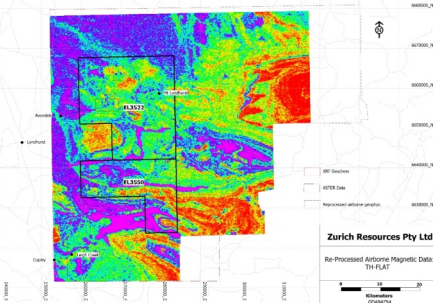
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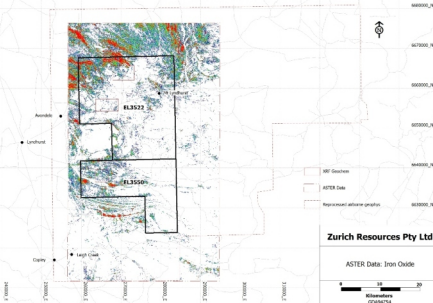
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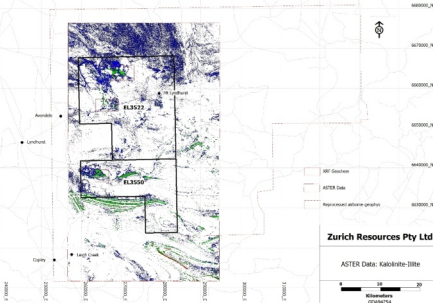
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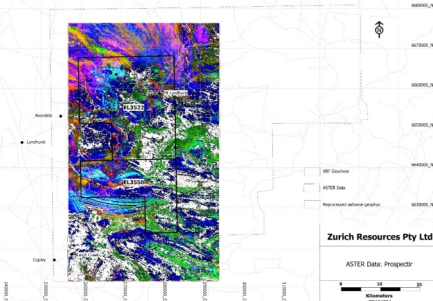


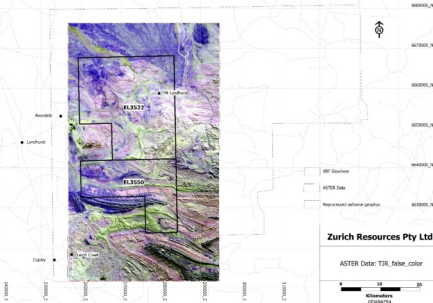


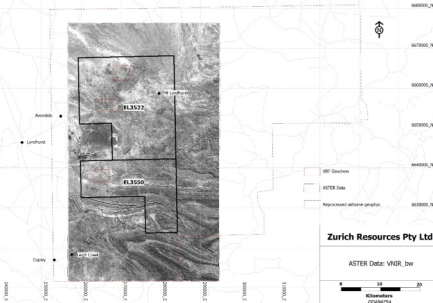


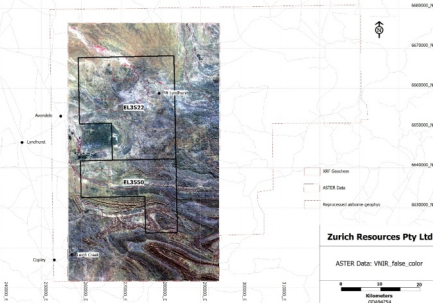












**LYNDHURST PROJECT
SOUTH AUSTRALIA**

**Annual Technical Report
Exploration during the period April 2010 to April 2011
EL3550 and EL3522**

(datum GDA94 Z54 unless otherwise specified)

Operator: ZURICH RESOURCES PTY LTD

Tenement Holder: SYRAH RESOURCES LTD

Authors; E.Eadie and I Cameron

Date; April 28 2010

Disclaimer

The conclusions and recommendations based on any interpretations of geoscientific data contained in this report are provided at the request of the client. Syrah Resources Ltd accepts no liability resulting from commercial decisions or actions taken by the client based on the recommendations presented in this report.

SUMMARY

Zurich Resources P/L signed a Joint Venture Agreement (JVA) with Syrah Resources Ltd (Syrah) on the 21st December 2009 to earn up to and 80% interested in EL3522 and second JVA with Syrah on the 2nd February 2010 to earn up to 80% in EL3550 and is now operator of the Lyndhurst Syrah Resources Project. The Joint Venture Agreement was registered December 2010.

Work undertaken by Zurich Resources P/L on the tenements to the end of April 2011 included;

- ***Identification of significant copper occurrences from open source literature***
- ***Purchase and processing of ASTER data***
- ***Reprocessing of CRAE airborne magnetic and radiometric data***
- ***Field inspection of known copper occurrences, ASTER and magnetic data features***
- ***Limited orientation XRF rock, stream sediment and soil geochemistry***
- ***Ground magnetic surveys (minor survey, no data to supply)***
- ***Systematic grid soil geochemistry***
- ***Prospect scale geological mapping***
- ***Induced Polarisation and Resistivity Surveys***
- ***3D Inversion of Induced Polarisation and Ground Magnetic Data***
- ***Analysis of orientation ASD alteration mapping samples***

ZURICH RESOURCES PTY LTD

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Appendix 4	White Lead Raw IP Data
Appendix 5	Lorna Doone Gridded magnetics (MapInfo tab files and Bitmap images)
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Appendix 10	Lorna Doone Raw IP Data
Appendix 11	ASD Alteration Results

INTRODUCTION

The Mount Lyndhurst Project comprises two exploration licenses located approximately 35km northeast of Leigh Creek in the northern Flinders Ranges. The Mount Lyndhurst license (EL3522) and Mount Lyndhurst South license (EL3550) have been granted in February and April 2009 cover approximately 549km² and 296km² respectively and are held by Syrah Resources Ltd (Figure1) . Both licenses contain numerous small secondary copper oxide occurrences which were worked in the early 1900's. Both areas are considered prospective for intrusive related copper and gold mineralisation.

Zurich Resources P/L (Zurich) has been exploring the properties to earn a Joint Venture interest in them.

Most of the work undertaken by Zurich has focused on 2 main target areas, the White Lead Mine area (White Lead prospect) and Lorna Doone Mine area (Lorna Doone prospect) after a brief regional review and reconnaissance. Systematic exploration work has not yet begun on a third area of interest, the Mt Bourne Prospect.

The White Lead prospect is located on the Strzelecki Track, about 24 km to ENE from Lyndhurst. The Lorna Doone prospect is located at about 9 km NE from White Lead. These two prospects have been worked simultaneously due to their close proximity to each other.

Mt Bourne prospect is located approximately 20km ESE from Lyndhurst Township.

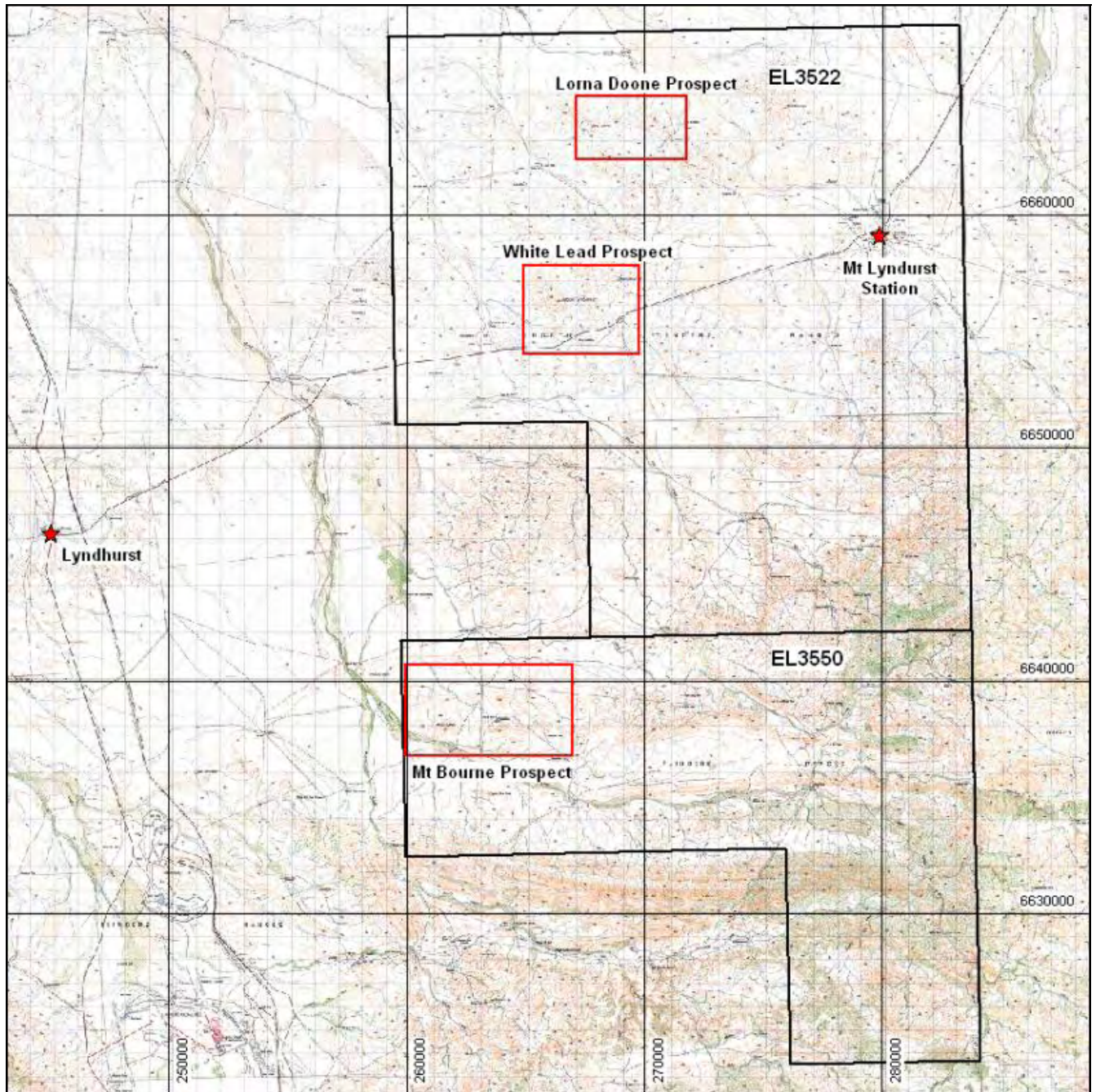


Figure 1 Lyndhurst Project exploration tenement and prospect locations

The following report details the exploration work undertaken to date by Zurich Resources P/L.

GEOLOGY

Exploration Licenses 3522 and 3550 cover Adelaide Geosyncline sediments which have been well mapped and described by the mines department and various other workers over the years and will not be covered here.

MINERALISATION

Mineralisation throughout the region has traditionally been interpreted in terms of deposition from basinal fluids into reducing strata. Fluid flow pathways are provided by deep seated faults associated with diapiric movement associated with salt rich units in the lower synclinal stratigraphy. Intrusive rocks within the stratigraphy are interpreted to be rafts of the lower basin units. Copper mineralization directly associated with intrusive rocks is likewise interpreted to have been 'rafted up' and to some extent remobilized into 'diapiric' structures.

Zurich has undertaken exploration focussed around intrusive centres, identified from regional airborne magnetic data, with the assumption that the intrusive bodies have intruded insitu and are therefore capable of fractionation and generation of intrusive related hydrothermal copper and gold deposits.

Using this model, regional exploration began by checking known copper shows to check their relationship to intrusive bodies and determine if there is evidence for involvement of magmatic processes and hydrothermal alteration in the generation of the copper mineralisation.

The following previously documented copper shows were visited;

- Pauls Consolidated Mine (276800/6637400)
- Federal Mine (263700/6638500)
- Dead Finish Mine (265900/6637800)
- Victory Mine (266600/6636800)
- Nichols Nob Mine (279200/6645900)
- White Lead Mine (267900/6654600)
- Mount Lyndhurst Mine (268900/6657300)
- Lynda Mine (271300/6663200)
- South Breccia Prospect (266500/6655400)
- Red Oxide Prospect (265800/6655200)
- Western Anomaly (265600/6656600)

All of these copper shows have indications of a moderate to high temperature hydrothermal source indicated median to coarse grained quartz-iron oxide veining as well as sericite alteration. In most cases porphyritic intrusives, mostly mafic diorites, are found nearby. In the case of South Breccia and Red Oxide, there is evidence of magmatic fractionation, intense alteration and the intrusive themselves are mineralised.

Secondary copper mineralization generally appears to have formed from weathering of primary mineralization which is probably sourced from a magmatic system.

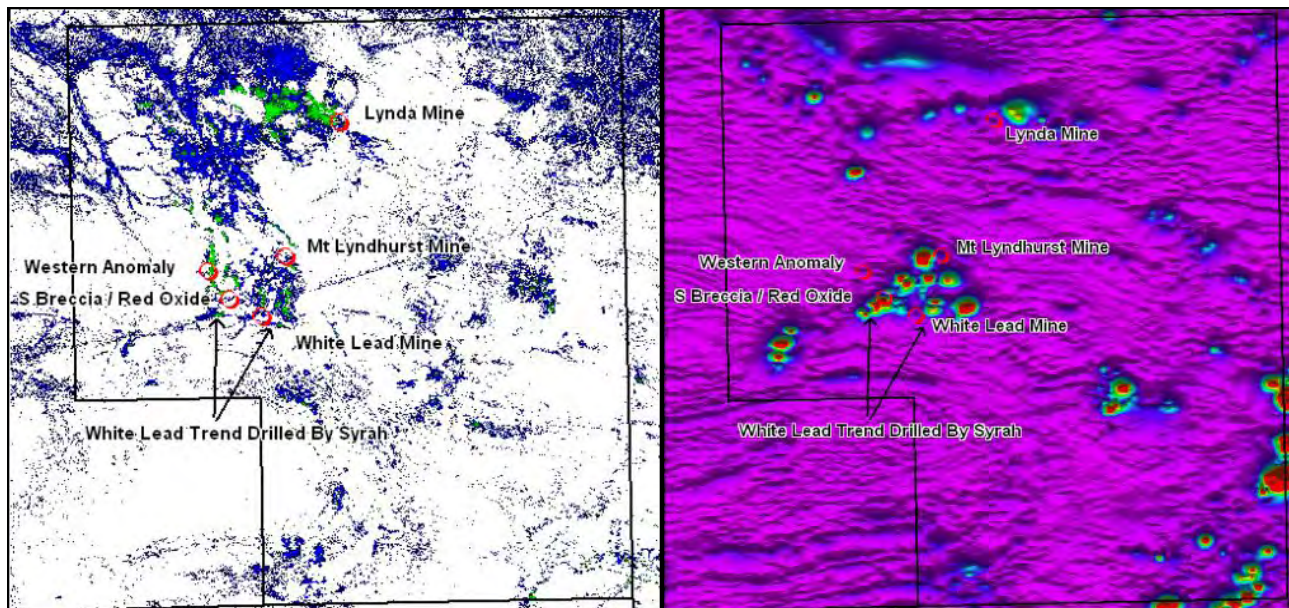
NEW WORK DURING THE REPORTING PERIOD

Remote Sensing Data – ASTER and Airborne Geophysics

Airborne magnetic and radiometric data flow using a helicopter based system by CRAE in the early 1990's has been downloaded from the PIRSA on line data depository and reprocessed. This data maps regional structure and location of high magnetic susceptibility features which have been ground checked in many places and can be directly related to mafic-intermediate intrusive bodies.

ASTER data is well known to be useful in mapping hydrothermal alteration minerals, for example iron oxides, chlorites, kaolin and sericite. Chlorite, kaolin and illite are all primary alteration minerals in many intrusive related hydrothermal alteration systems and kaolin and illite also occur as weathering products of potassic alteration minerals like sericite, biotite and K-felspar. A suite of ASTER images covering the two exploration licenses were purchased. ASTER anomalies have been prioritized on the basis of 1) mineral species 2) proximity to known copper anomalies 3) proximity to inferred intrusive bodies 4) coherence and geological sensibility of the distribution.

Kaolinite-Illite is the most useful dataset. Distribution of anomalies are shown below for each tenement, alongside the Analytic Signal airborne magnetic data for the same area.



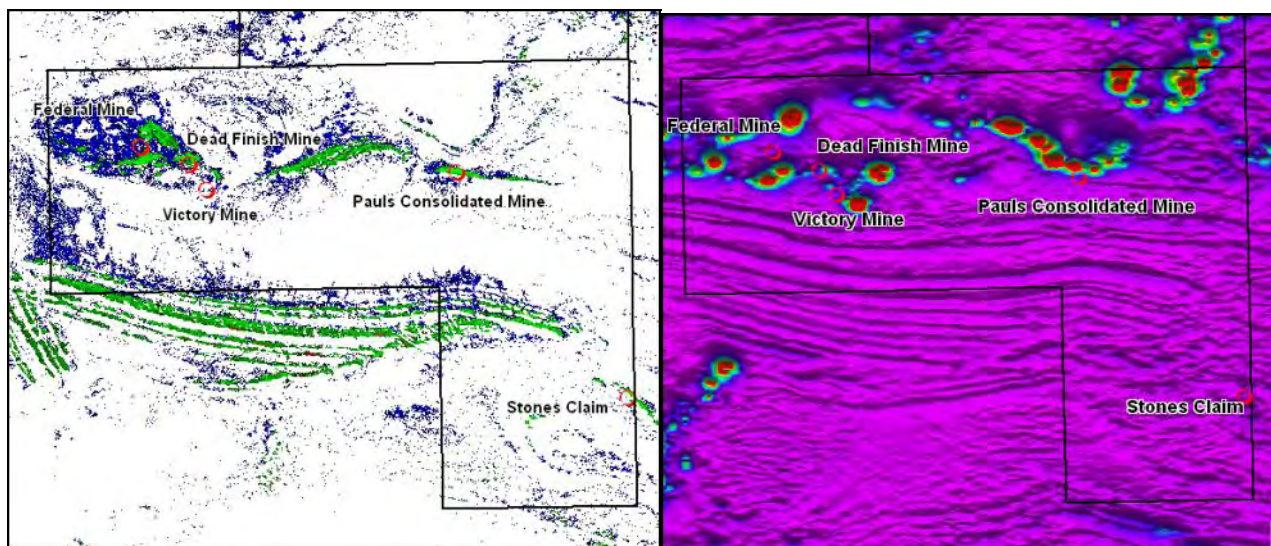


Figure 2 Images showing kaolinite-illite channel ASTER data anomalies in respect to known copper occurrences and magnetic features (known or interpreted to be intrusive bodies) for ELs 3522 and 3550.

This data clearly identifies the White Lead and Lynda intrusive complexes in EL3522 and the Federal – Pauls Consolidated trend in EL3550 as follow up targets given the known copper shows in each area and the proximity of both copper and ASTER features to intrusive bodies.

In addition to the ASTER alteration mapping, these three areas also have good access for exploration and mining which is not the case for many of the other copper shows in the district.

After follow up reconnaissance and limited geochemical testing of soils, outcrops and stream sediments, three areas were selected for follow up and prioritized in the following order;

1. White Lead Prospect

Altered and mineralised mafic-intermediate intrusive showing evidence of magmatic fractionation with recorded estimates of contained copper metal >10,000t in low grade secondary deposits. Limited previous exploration for primary sulphide mineralization. This is a highly copper anomalous intrusive complex with potential for significant new discoveries of sulphide mineralization and addition to the small oxide resources on the White Lead Mine trend.

2. Lorna Doone Prospect

Known in-situ resource of >10,000t copper metal, large illitic alteration system extending approximately 2.5km beyond the Lynda mining license to the West. Extensive intrusive complex mapped from aero magnetic data. Extensive areas of low grade sericitic alteration and quartz-iron oxide vein scree with small, localized replacement bodies and limited areas of intense iron oxide stock work in intensely sericite alteration (phyllic alteration). No known significant copper mineralization outside the Lynda mining lease. No previous modern

exploration outside the mining lease. Potential for significant new discoveries of oxide and sulphide mineralization.

3. Mt Bourne Prospect (Federal Mine area)

Small copper shows scattered over a significant area with abundant low grade sericitisation of sediments. Mafic diorite porphyries (unaltered). Some previous modern exploration by CRAE with little success. Potential for additional discoveries of oxide mineralization and possibly significant sulphide mineralization.

WHITE LEAD PROSPECT

Work completed on the White Lead Prospect area to date includes;

- Geological Mapping 16 km²
- Soil Geochemistry 665 samples
- Ground Magnetics 220 line km
- 3D IP/Resistivity 2 km²
- ASD Mineral Analysis 39 samples
- Auger Sampling 104 holes

Targets shown in Figure 3 below are identified by various characteristics for possible follow up.

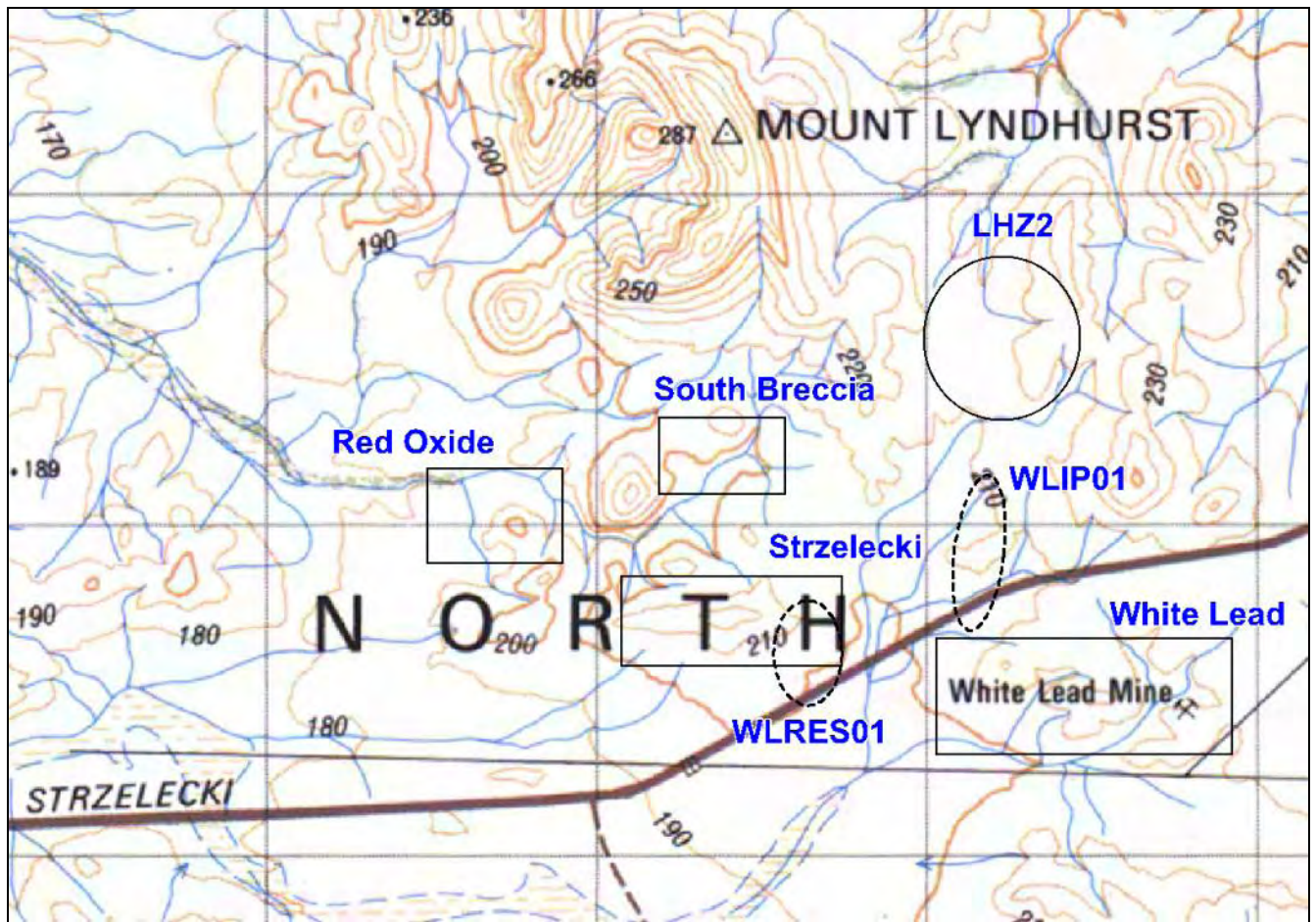


Figure 3: White Lead Prospect Targets

Mapping has been completed at a nominal scale of 1:5,000 across the prospect area and has delineated broad lithological units across the area. Finer scale mapping is required over potential drill targets.

Soil geochem has been effective at fingerprinting known occurrences and has led to the generation of a new target (LHZ2) with geochemical characteristics similar to other anomalies associated with outcropping/sub-cropping intrusives.

Ground magnetic data has highlighted some interesting features around the Red Oxide and South Breccia targets. It has also clearly mapped the mineralised contact / structure which was drilled by Syrah. This may lead to re-drilling some areas and possibly extending the drill coverage to the SE and in the low hills where previous grades were encouraging.

3D IP/Resistivity has defined two new anomalies (WLIP01 & WLRES01) but disappointingly, no significant IP/Resistivity responses were found at the Red Oxide and South Breccia targets.

Mapping

An area of approximately 16.5km² between 265000E-270500E and 6654000N-6657000N, covering most of the White Lead intrusive complex has been mapped at a scale of roughly 1:5000.

Geology is structurally complex and difficult to interpret over the intrusive complex, in part this is due to the widespread colluvial scree and terraced alluvial deposits which mask bedrock geology throughout most of the area. Lithology has been separated into 5 units;

Shale: this unit present by brown to grey slaty cleavage inter-bedded with thinly bedded dolomite. Some parts of the unit have a strong reddish iron oxide coloration that probably indicates high sulphide content in the fresh rock (diagenetic pyrite?). This unit occurs both inside and outside the mines department interpreted 'diapir'. This unit mostly occurs as low ridges (about 200 to 220m in elevation) except at Mount Lyndhurst, where it is silicified and forms major ridges up to 287m in elevation. The widest occurrence and most continuous part of unit is located to the south of the high magnetic features.

Siltstone to fine-grained sandstone: this unit represented by brown to cream thin bedded of quartz-feldspar composition inter-bedded with thin dolomite beds. At the southern boundary of intrusive complex, the tillite is found and is mostly the host for oxide copper mineralisation. This unit is found in both inside and outside the 'diapir' and underlies the shale unit.

Dolomite: this unit is represented by brown thin to massive beds with black manganese staining and occurs as the contact with brecciated sandstone and siltstone to fine-grained sandstone units. This unit also occurs as thin bedded and dolomite veins in both siltstone to fine-grained sandstone and shale units.

Sandstone: this unit is represented by cream to white mainly quartz with minor feldspar composition. A majority of this unit is found over the intrusive zone and all of the outcrops are re-crystallised and some places have brecciated texture.

Diorite: This unit is present by magnetic to non-magnetic (minor part) greenish fine-grained diorite. The more felsic (to Monzonite composition) is non-magnetic and interpreted as a fractionated phase.

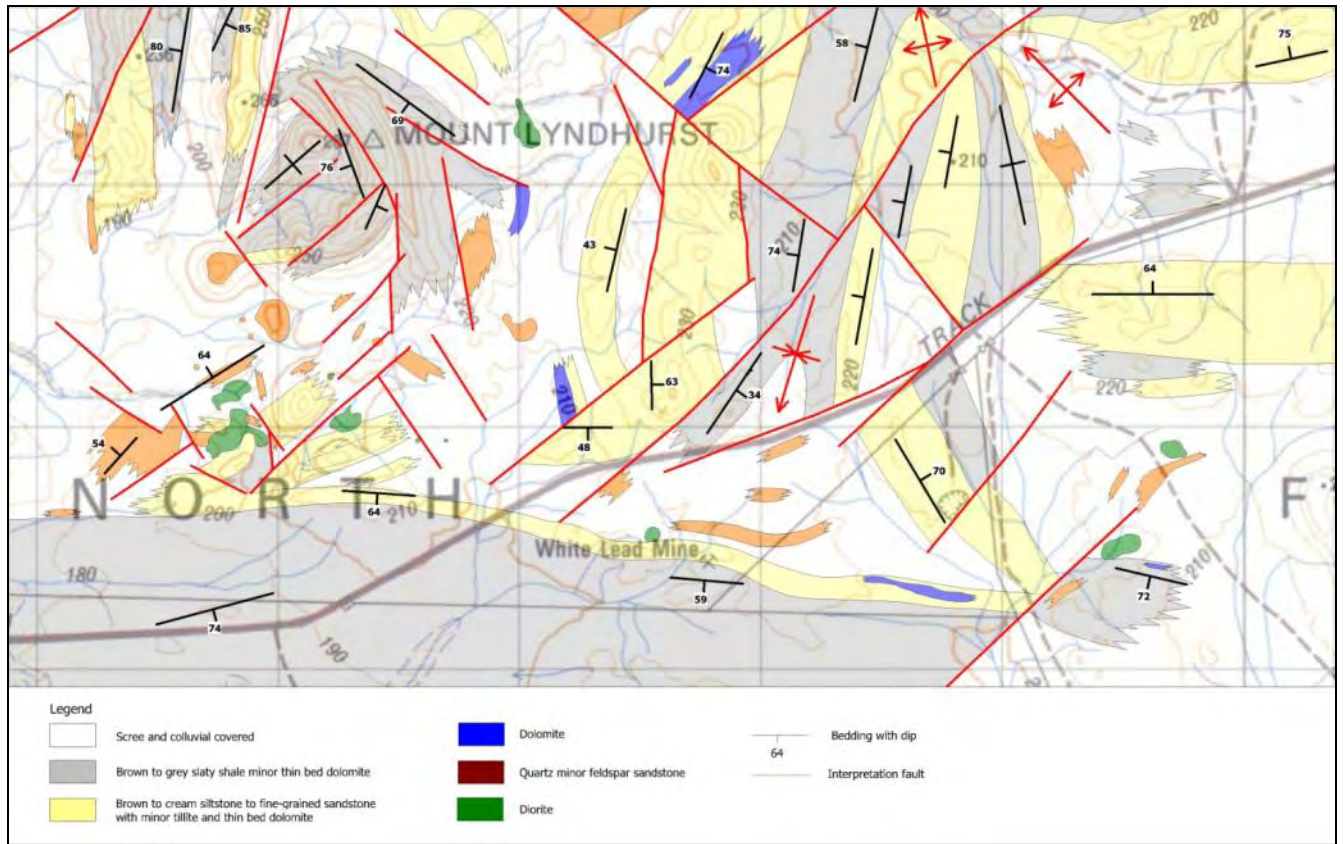


Figure 4 White Lead geological map

Sediments in the White Lead area are highly disrupted and, locally, highly brecciated, particularly near to outcropping intrusives. Regional structural interpretation of magnetic data indicates that the area is located in a highly disrupted area between major NW and lesser, but more pervasive, NE oriented structures. It is likely that the disrupted nature of the geology is due to a combination of localization of regional deformation and the effect of magmatic intrusion.

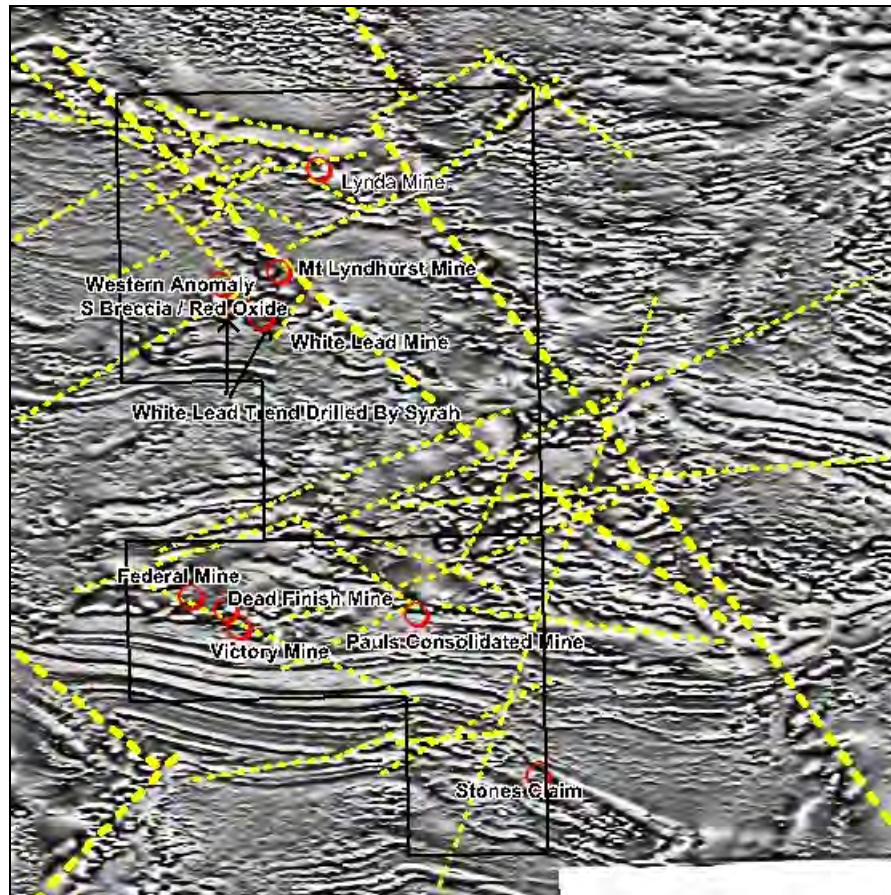


Figure 5 Regional airborne magnetic data

Two aspects of the White Lead area which are highly encouraging for potential of a mineralizing system are; a) the amount of copper in the shallow secondary deposits; and 2) the presence of fractionated and mineralised intrusive phases. An example of the highly altered and mineralised monzonite from the Red Oxide target is shown below. It is presumed that this unit evolved from the same parent magma which produced the mafic diorites which occur throughout the area.



Figure 6 Haematite-sericite altered and malachite-cuprite mineralised weathered monzonite outcrop at the Red Oxide target.

Alteration in the area is predominated by silica and clay with haematite localized around intrusives, though the limited outcrop makes it virtually impossible to put together a reliable interpretation map and delineate broad zonations.

Ground Magnetics

A ground magnetic survey comprising approximately 220 line kilometres has been completed. This was designed to provide more detailed structural information and provide data for 3D modelling of intrusive. (basic survey, no data to supply)

Structural linears are well defined in the data. These probably represent a mixture of faults and lithological contacts and confirm the complexity of the area.

Interesting features potentially related to mineralisation include;

- NNE break with small embayment in magnetic intrusive in the area of the Red Oxide mineralization. Outcrop is very limited in the area but old trenches have targeted a NE trend so it is likely that this structure is controlling the mineralizing fluids in the area.
- Linear zone of reduced magnetic susceptibility coincident with area of oxide potential to the West of the RC holes drilled by Syrah in late 2008 in the White Lead target area. Linear is possibly the result of hydrothermal alteration along a fault. This feature correlates to strong clay alteration with qtz-feo stockwork, some silicification and elevated Cu in soil from roughly 0.02% to 0.1% Cu in an area which has yet to be drilled.
- South Breccia target appears to lie at the intersection of NE and NW structures in a zone of disjointed intrusive.

An unexpected result is the clear identification of the line of oxide mineralization incorporating Strzelecki and White Lead which was drilled over a strike length of about 4km by Syrah in 2008. This

zone of mineralisation is expressed as a narrow mag low obvious through the entire width of the dataset. Best drilling results along the section from Strzelecki through to the East of White Lead were obtained from holes collared directly on top of this magnetic linear and it indicates that many of the holes in the eastern part of the program were collared 50 or so meters South of the best target. Little outcrop is available through the eastern area making drill targeting difficult and soil geochem unreliable so the magnetic data may be very useful in planning additional drilling to target higher grades and more consistent intervals in this area.

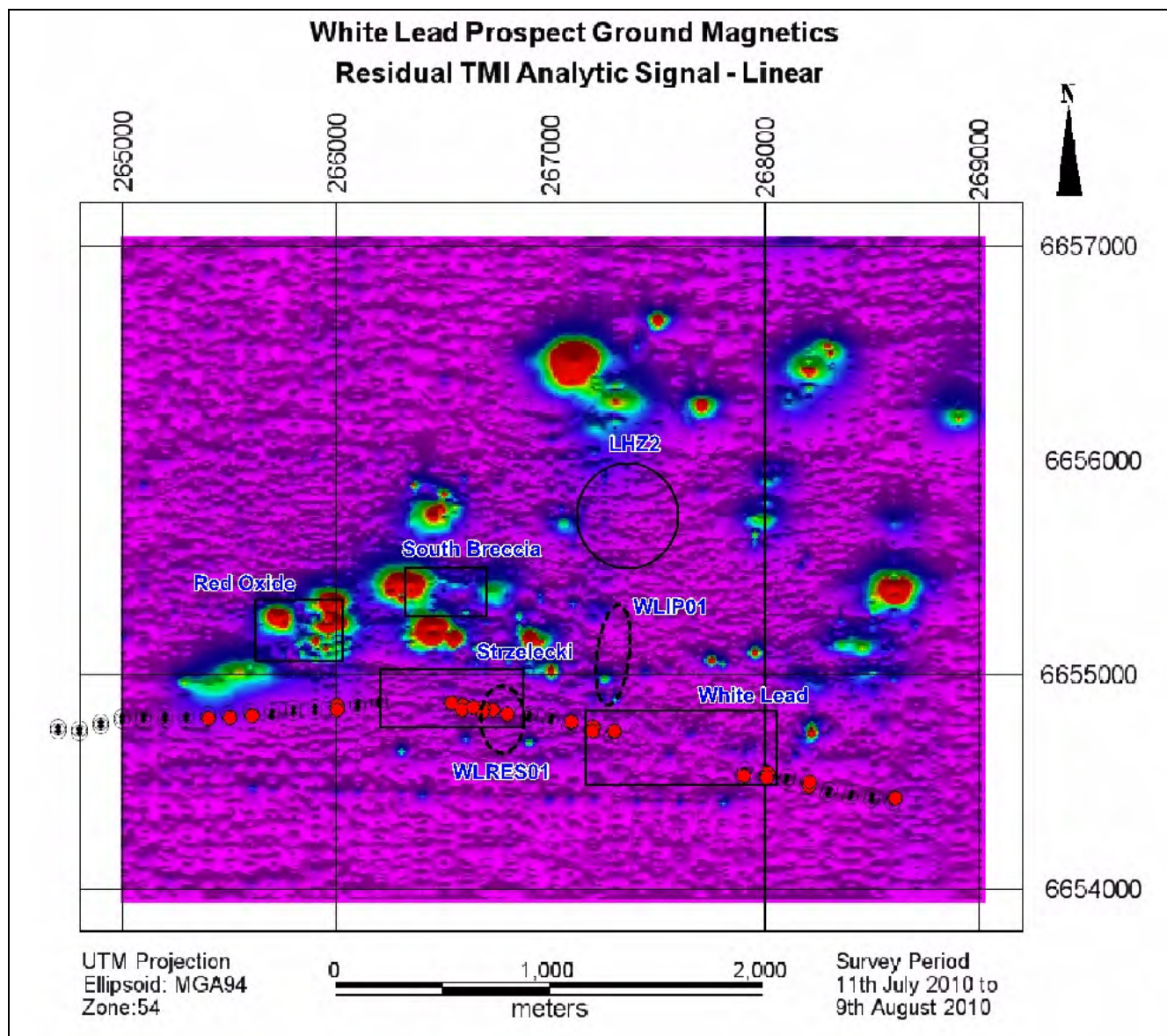


Figure 7 Analytic signal ground magnetic data. Red dots indicate mineralised intercepts in Syrah 2008 drilling.

Soil Geochemistry

A program of broadly spaced soil geochemistry has been completed over the prospect area sampling at 100m intervals along N-S lines spaced at 300m. 665 samples were analysed by XRF for a range of elements with Cu, As and Fe providing very useful data and Ag, and Co to a lesser extent. Other elements are of limited use for targeting follow up work. Copper data confirms the distribution and tenor of the mines department data produced in the 1960's but the additional elements collected by the new sampling are useful.

The targets with known direct intrusive relationship at Red Oxide and South Breccia have Cu, Fe $\pm$ Co anomalies. The new geochemical data has identified another target (LHZ2) for this style of mineralisation.

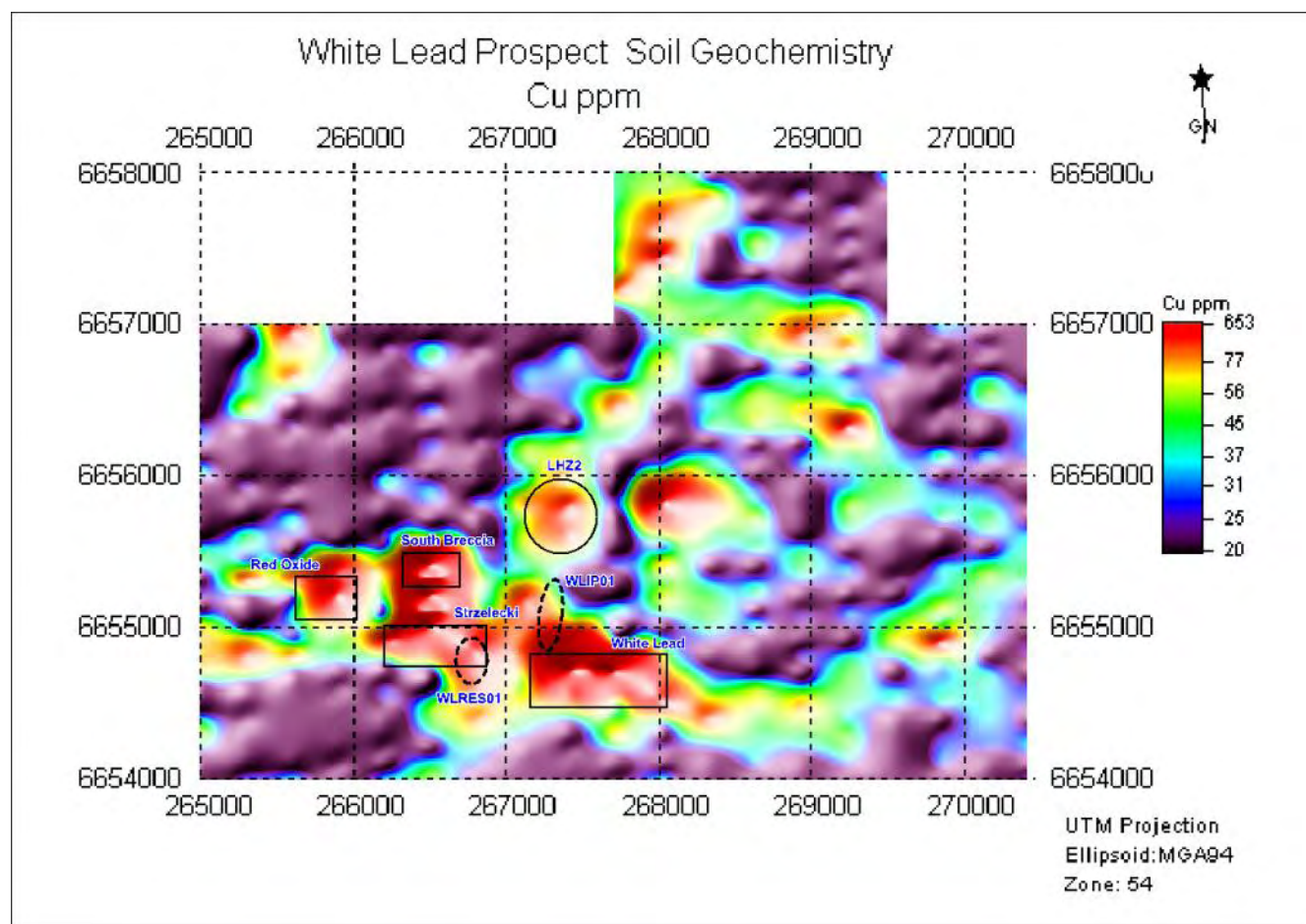


Figure 8 Soil Geochemistry - Cu

As and Cu map the White Lead – Strzelecki oxide mineralization very clearly and indicate a probable extension to the SE at least 600m beyond the current drilling. Combined with the map of the mineralised structure obtained from the ground magnetic survey, it may be possible to target better copper mineralisation in this area.

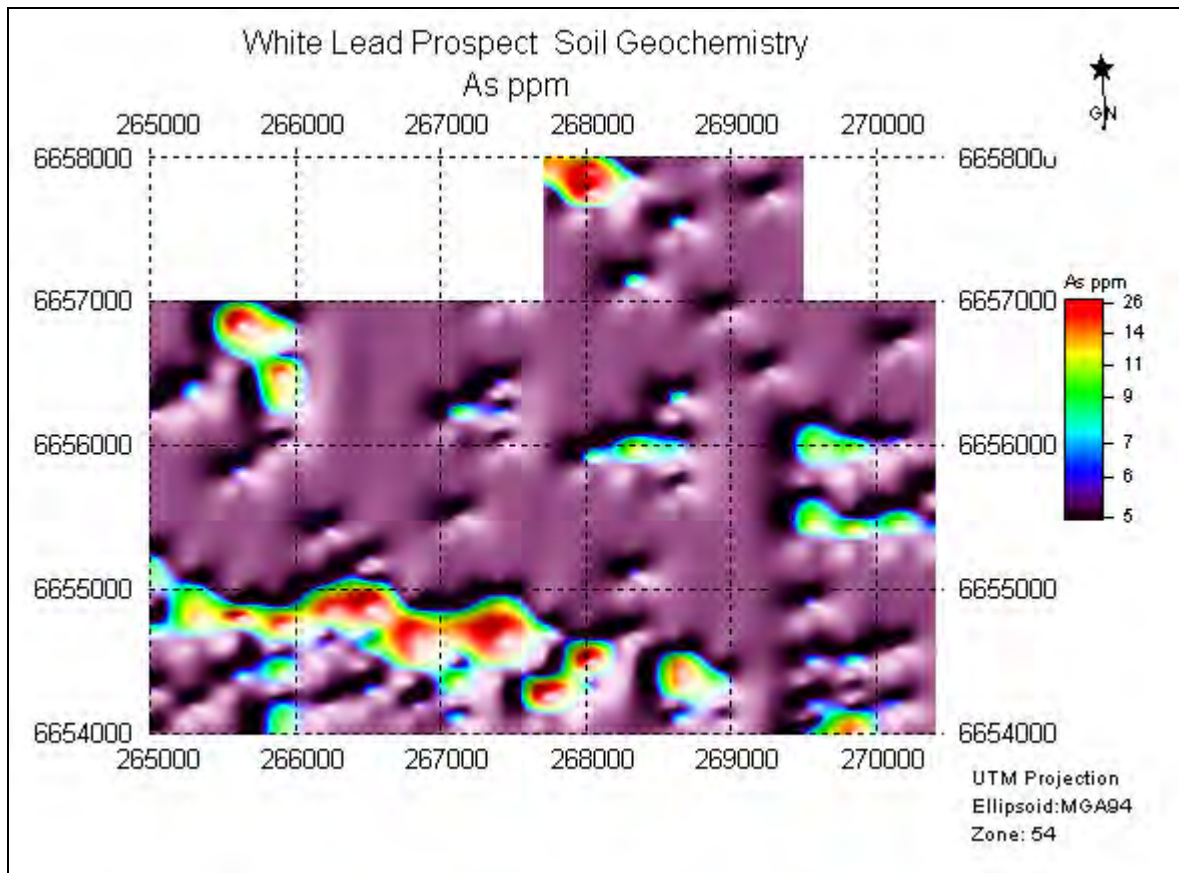


Figure 9 Soil Geochemistry - As

There are numerous linears in the Ag dataset but the significance of these is not yet known. Some quite consistent linears exist near to Mount Lyndhurst which may be confirming what the alteration and vein textures indicate, which is a lower temperature, silica rich alteration system, probably indicating a more distal setting.

Distribution of most other elements tends to be scattered and inconsistent.

Auger Sampling

Two auger programs were undertaken on the White Lead Prospect. A detailed program of soil auger sampling on a nominal 25m x 25m spacing for a total of 68 auger holes was conducted over a zone of old workings centred on 268475E/6656875N to the West of the historic Mt Lyndhurst Mine. A limited orientation program of 36 holes was completed along 3 N-S lines designed to test the potential for mineralisation along the linear magnetic feature paralleling the Strzelecki and White Lead Mine mineralisation. The reason for using auger sampling was to provide a more realistic idea of the distribution and grade of in-situ bedrock copper anomalies.

The Lyndhurst Mine program defined the **LH019** secondary copper target covering an area of approximately 15,000m² with soil copper concentrations above 200ppm Cu and up to 0.38% Cu. Elsewhere in the region, surface anomalies of this tenor are commonly associated with small deposits

of shallow secondary copper at grades in the 0.5% - 1.2% Cu range. With the copper price well above A\$5000 per ton, this target justifies RAB drilling to determine grade and consistency of the mineralisation as it has the potential to contain 5000t of economically extractable Cu metal.

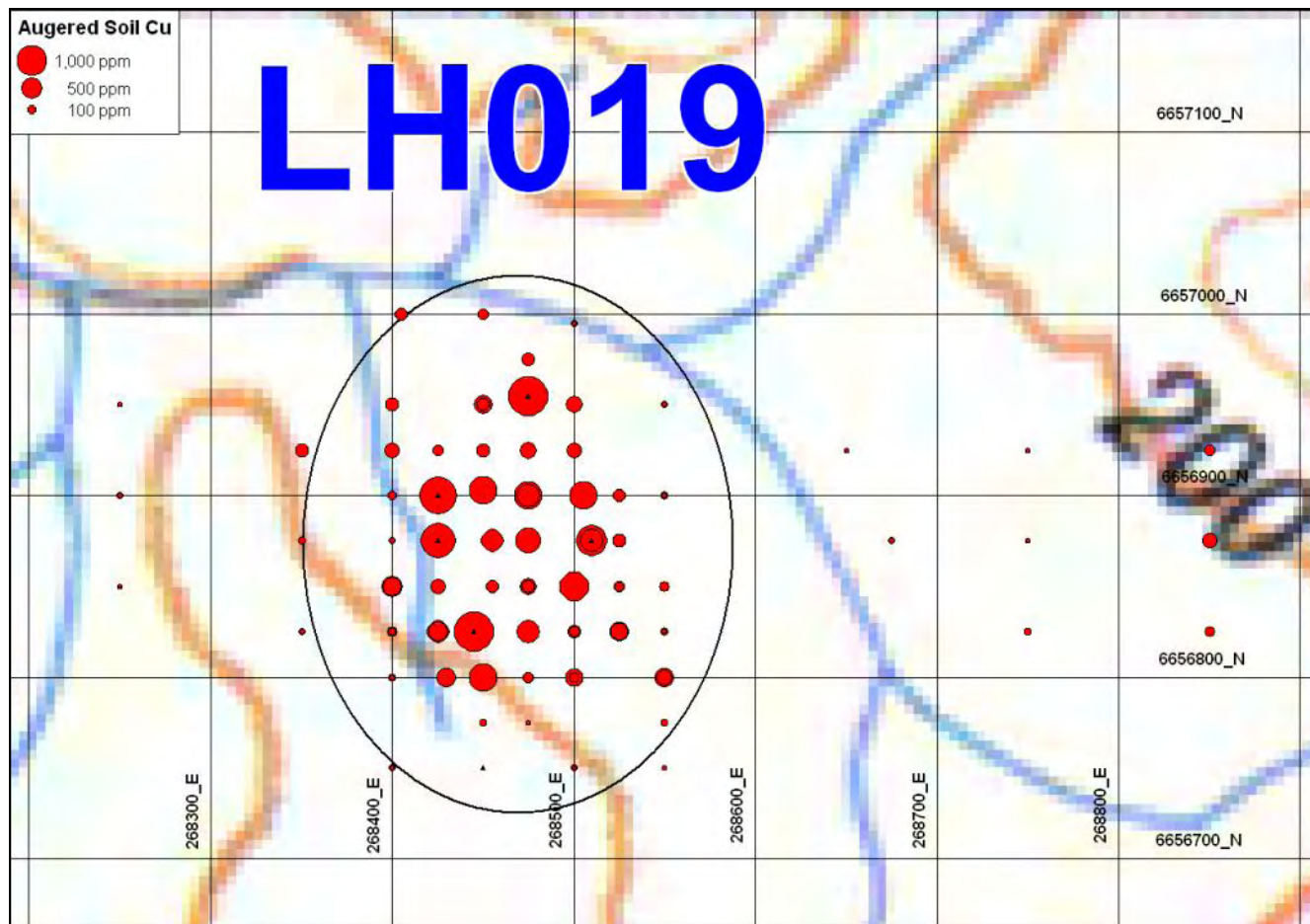


Figure 10: LH019 Mt Lyndhurst Mine West Auger Sampling

Auger sampling of the magnetic linear postulated as a potential control on mineralisation in the Strzelecki and White Lead Mine Extension target areas has failed to produce any meaningful copper anomalies. One line produced a 100m section of quite high soil copper concentrations (350ppm – 0.25%) but follow-up has found that this sampling line was positioned along the altered margin of a small diorite intrusion. The copper anomaly is not relevant to the mag feature and the small intrusive contact occurrence is not a significant exploration target.

IP/Resistivity

A 1.7km² block encompassing the Red Oxide, South Breccia, Strzelecki and Western end of the White Lead targets was tested by using a double offset dipole-dipole array to acquire Induced Polarisation and Apparent Resistivity data on nominally 100-120m receiver dipoles. The data was then inverted to produce a 3D distribution of chargeable and resistive properties.

Unfortunately the highest ranked sulphide target (**Red Oxide**) failed to produce any significant chargeability response which probably indicates that the sulphide component, and therefore primary copper potential, of that part of the system is limited. Likewise, no significant chargeability response was found over the **South Breccia** target. Both of these targets have now been downgraded as primary sulphide targets.

A strong bedding parallel chargeability response was produced in the area encompassing the Stzelecki and Western end of the White Lead targets. This is coincident with a ferruginous black shale unit outcropping in the area. The chargeability response is interpreted to be related to diagenetic pyrite in the black shale and not related to hydrothermal copper sulphides and as such does not require follow up.

WLIP01: A second strong chargeability response which cross cuts the trend of the black shale occurs just above the Western end of the White Lead target and trends NNE toward the LHZ2 target. This feature begins at about 150m below surface and continues to the bottom of the model at about 350m below surface. This feature has been labelled **WLIP01** in the presentation of Figure 11 below. It has strike extent of about 450m and width of about 150m as defined by the 50mV/V shell in the 3D inversion model. 50mV/V is roughly 10 times background for this area so the anomaly is significant in terms of the intensity of the chargeability response. The inversion process will tend to increase the apparent size of the body so at most this target probably represents potential for a sulphide body in the 5-10Mt range. Given the depth to target, this is not considered a high priority exploration target for drilling at this stage, although it is still potentially open in the N along strike toward the LHZ2 target and to the E. If opportunity arises to undertake additional IP/Resistivity at White Lead then the extent of this anomaly will be tested to the N and E and its potential reviewed.

WLRES01: A small, moderate intensity resistivity feature has been modelled below the Eastern end of the Strzelecki target. This is interesting in that it lies below a sparse (~1% vol.) qtz-sulphide (FeO) stock-work which correlates to the best grades in the Syrah oxide drilling program in this area. It may be that this resistive feature represents an increase in the intensity of silicification and/or qtz-sulphide stock work at depth. The top of the resistive feature starts at about 200-250m depth so given it's limited size, it is not considered a high priority drill target, though it is open to the South. The WLRES01 target is shown as the blue 300Ohm.m shell in the presentation of Figure 11 below.

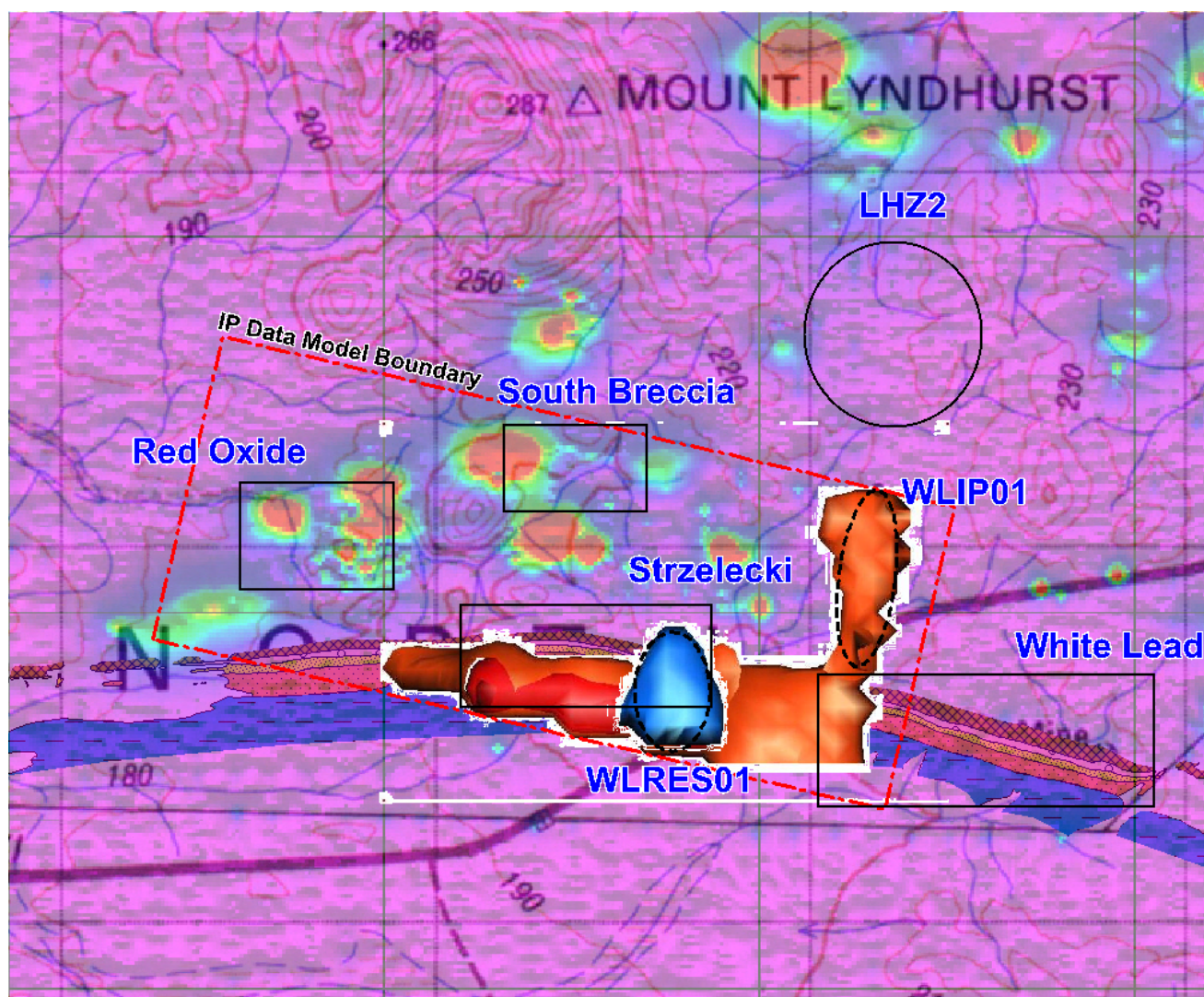


Figure 11: White Lead IP/Resistivity Presentation

ASD Alteration Analyses

Samples of alteration selected across the prospect area were dispatched for ASD analysis. The density of sampling has been good enough to make some very basic interpretations from the results. Distribution of the samples and their primary and secondary ASD detectable mineral species are shown in Figure 12 below.

Kaolinite is the primary mineral over Mt Lyndhurst and its immediate surrounds. The high ridges of the mountain itself are formed by silicification of shale with some obvious strongly kaolinised areas. Visible alteration and veining textures are distinctly lower temperature than the area underlain by intrusive to the South and East and this seems to be supported by the ASD data. The presence of kaolinite may be indicating a more acidic alteration fluid in this area, although the kaolin may be result of weathering of primary or hydrothermal feldspar in which case a more alkaline, low sulphidation system may be indicated.

Alteration in the area underlain by intrusive is predominated by phengitic sericite. The phengitic nature of the sericite also indicates an alkaline alteration environment.

No high sulphidation minerals are present in the alteration. They are extremely resistant in the weathering environment and are very well detected by ASD so if they were present in the original alteration they should have been reported.

One sample above an inferred intrusive body contains talc. This is probably the result of dolomitic sediments being exposed to silica rich hydrothermal fluid at a fairly high temperature ($>300^{\circ}\text{C}$).

Beyond these general broad interpretations, there is little direct exploration targeting to be inferred from ASD data.

It is interesting to note that the kaolinite and sericite both correlate to the kaolinite/illite ASTER data well.

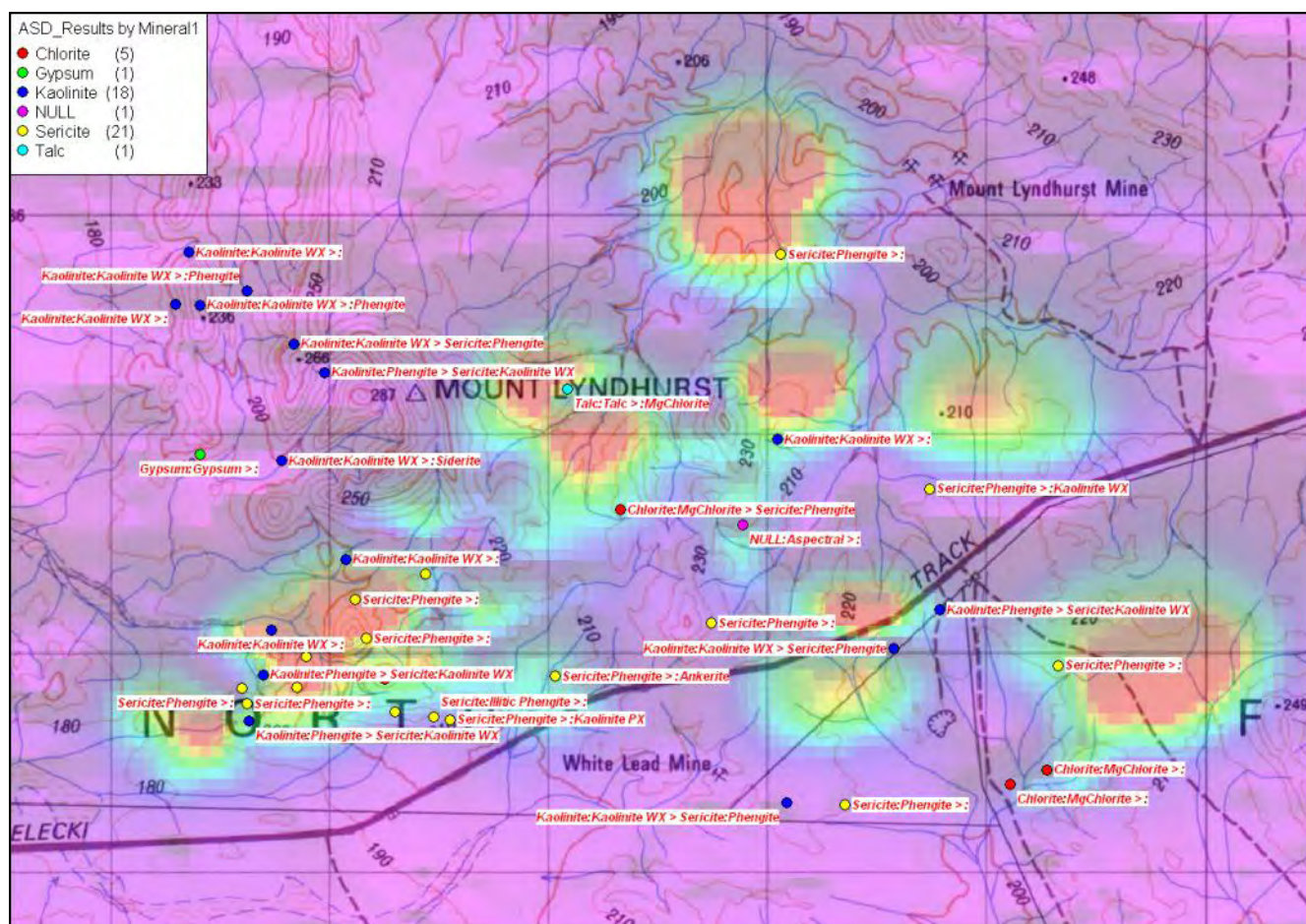


Figure 12: White Lead ASD Samples over Analytic Signal Magnetics

Conclusion

Testing for copper sulphide potential of the White Lead prospect area has not produced any high priority 'stand out' targets. No further sulphide exploration is recommended for the time being unless IP/Resistivity equipment is mobilised to other projects nearby in the future, in which case it would be advisable to close off the northern and eastern margins of the WLIP01 chargeability anomaly to see if it has size potential to warrant deep drill testing.

Potential for small oxide resources still exists along the Strzelecki – White Lead Mine trend. It is unlikely that these will be of a grade much above 0.7%-1.0% and tonnages will be limited by the narrow, steeply dipping occurrences. These could still represent profitable resources if additional oxide deposits can be found nearby. There is reasonable potential to add small tonnages of oxide copper in the 0.8%-1.0% range from other small occurrences, particularly the LH019 target to the west of the old Mt Lyndhurst Mine. This target should be RAB drilled as soon as possible and additional drilling undertaken at White Lead – Strzelecki if the LH019 target is found to be economic.

The soil sampling coverage should be increased significantly if a decision is made to try and add additional oxide resources.

LORNA DOONE PROSPECT

Work completed on the Lorna Doone Prospect area to date includes;

- Geological Mapping 14 km²
- Soil Geochemistry 538 samples
- Auger Sampling 247 holes
- Ground Magnetics 160 line km
- 3D IP/Resistivity 6 km²
- ASD Mineral Analysis 8 samples

Targets shown in Figure 13 below are identified by various characteristics for possible follow up.

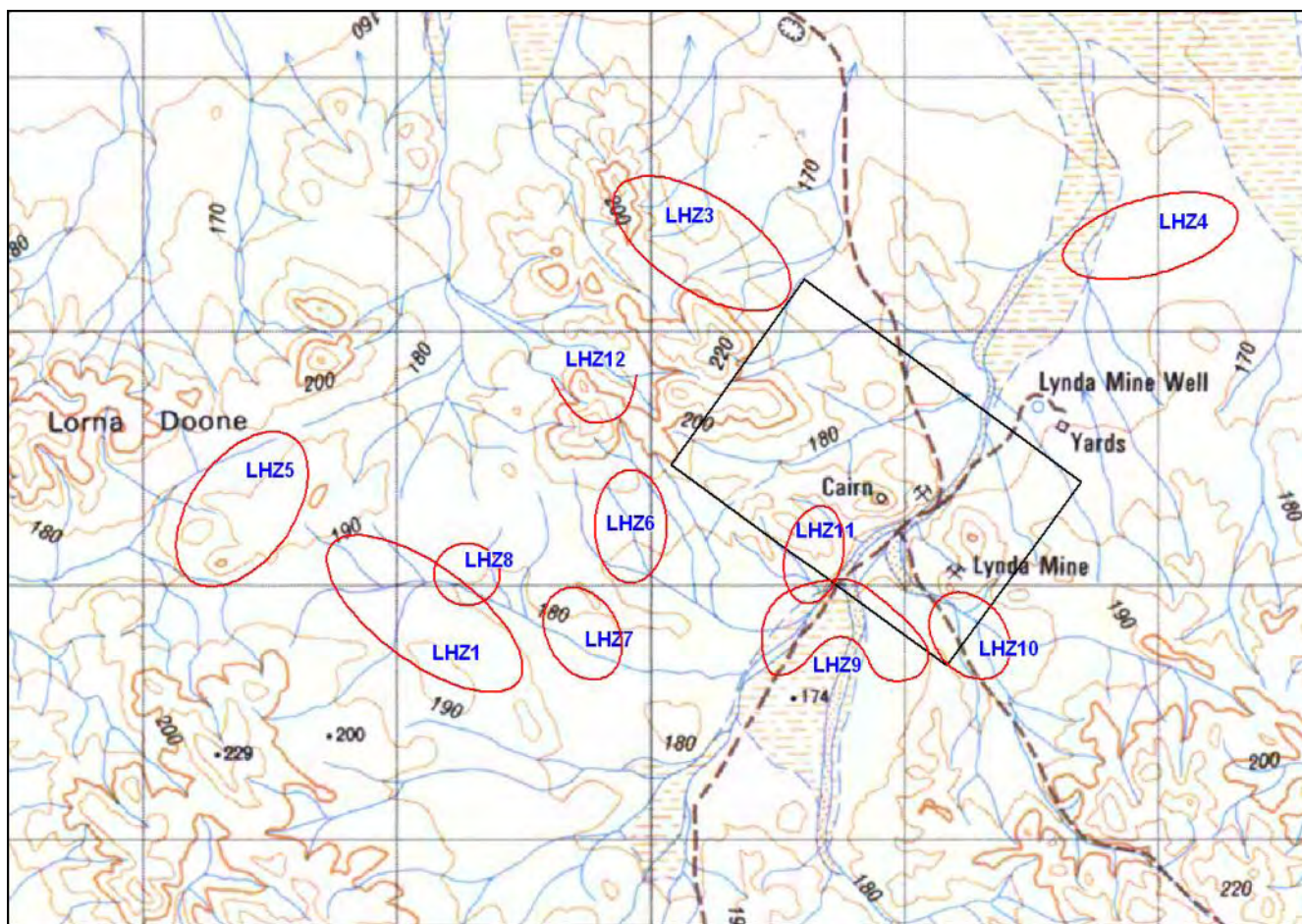


Figure 13: LD Prospect Exploration Targets

Geological mapping has been completed over the 14km² prospect area at a nominal 1:5000 scale which has been sufficient to delineate broad zones of lithology and alteration. Additional mapping at finer scale will be required prior to finalising drill targets.

Copper, arsenic, antimony and silver geochemistry of soils from the broad XRF program have proven useful in mapping mineralisation trends. A small program of bedrock sampling by hand auger has also been undertaken on an secondary copper target defined by the soil program.

Induced Polarisation and Resistivity data has been extremely useful in mapping alteration at depth beneath the known Lynda and Lorna Doone secondary copper mineralisation. It has also generated a series of new sub-surface exploration targets including a very high priority target with close spatial relationship to an intrusive body (inferred from magnetic data) and a 0.25km² polymictic breccia body mapped at surface and inferred to be a breccia pipe associated with the intrusive.

A small number of alteration samples were analysed by ASD to determine clay mineralogy. This work confirms the likelihood of a spatially extensive, moderate temperature, neutral to alkaline hydrothermal system.

Overall the exploration results have been quite encouraging and support a model for intrusion of copper rich mafic-intermediate magmas up to shallow levels into a water saturated shallow marine sedimentary package. This intrusion of the hot magma into the water saturated sediments, and subsequent cooling and metal release, caused localised brecciation, silicification, quartz-sulphide stockworking and widespread sericite alteration.

More detailed mapping is needed prior to diamond drill testing the deeper sulphide targets. Secondary oxide and carbonate targets are ready for RAB drill testing. The geophysical and geochemical survey coverage should be extended.

Geological Mapping

Most of the NE corner of the prospect is underlain by carbonaceous siltstone and sandstone which tends to weather with an intense argillic saprolite zone, sulphate crust and abundant cavity filling secondary iron oxide. This unit is interpreted to contain abundant (>5%) diagenetic pyrite which is forming the sulphate and iron oxide during weathering. This unit produces an extremely strong induced polarisation (chargeability) response which supports the likelihood of abundant iron sulphides in the sediment. This unit is so strongly chargeable that it is unlikely that any copper sulphide mineralisation could be identified in the IP data in this unit, if it did exist

The prospect area also contains a considerable volume of calcareous sandstones which would be ideal hosts for carbonate replacement style sediment hosted gold /silver mineralisation if the appropriately mineralised hydrothermal fluids passed through this package of rocks. There are very small patches of silicified sediments in the area. Gold and pathfinder element assays for some samples of this material are pending.

Several areas of polymictic breccias occur and are here tentatively interpreted as phreatic in origin. The largest of these breccias is roughly circular with diameter of about 500m and contains clasts of variously silicified and hornfelsed(?) sediments. It lies on the margin of a magnetic high, which is interpreted as an intrusive body at depth, and is coincident with resistivity and chargeability highs which may be indicating the presence of hydrothermal metal sulphides and silicification, possibly originating from the intrusive, and near contemporaneous with the phreatic brecciation.

Prior to drill testing the sulphide targets, more detailed mapping is required along with generation of more realistic and natural interpretation maps.

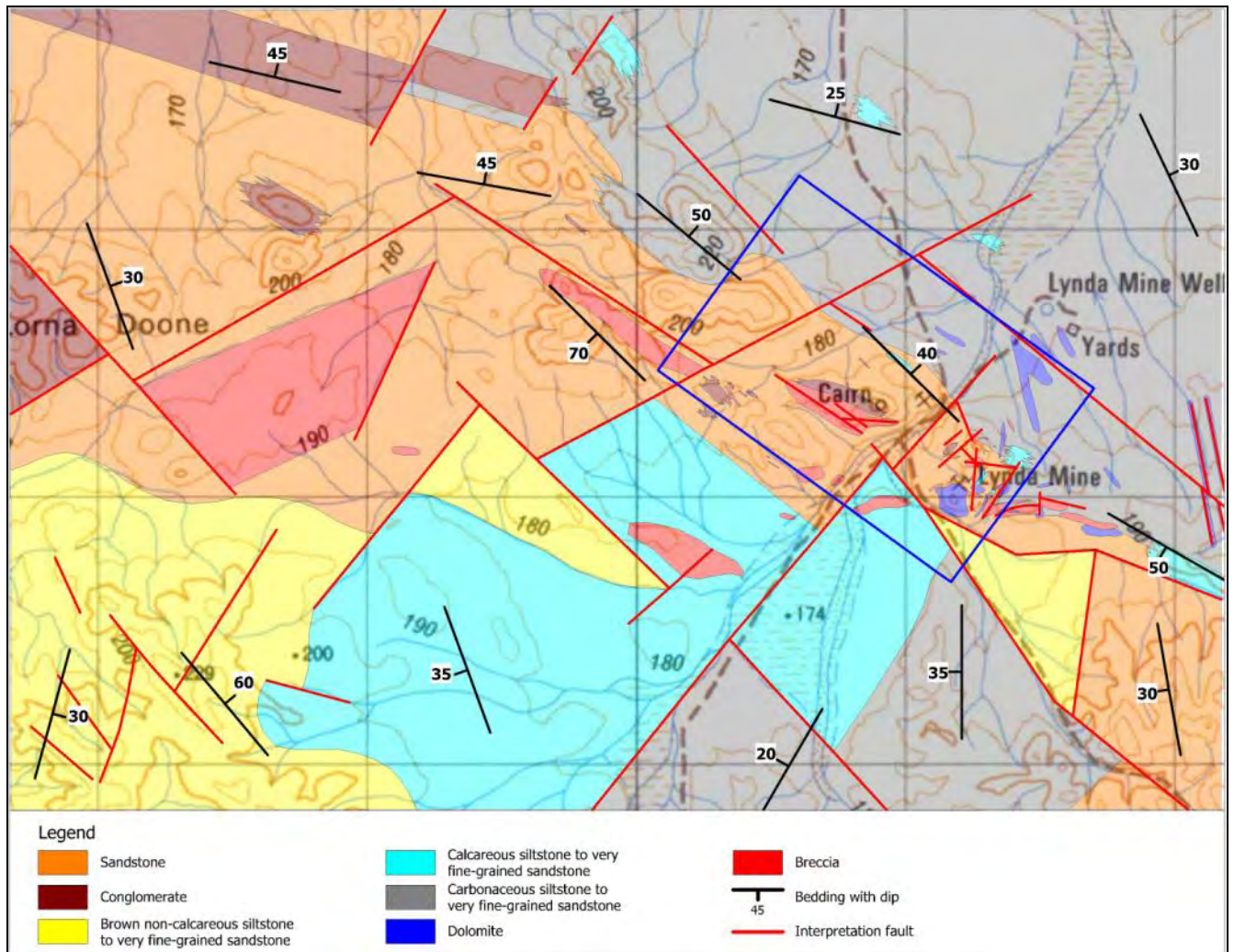


Figure 14: LD Prospect Interpreted Lithology

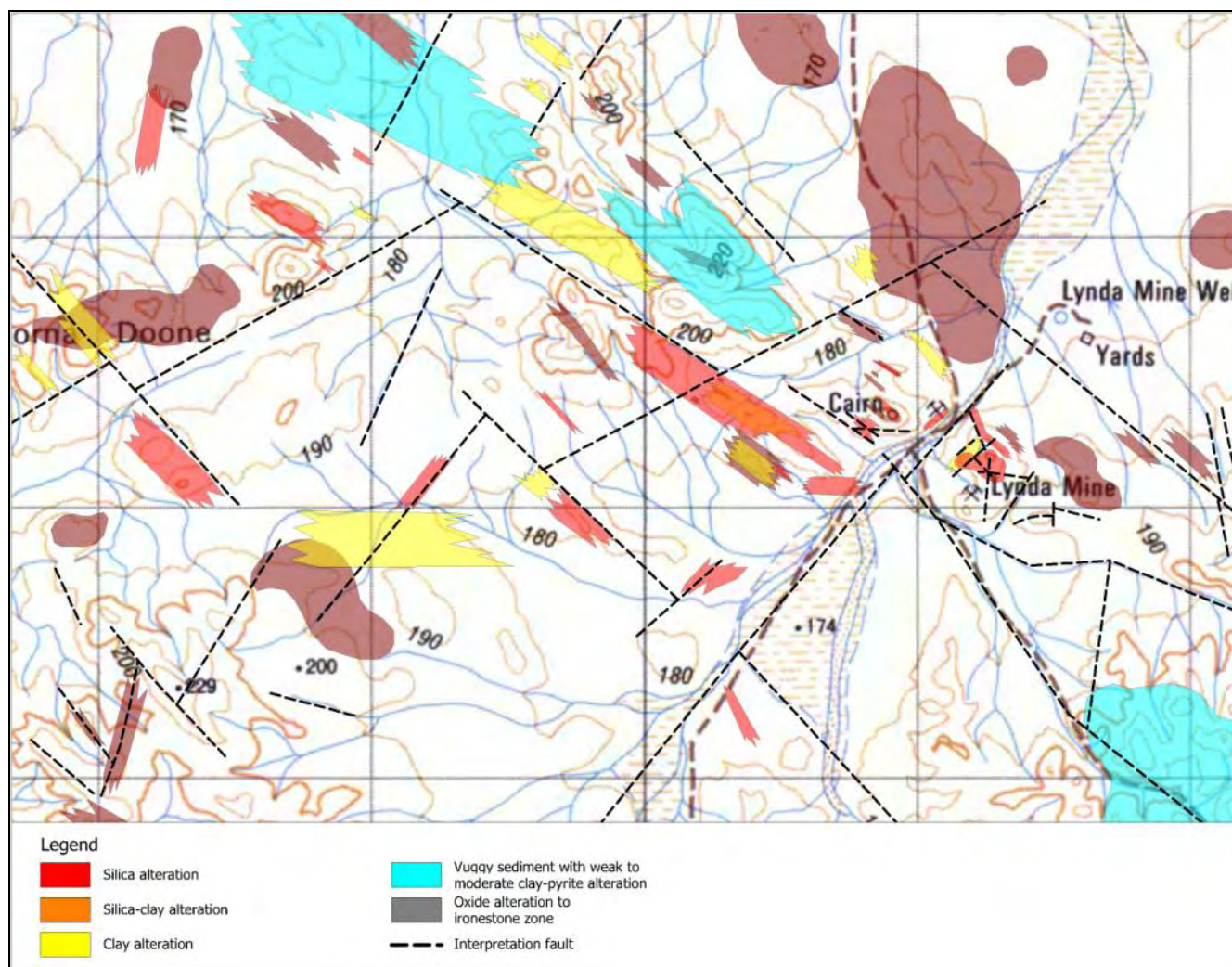


Figure 15: LD Prospect Interpreted Alteration

Soil Geochemistry

A total of 538 soil samples collected on a nominal 300m x 100m N-S grid covering the prospect were analysed by portable XRF.

Copper and Arsenic are the best indicators for secondary copper mineralisation and tend to define a linear trend from the SE of the survey area through top the central northern part. This trend contains the Lynda and Lorna Doone secondary deposits owned by Phoenix Copper. A separate and distinct, NW-SE striking Cu/As anomaly (target **LHZ1**) is located on the slightly to the SW of the centre of the survey area and extends from the margin of the breccia pipe down to the SE over a strike length of approximately 900m with width of approximately 250m. It is hosted in argillised calcareous siltstones and is characterised at surface by quartz-FeO vein scree, which was presumably part of a stock-work zone containing copper sulphides which have weathered and the copper fixed and concentrated in the calcareous siltstones.

Antimony and Silver may be indicating higher level / lower temperature zonation in the Eastern half of the NW quadrant of the dataset as well as an area on the SW margin of the data set. Follow up in the SW Sb/Ag anomaly has led to the discovery of a small zone (200m x 100m) of strongly Cu/As/Sb/Ag anomalous FeO-Qtz stock-work. Gold assays are pending for samples from this zone.

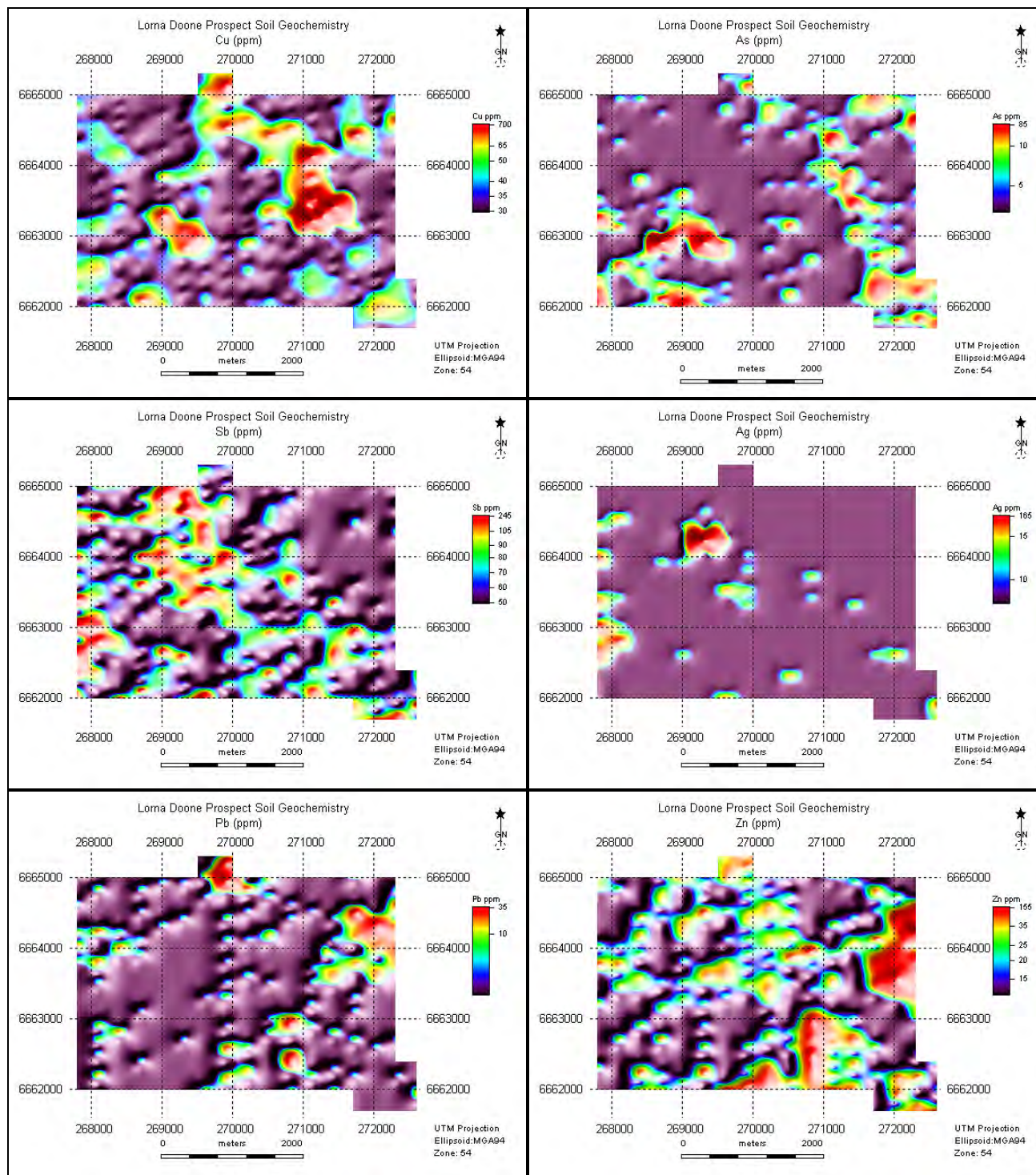


Figure 16: Selected Element Soil Geochem Maps

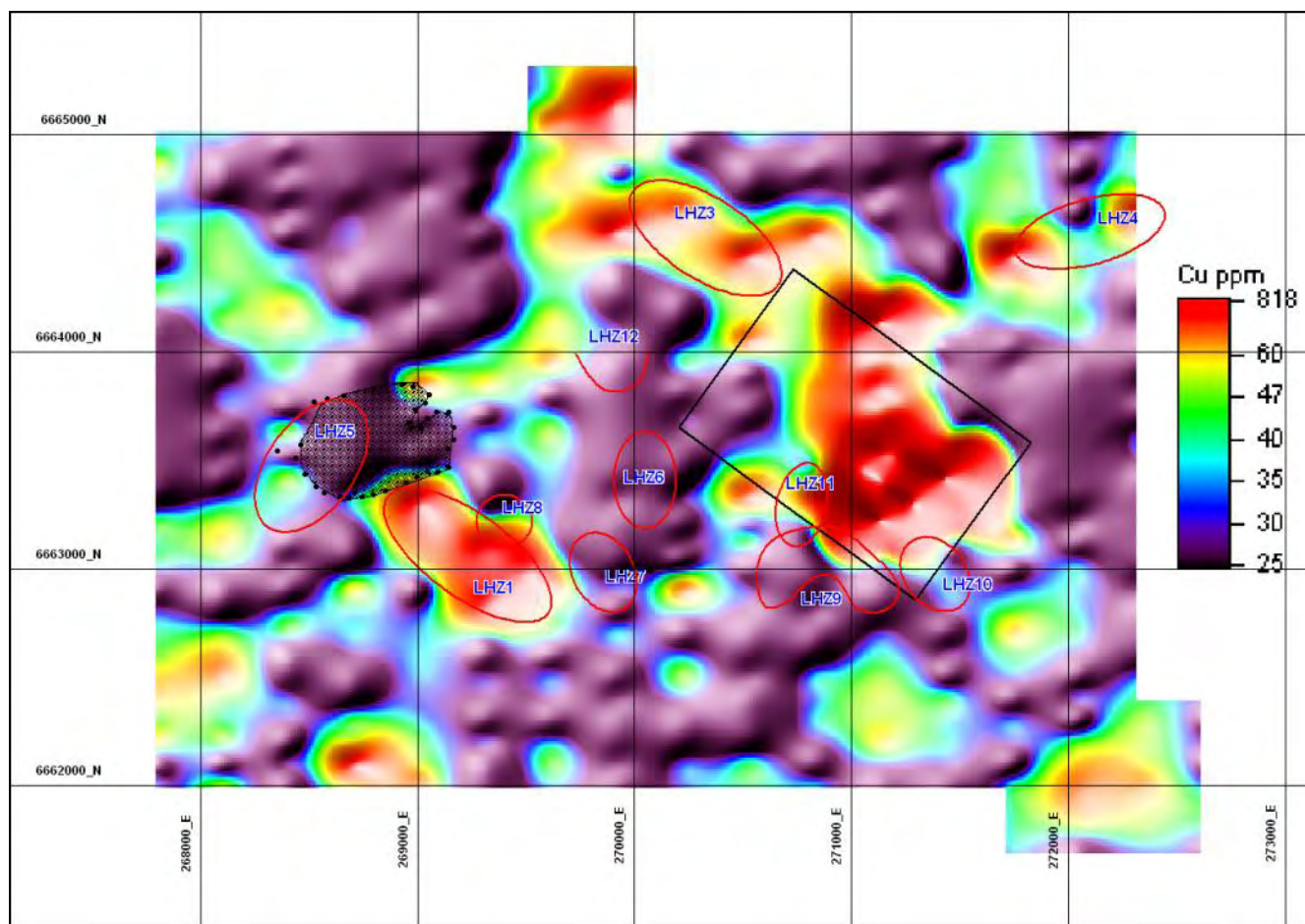


Figure 17: Lorna Doone Prospect Soil Cu with Exploration Targets and Breccia Pipe

Auger Sampling

The **LHZ1** Cu/As soil anomaly target was tested by bedrock auger sampling from 247 holes along nominally 50m spaced N-S lines. Figure 18 shows the copper distribution in augered bedrock samples. On average about 30cm of insitu bedrock was sampled in each hole although there were several holes in the central part where bedrock was not reached due to the presence of transported gravels at surface. The mineralisation appears to be discontinuous along the extent of the soil anomaly.

Placing a boundary around samples containing roughly 200ppm Cu or above maps an area of roughly 25,000m². Using a 30m mining depth and won grade of around 0.7% Cu, the target has potential to produce something in the order of 10kt of copper metal if consistent mineralisation exists.

RAB or RC sampling is justified, and required, to provide a proper test of the potential for secondary copper resources from this target.

The fact that this highly anomalous copper occurrence continues right up to the margin of the breccia pipe, further supports the prospectivity of the **LHZ1** and **LHZ5** sulphide targets.

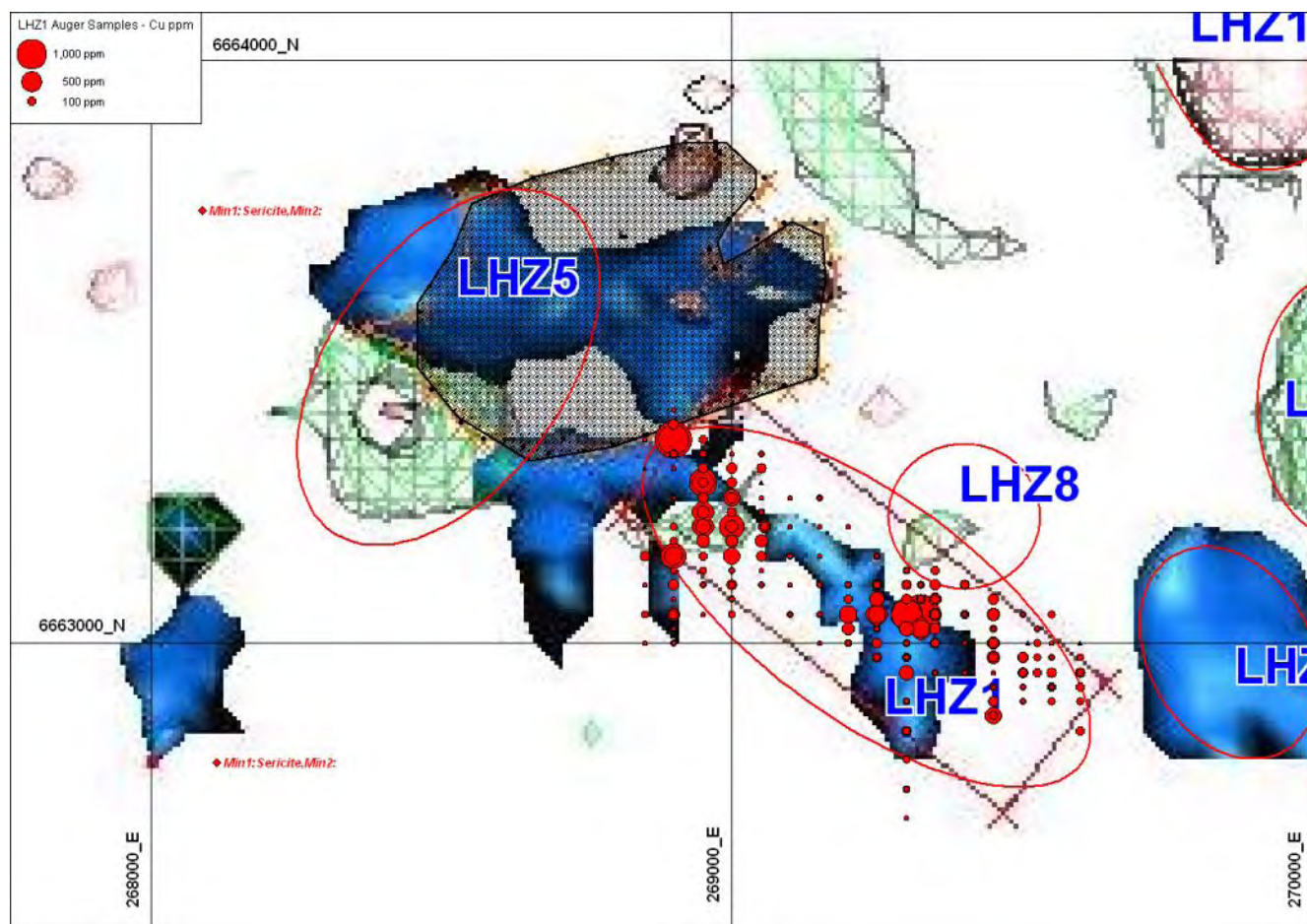


Figure 18: LHZ1 Auger Bedrock Sampling - Cu ppm

Ground Magnetics (basic survey, no data to supply)

Ground magnetic survey has been completed at nominal 100m spacing along N-S lines across the prospect area. The data will be inverted to produce a 3D model of the magnetic susceptibility. This is in progress but the model has not yet been received from the company's consulting geophysicist. The inverted ground mag model should give a clear indication as to how the chargeability and resistivity anomalies relative to intrusive bodies at depth and will assist with target ranking and drill hole targeting.

The available plan view grids indicate that the breccia pipe sits between 2 small intrusive apophyses and above a distinct zone of anomalously low magnetic susceptibility. Whether this low mag zone is the result of significant alteration or simply a coincidental near surface feature should become evident when the 3D mag inversion is received.

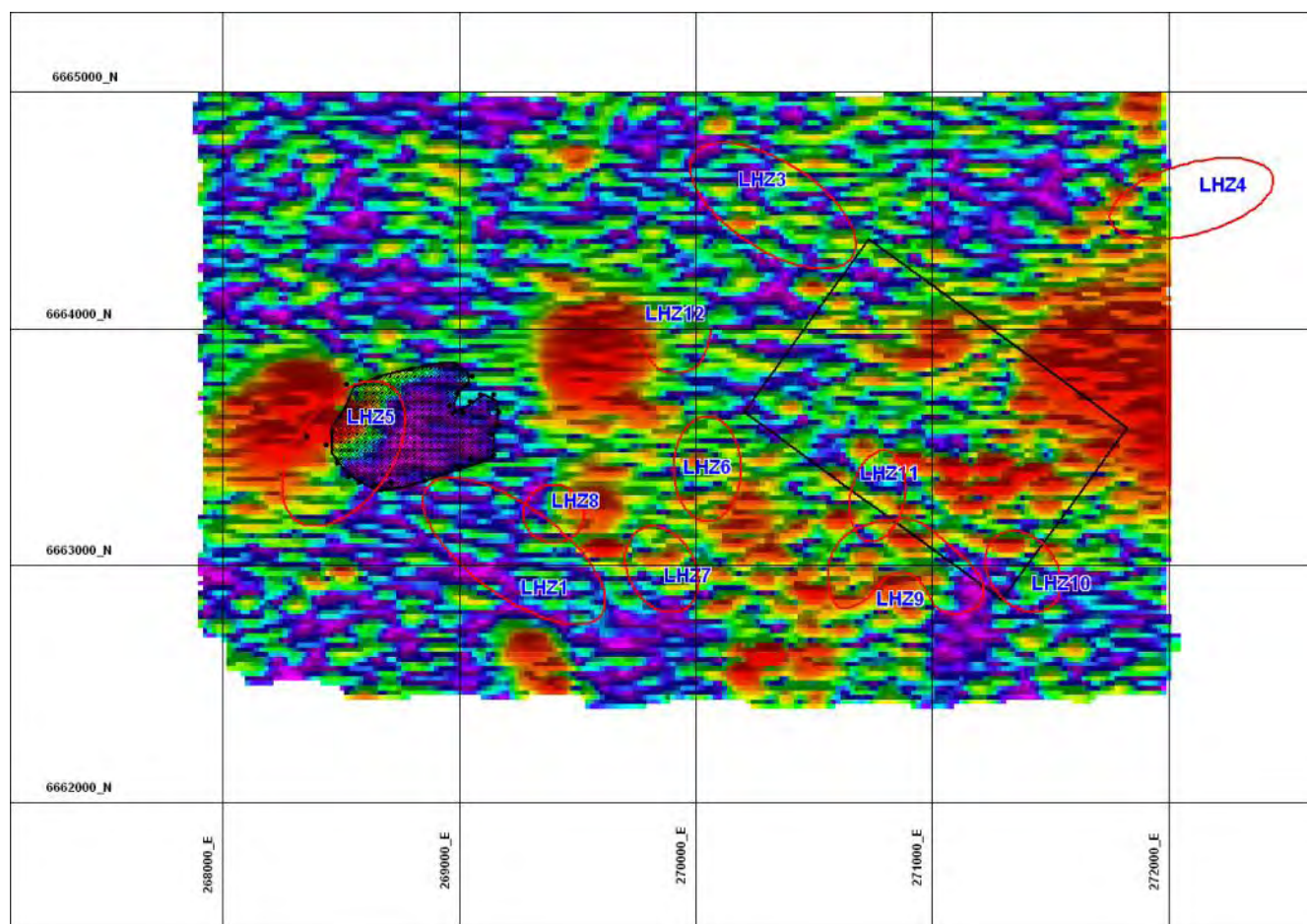


Figure 19: LD Analytic Signal with Targets and Breccia

IP/Resistivity

Induced Polarisation and Resistivity data was collected using nominally 120m receiver dipoles in a Double Offset Dipole-Dipole array. The data has been inverted to produce a 3D model of the distribution of chargeability and resistivity of the underlying rocks. High chargeability is commonly associated with metal sulphides (including non-economic pyrite) and higher tenor zones of resistivity are commonly related to hydrothermal silicification or unaltered felsic intrusives while low resistivity (high conductivity) is commonly associated with carbon rich sediments, clay alteration or massive sulphide bodies.

A presentation of combined chargeability and resistivity features with selected target identifiers is shown in Figure 20 below. The large red rectangular polygon on the right hand (East) side of the image is the Phoenix Copper mining license with the Lynda-Lorna Doone workings trend at surface marked as yellow polygon. The boundary of the breccias pipe is shown as black hatched polygon to the NW of the **LHZ1** soil Cu/As target.

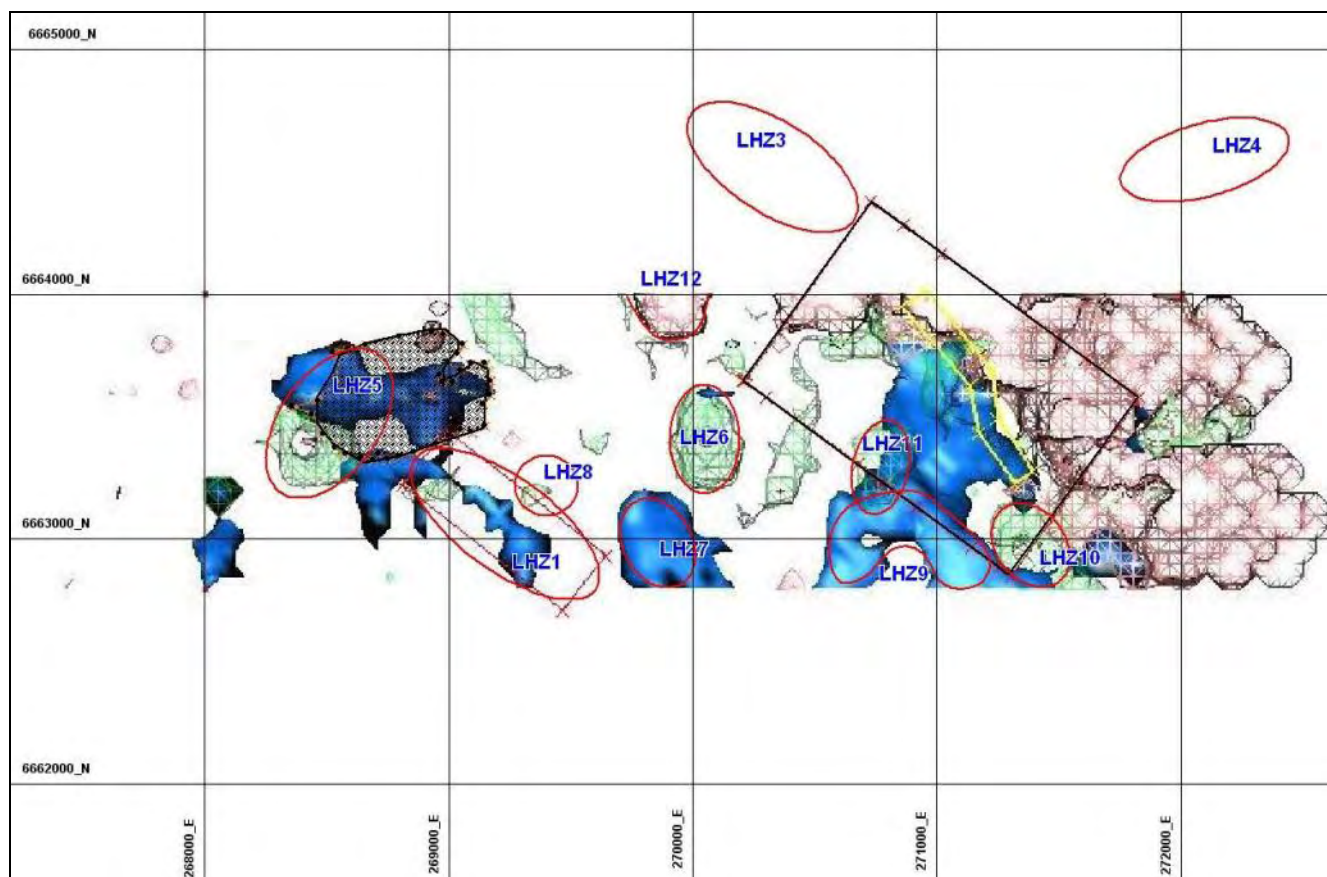


Figure 20: Lorna Doone IP 15mV/V (green wireframe), & IP 30 mV/V (red wireframe), RES 250 OhmM (blue shell).

Beginning with the Phoenix Copper ML;

The western boundary of the eastern mass of >30mV/V chargeability correlates extremely well with the mapped boundary of the carbonaceous sediments.

There is an excellent correlation of the surface occurrences of the Lynda and Lorna Doone quartz-sulphide stock-work, and the resulting secondary copper (the LLD trend), with both the chargeability and resistivity data. Figure 21, below, shows a narrow zone of increased and disrupted chargeability which is clearly expressed between -50m down to -150m below the ground surface and paralleling the LLD trend above. The 250 Ohm.m shell from the resistivity data also shows a correlation between the LLD trend in Figure 22 below. Given the size of this resistivity body, its spatial relationship to copper bearing quartz sulphide mineralisation at surface and chargeability features in the area, this feature should be drill tested. 250 Ohm.m is not a terribly high resistivity anomaly but relative to the surrounding rock, it is quite significant in this area. The top of the 250 Ohm.m shell is about 150m below surface.

The southern, shallower extension of this resistivity anomaly also justifies drill testing where it approaches as close as 50m from surface and has been designated as target **LHZ9** just outside the southern boundary of the Phoenix ML.

The chargeability feature designated **LHZ10** is interesting for its intensity and position along strike from the Lynda and Lorna Doone mineralisation and probably warrants drill testing. It is however quite deep with its upper boundary at 150m to 200m below surface.

The **LHZ11** target is a much shallower chargeability target but only about 50m from surface, though it lacks anomalous surface geochemistry.

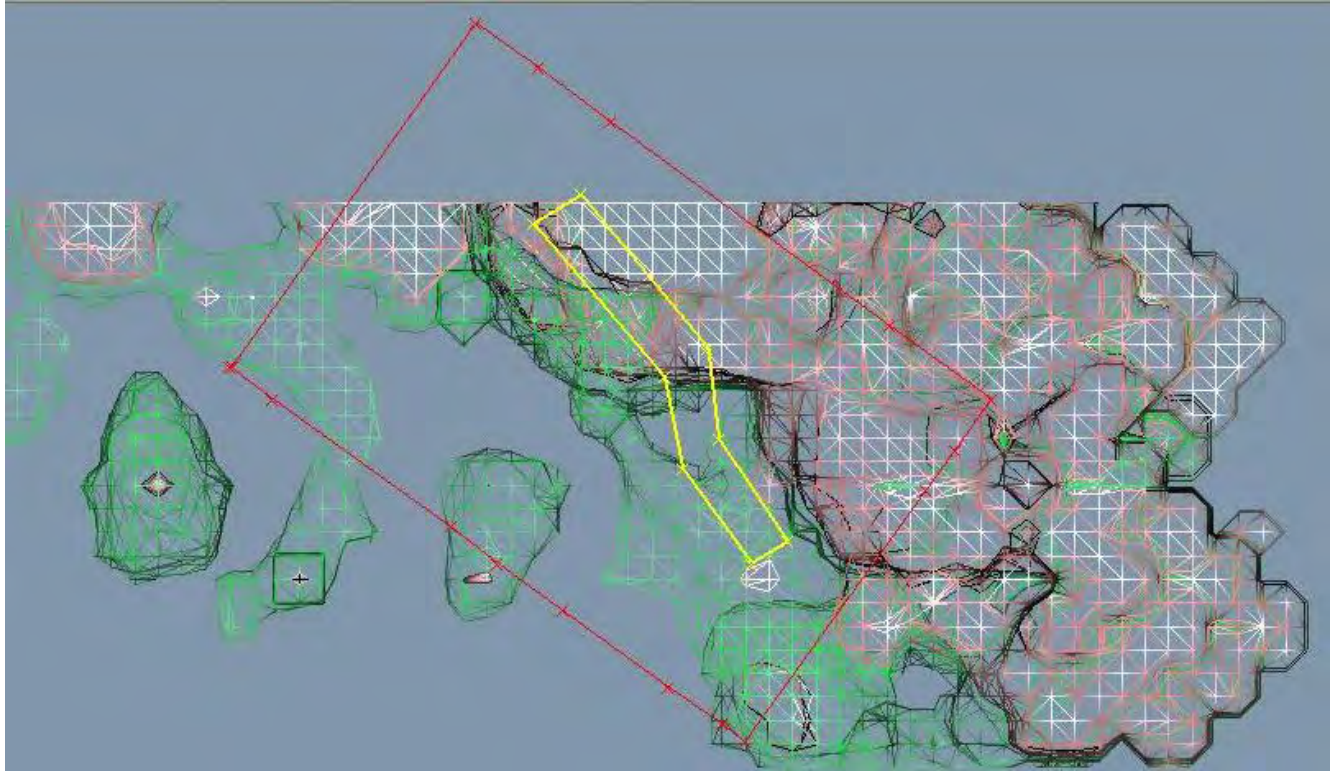


Figure 21: Chargeability under Lynda and Lorna Doone mineralisation

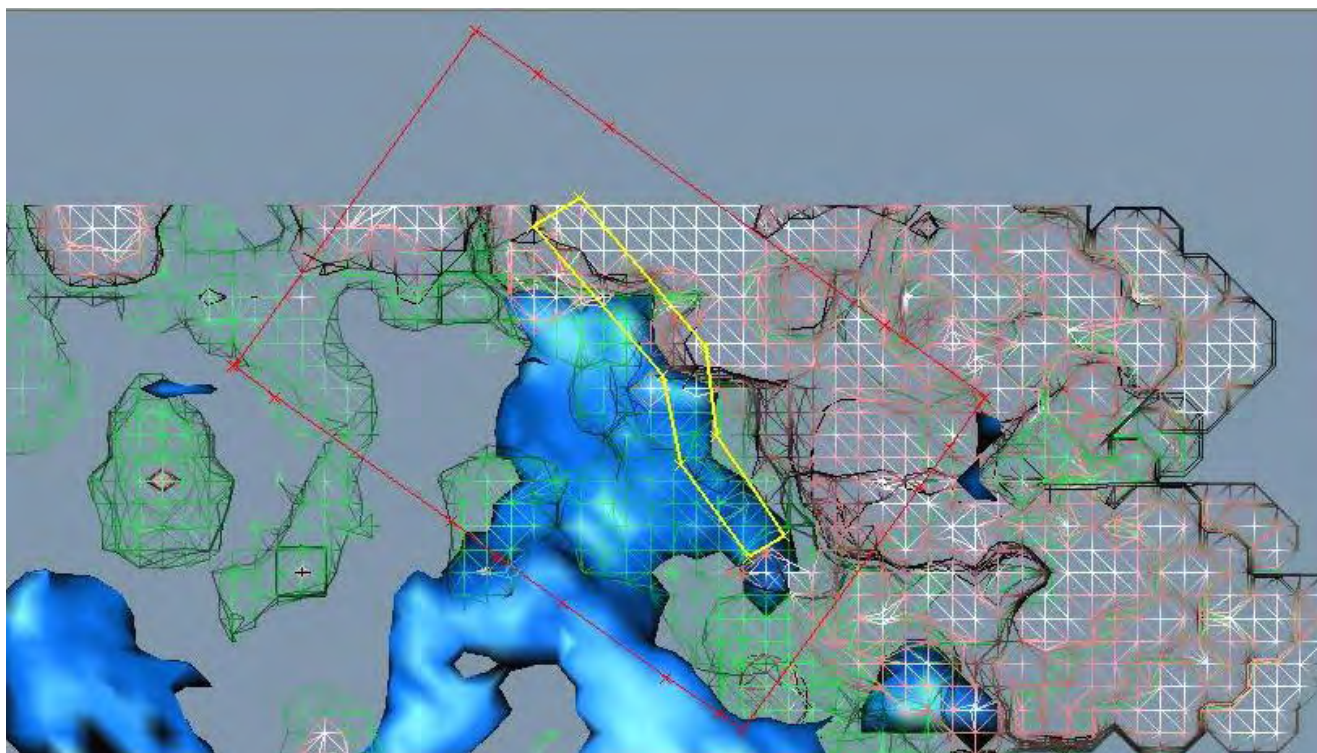


Figure 22: Chargeability and 250 Ohm.m apparent resistivity under Lynda and Lorna Doone mineralisation

Elsewhere there are several other chargeability and resistivity targets, the most interesting being the group included in the **LHZ1** and **LHZ5** targets. These comprise an extensive soil copper anomaly; a zone of hydrothermal breccia, interpreted as a phreatic breccia pipe; resistivity anomalies coincident with both the soil anomaly and the breccia pipe; and a deep, but large chargeability anomaly proximal to the resistivity, breccia, soil geochem and an intrusive inferred from magnetic data. This area is centred around 268750E/6663400N and is presented in Figure 20 above. This is a high priority sulphide exploration target requiring immediate drill testing.

ASD Alteration Analyses

A small selection of alteration samples were analysed using an ASD near and short wave infra-red spectrometer. All samples contain sericite and kaolinite. Given the limited number of samples at this prospect it is not possible to make any generalisations regarding alteration here, as compared to the White Lead area where more data are available. Like White Lead though, the phengitic nature of the sericites seems to be indicating a low sulphidation, alkaline alteration system which is also supported by the complete lack of high sulphidation minerals. Once again, in this environment, it should be kept in mind that the kaolin may be the result of surface weathering of hydrothermal or primary feldspar rather than a more acidic part of the alteration system.

ASD data has provided little data beyond what can be seen in hand specimens so it will not be routinely used at this prospect for surface exploration but will be trialled again when drilling begins to assess if it can provide useful targeting data in fresh rock samples.

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Easting	Northing	Mineral1	Mineral2	Min1 sTSAS	Min2 sTSAS
268114	6662795	Sericite		Muscovite	
272034	6661955	Sericite		Phengite	
268089	6663742	Sericite		Phengite	
268732	6664875	Kaolinite	Sericite	Phengite	Kaolinite WX
270658	6663469	Kaolinite		Kaolinite WX	
270239	6663924	Sericite		Phengite	
271909	6663338	Kaolinite	Sericite	Kaolinite WX	Phengite
271355	6663409	Sericite	Kaolinite	Phengite	Kaolinite WX

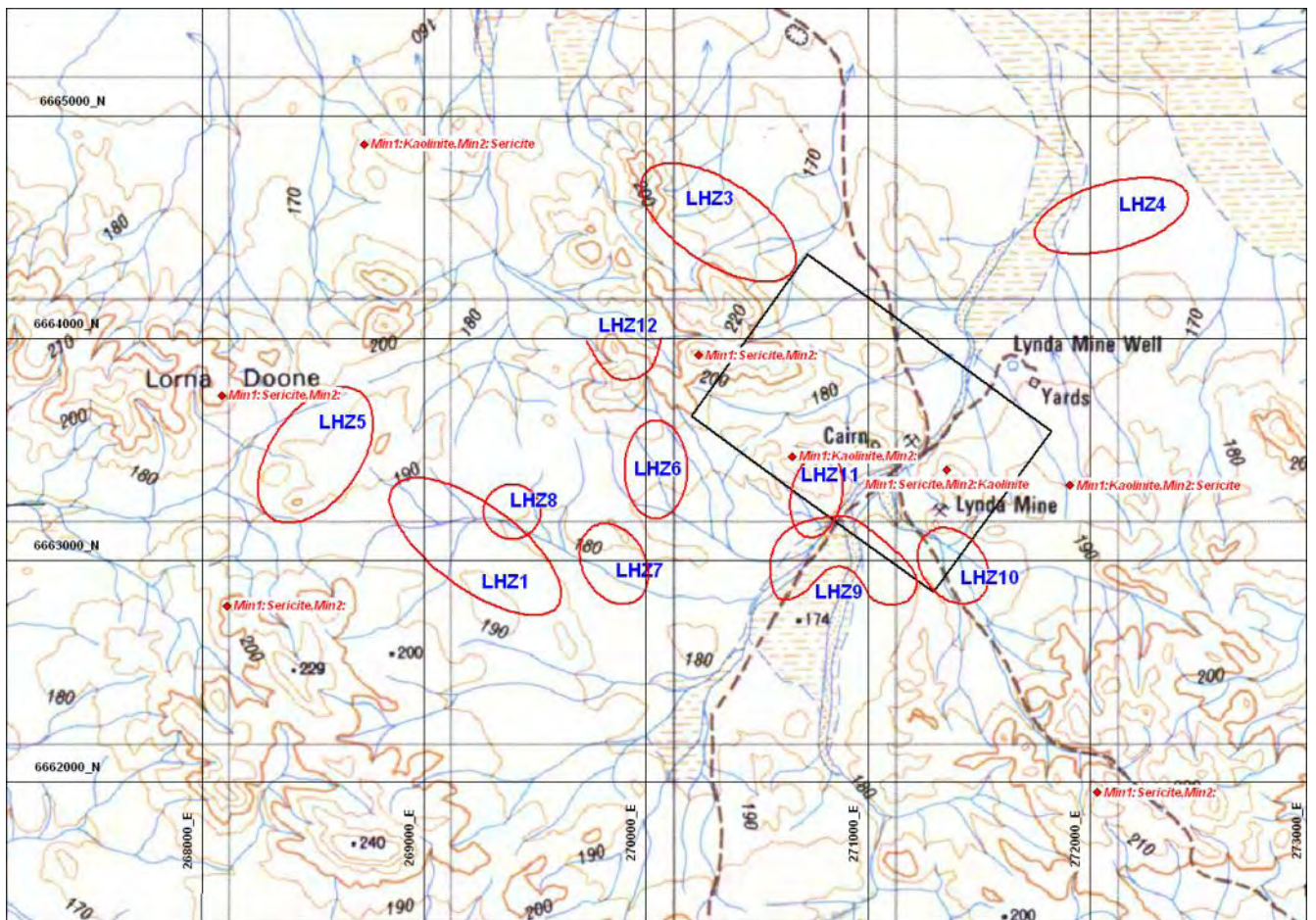


Figure 23 Alteration analyses

Conclusion

Exploration to date on the Lorna Doone Prospect has been quite successful and has produced a number of good drill targets. Expansion of the soil geochemistry and IP/Resistivity coverage is warranted but will probably not be done until drilling has tested some of the targets and provided additional data on the style and potential of the intrusive related mineralisation.

MT BOURNE PROSPECT

Work completed on the Mt Bourne Prospect area to date includes;

- Limited orientation XRF rock, stream sediment and soil geochemistry

No follow up targets have been generated yet as it was planned to begin systematic exploration once the work at the White Lead and Lorna Doone prospects was completed and the intrusive related exploration model validated. Alteration at Mt Bourne is more or less identical to that at Lorna Doone where the application of soil geochemistry and deeply penetrating IP/Resistivity geophysics has provided numerous drill targets. Given the encouraging results at Lorna Doone, work will begin at Mt Bourne as soon as the high summer temperatures decrease and equipment and personnel become available.

Initial work will focus on the intrusive complex mapped from regional magnetic data over which broad areas of hydrothermal alteration has been mapped at surface using ASTER data. Copper potential of this block is demonstrated by numerous small historic copper workings and previous exploration data.

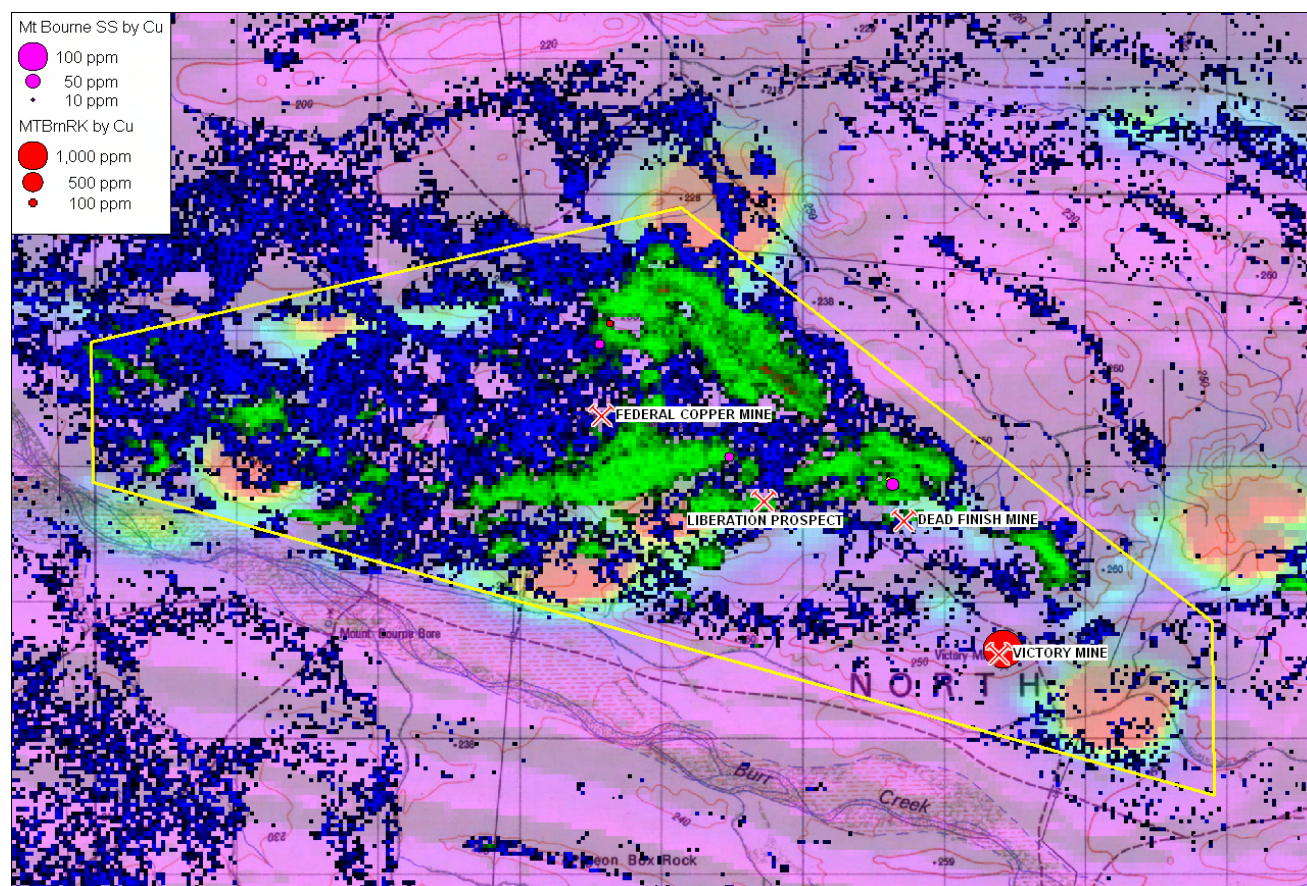


Figure 24: Kaolinite-Illite ASTER data over AS AirMag

LYNDHURST PROJECT PROPOSED WORK PROGRAM 2011-2012

Pre-drilling exploration programs have almost been completed on the White Lead and Lorna Doone prospects. Apart from ongoing detailed geological mapping, work will now be focussed on drilling oxide and sulphide targets generated to date. If results are encouraging, geophysical and geochemical programs will also be extended.

Systematic exploration work has yet to start on the Mt Bourne Prospect. This will begin after the summer and will include systematic soil geochemistry, IP/Resistivity geophysics and mapping.

Planned work and budgets for the coming 2 year renewal period is as follows;

Work Program	EL3522 Budget	EL3550 Budget
Mapping	\$ 10,000	\$ 10,000
Geochemistry	\$ 10,000	\$ 10,000
Geophysics	\$ 50,000	\$ 50,000
Drilling	\$ 50,000	\$ 50,000
Resource Calculations	\$ 7,500	\$ 7,500
Metallurgical Test Work	\$ 7,500	\$ 7,500
Environmental Studies	\$ 7,500	\$ 7,500
Engineering Studies	\$ 7,500	\$ 7,500
TOTALS	\$ 150,000	\$ 150,000
PROJECT TOTAL	\$ 300,000	

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EXPENDITURE

Exploration expenditure for the Lyndhurst Project to date;

ADMINISTRATION	\$ 18,629.70
DRILLING	\$ -
FIELD AND TRANSPORT	\$ 53,838.17
GEOCHEM	\$ 12,000.00
GEOPHYSICS	\$ 93,583.34
OFFICE AND MISCELLANEOUS	\$ 675.92
PERSONNEL	\$ 262,000.00
TRAVEL AND ACCOMODATION	\$ 13,130.58
TOTAL	\$ 453,857.71

Expenditures by tenement;

Expenditure EL3522

ADMINISTRATION	\$ 16,095.50
DRILLING	\$ -
FIELD AND TRANSPORT	\$ 51,738.17
GEOCHEM	\$ 10,400.00
GEOPHYSICS	\$ 91,583.34
OFFICE AND MISCELLANEOUS	\$ 675.92
PERSONNEL	\$ 256,400.00
TRAVEL AND ACCOMODATION	\$ 11,504.58
TOTAL	\$ 438,397.51

Expenditure EL3550

ADMINISTRATION	\$ 2,534.20
DRILLING	\$ -
FIELD AND TRANSPORT	\$ 2,100.00
GEOCHEM	\$ 1,600.00
GEOPHYSICS	\$ 2,000.00
OFFICE AND MISCELLANEOUS	\$ -
PERSONNEL	\$ 5,600.00
TRAVEL AND ACCOMODATION	\$ 1,626.00
TOTAL	\$ 15,460.20

**LYNDHURST PROJECT
SOUTH AUSTRALIA**

**EL 4790 & 4791
1ST ANNUAL TECHNICAL REPORT
19th OCT 2011 – 18TH OCT 2012**

IAN CAMERON

ZURICH RESOURCES PTY LTD

10 DECEMBER 2012

SUMMARY

This report compiles technical details of exploration undertaken over the initial 12 month period of tenements EL 4790 & 4791 from 19th October 2011 to 18th October 2012. Both tenements are reported herein together with expenditure itemised by type and tenement at the end of the report.

Work undertaken by Zurich Resources P/L on the tenements during the reporting period included;

- **Ground based gravity surveys covering total area of approximately 85km²**
 - o **40km² on EL4791**
 - o **45km² on EL4790**

INTRODUCTION

The Mount Lyndhurst Project comprises two exploration licenses located approximately 35km northeast of Leigh Creek in the northern Flinders Ranges. The Mount Lyndhurst license (EL4791) and Mount Lyndhurst South license (EL4790) were both granted on the 19th October 2011 and cover approximately 549km² and 296km² respectively. The tenements were granted for a period of two years with a total spending commitment over that time of \$240,000 for EL4790 and \$340,000 for EL4791.

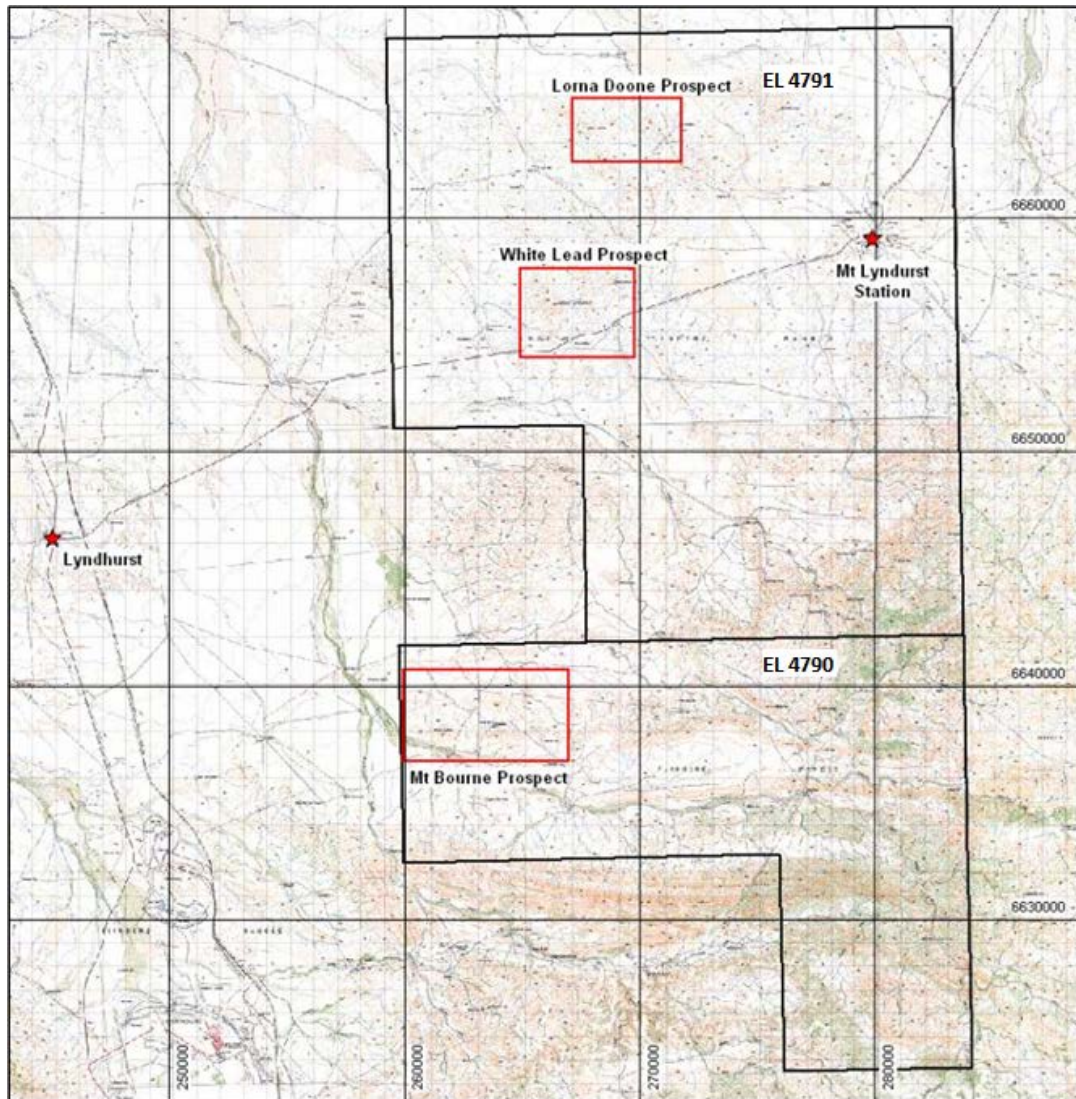
The licenses are jointly held by Zurich Resources Pty Ltd (50%) ("Zurich") and Syrah Resources Ltd (50%) ("Syrah"). Exploration is solely funded and managed by Zurich as part of an ongoing earn-in agreement whereby Zurich can earn up to 80% of the projects.

Both licenses contain numerous small secondary copper oxide occurrences which were worked in the early 1900's and are considered prospective for intrusive related copper and gold mineralisation.

Work is ongoing from that undertaken during the prior 2 years on expired tenements EL 3522 & 3550.

Previous work has led to the focus on 2 main targets for primary copper mineralisation, the Lorna-Doone Prospect in EL 4791 and Mt Bourne Prospect in EL 4790. Both of these prospects contain widespread copper mineralisation over an intrusive complex which has produced localised hydrothermal alteration of hosting sediments and tills.

The White Lead prospect will be revisited in the future as assessment of near surface oxide copper resources continues.



Lyndhurst Project exploration tenement and prospect locations

The following report details the exploration work undertaken to date by Zurich Resources P/L.

LOORNA DOONE PROSPECT

Summary of Previous Work

The Lorna-Doone Prospect surrounds a small mining license where a low grade copper oxide resource, related to localised secondary deposition from primary qtz-sulphide veining, containing approximately 20,000t Cu metal has been delineated since the 1970's. This deposit has never been exploited to any meaningful degree.

Copper is anomalous in soils along structural trends sporadically up to several kilometres from the Lorna Doone deposit.

The mineralisation is situated above an intrusive complex and the hosting sediments have undergone intense hydrothermal alteration in places.

Soil geochemistry, mapping, ground magnetics and IP/Resistivity programs have been undertaken over the target intrusive complex and some interesting, deep, primary copper targets have been delineated.

Prior to drill testing these deep targets, it was determined that it would be prudent to conduct a ground based gravity survey to encompass the known targets plus other magnetic features in the immediately surrounding area. This work has been recently completed.

Gravity

An area of approximately 40km² was covered by ground based gravity survey utilising high resolution Scintrex CG-5 gravity meters with station elevation and locations collected using RTK DGPS.

Data was collected on a 250m x 250m grid with the aim of assessing regional magnetic features in addition to investigating the density characteristics of known IP/Resistivity targets and localised intrusive bodies inferred from airborne magnetic data.

A logistics report for the survey is included as Appendix A.

Interestingly the gravity survey maps an area of significantly lower density in the zone containing intrusives and IP/Resistivity anomalies. The reason for this is unknown, it may be simply mapping lower density rocks in the core of the anticline, possibly tillites, or perhaps due to presence of significant hydrothermal clays and highly fractionated intrusives at depth. No ground checking or drilling has yet been carried out to check the source of anomalies.

Some interesting observations are;

- Negative magnetic anomalies from airborne magnetic TMI and RTP data may be related to magnetic secondary iron oxides formed during the weathering of strongly pyritic black shales. These features seem to occur as higher tenor density units surrounding the intrusive zone (see Figures 1-3 below).
- Known mafic-intermediate intrusive plugs are variably expressed as high and low density features in the gravity data set.
- The highest priority targeted generated from IP/Resistivity and mapping work (target LHZ5) lies on a co-incident localised magnetic and gravity high. Other known and inferred intrusives are expressed and density lows in gravity data, (see Figure 4 below). At this very early stage of interpretation, this is considered a significant plus for this target.

Detailed geological follow-up and interpretation of the results to date will continue in early 2013 and prioritisation of targets and preparation for drilling will begin.

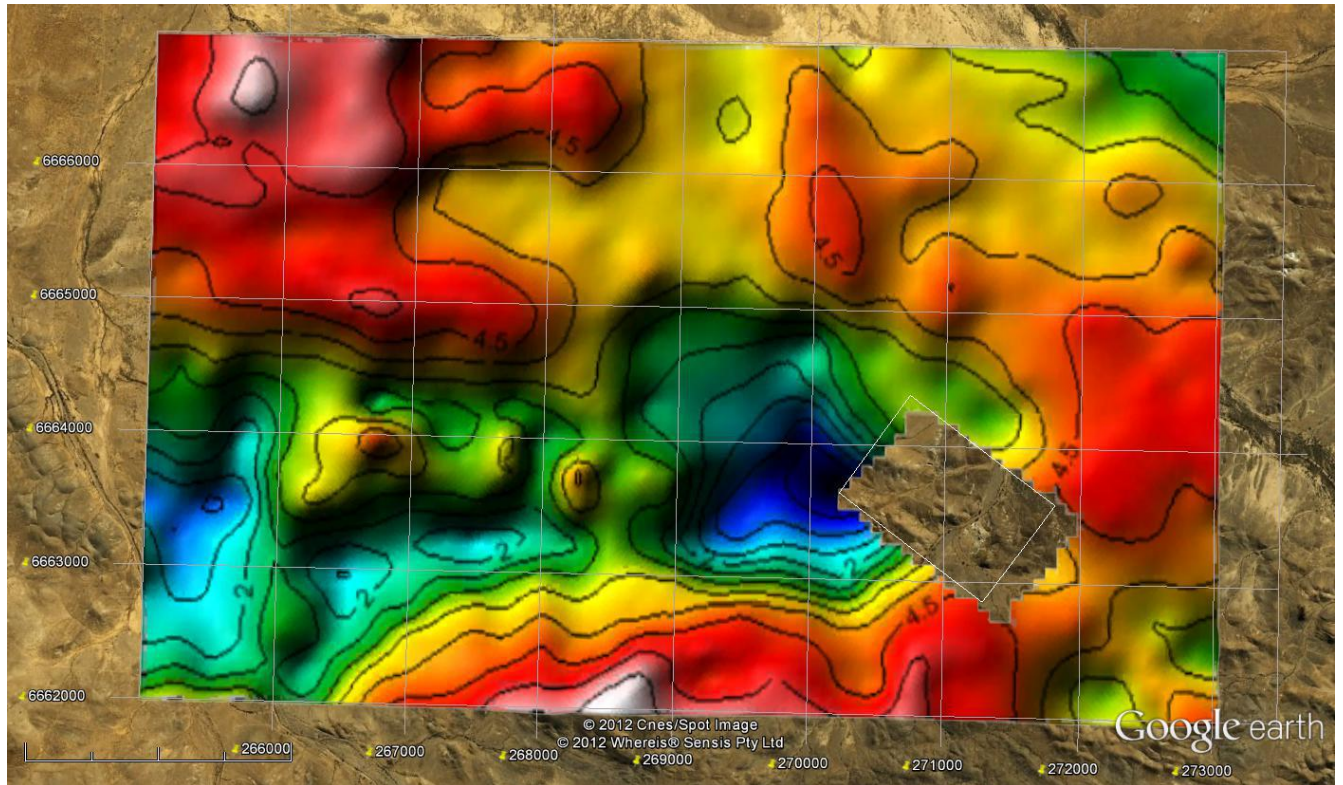


Figure 1: Residual Complete Bouguer Gravity

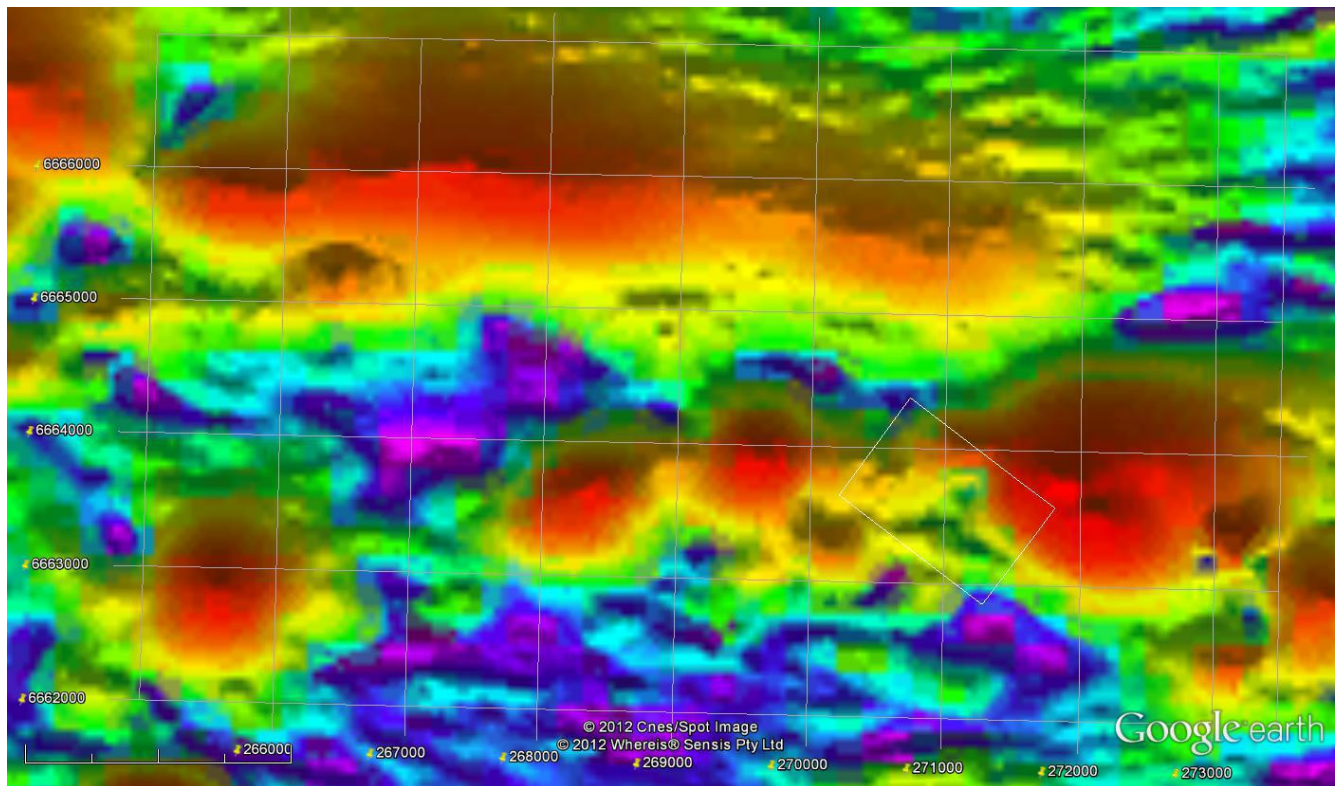


Figure 2: Analytic Signal Airborne Magnetic Data

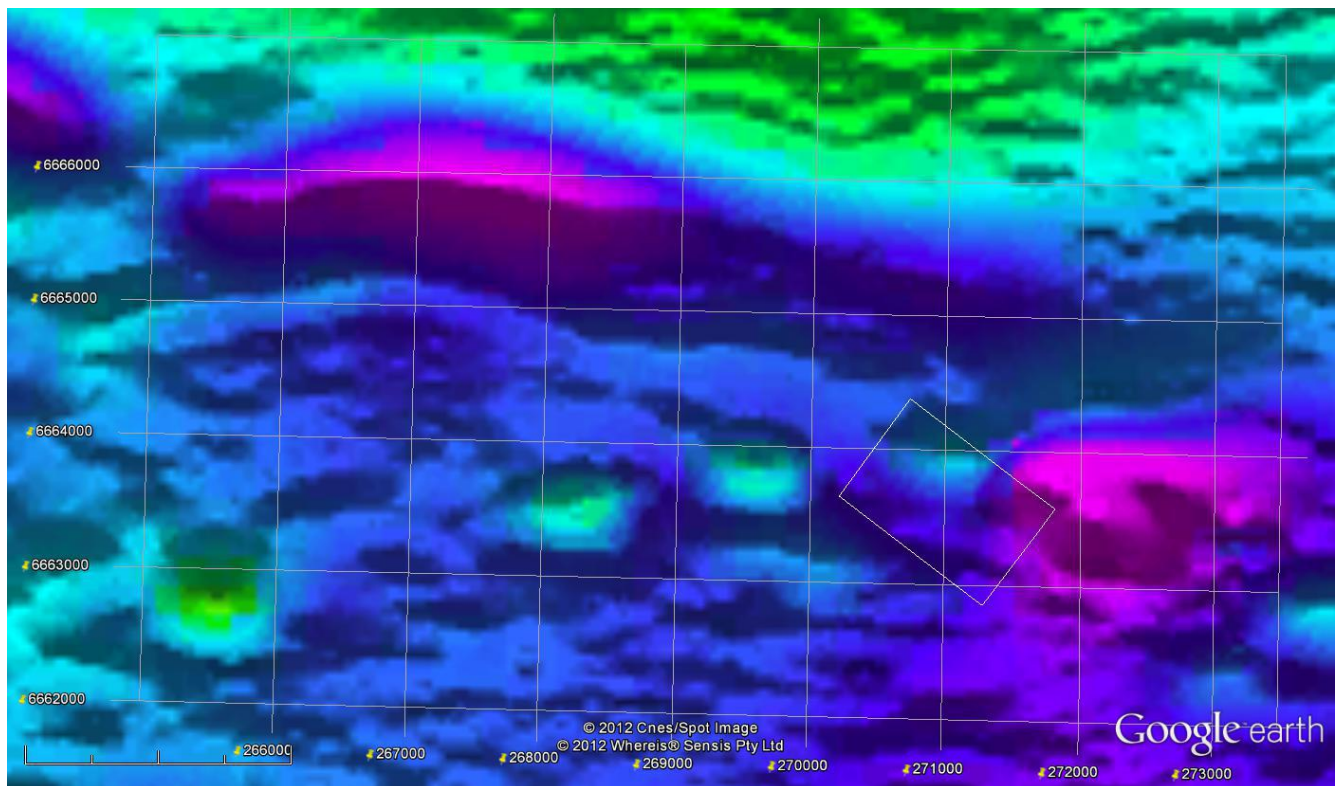


Figure 3: RTP Airborne Magnetic Data

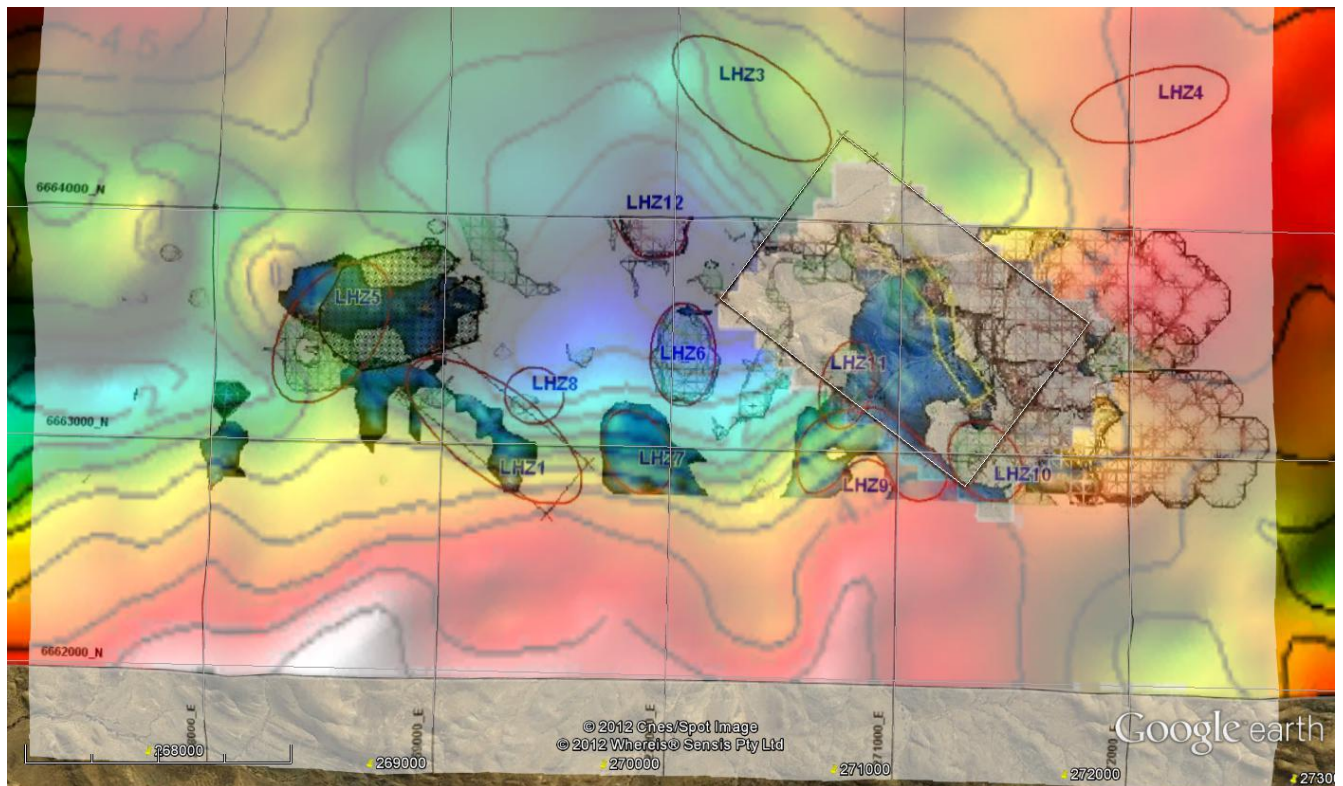


Figure 4: IP (Wire Shells) and Resistivity (Blue Solid Shells) Overlay on Residual Complete Bouguer Gravity

MOUNT BOURNE PROSPECT

Summary of Previous Work

Mount Bourne is geologically very similar to the Lorna Doone Prospect area. It contains numerous small historic copper workings, the most significant of which is the Federal Mine which was last worked in the 1960's.

CRAE undertook detailed exploration including some 8 IP/Resistivity lines and 10 RC and DD holes in the mid-1990's with no significant copper mineralised drill intercepts apart from some short intervals directly below the Federal Mine mineralisation.

Previous to the recently completed gravity survey, Zurich had not undertaken any significant exploration on the prospect.

Gravity

An area of approximately 45km² was covered by 250m x 250m and 500m x 500m gravity observations. The higher density survey was focussed on the higher priority central part of the anticline containing most of the historic copper workings.

In total 374 stations were read. Data quality is very good. A logistics report is included as Appendix 2 of this report.

Interestingly, the gravity data at Mt Bourne is very similar in nature to that of Lorna Doone. There is a strong low zone elongate E-W. All the historic workings and previous drilling by CRAE occur within the low zone.

The significance of gravity data on this prospect will not be known until detailed follow-up and compilation of historic data can be completed.

Locations of CRAE IP/Resistivity lines and drill holes are shown over the gravity data in Figure 5 below. This data will be compiled and reprocessed using modern inversion techniques. Ground follow up will be in early 2013.

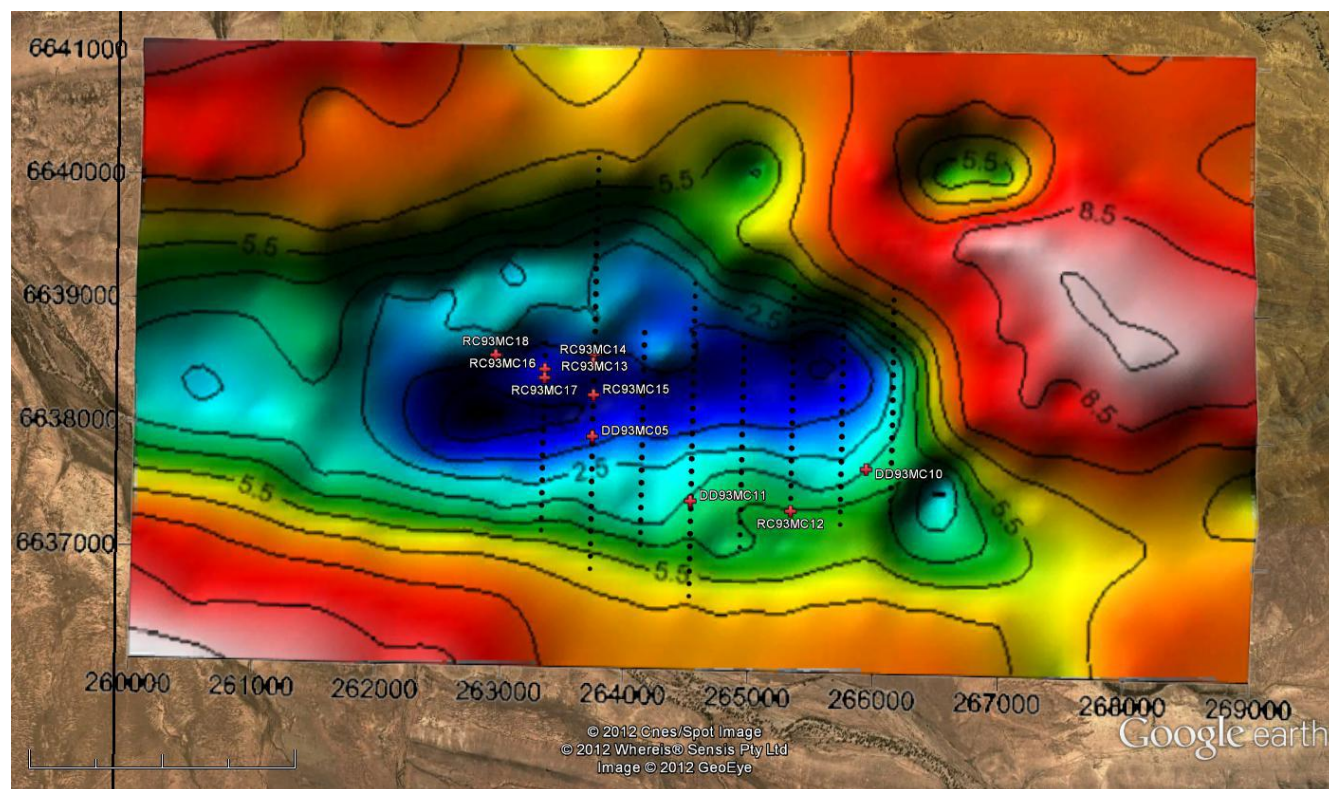


Figure 5: Residual Complete Bouguer Gravity showing locaiton of CRAE IP and Drilling

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LYNDHURST PROJECT ONGOING WORK

Follow-up and interpretation of gravity data and organisation for drilling programs on the Lorna Doone Prospect will be the next phase of work for EL4791. This should begin in early 2013.

On tenement EL4790, CRAE exploration data (and any other drilling data that can be found in historic reports) will be compiled and interpreted and field follow-up on the Mt Bourne Prospect will be undertaken in early 2013.

Decisions on work programs required will be made after completion of the next phase of field work in early 2013.

ZURICH RESOURCES PTY LTD

EXPENDITURE

Exploration expenditure for the Lyndhurst Project to date;

ADMINISTRATION	\$ -
DRILLING	\$ -
FIELD AND TRANSPORT	\$ 11,118.08
GEOCHEM	\$ -
GEOPHYSICS	\$ 43,695.00
OFFICE AND MISCELLANEOUS	\$ -
PERSONNEL	\$ 13,500.00
TRAVEL AND ACCOMODATION	\$ 3,600.54
TOTAL	\$ 71,913.62

Expenditures by tenement;

Expenditure EL4790

ADMINISTRATION	\$ -
DRILLING	\$ -
FIELD AND TRANSPORT	\$ 5,559.04
GEOCHEM	\$ -
GEOPHYSICS	\$ 17,875.00
OFFICE AND MISCELLANEOUS	\$ -
PERSONNEL	\$ 6,750.00
TRAVEL AND ACCOMODATION	\$ 1,800.27
TOTAL	\$ 31,984

Expenditure EL4791

ADMINISTRATION	\$ -
DRILLING	\$ -
FIELD AND TRANSPORT	\$ 5,559.04
GEOCHEM	\$ -
GEOPHYSICS	\$ 25,820.00
OFFICE AND MISCELLANEOUS	\$ -
PERSONNEL	\$ 6,750.00
TRAVEL AND ACCOMODATION	\$ 1,800.27
TOTAL	\$ 39,929

APPENDIX 1
LORNA DOONE PROSPECT
GRAVITY SURVEY LOGISTICS REPORT

ZURICH RESOURCES

LORNA DOONE PROJECT GROUND GRAVITY SURVEY, 2012

LOGISTIC REPORT JOB: 094-GGRAV-AU

**KHUMSUP LTD
DECEMBER 2012**

1. CLIENT & PROJECT DETAILS

Client	Zurich Resources
Project Name	Lorna Doone
Location	Lyndhurst, South Australia
Purpose	Mineral Investigation
Agreed Specifications	Ground based gravity survey 250m x 250m spacing 693 stations

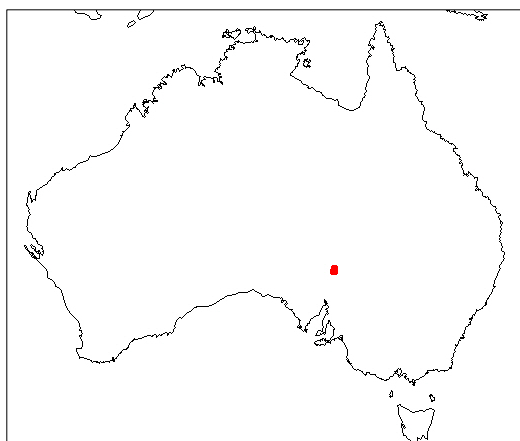


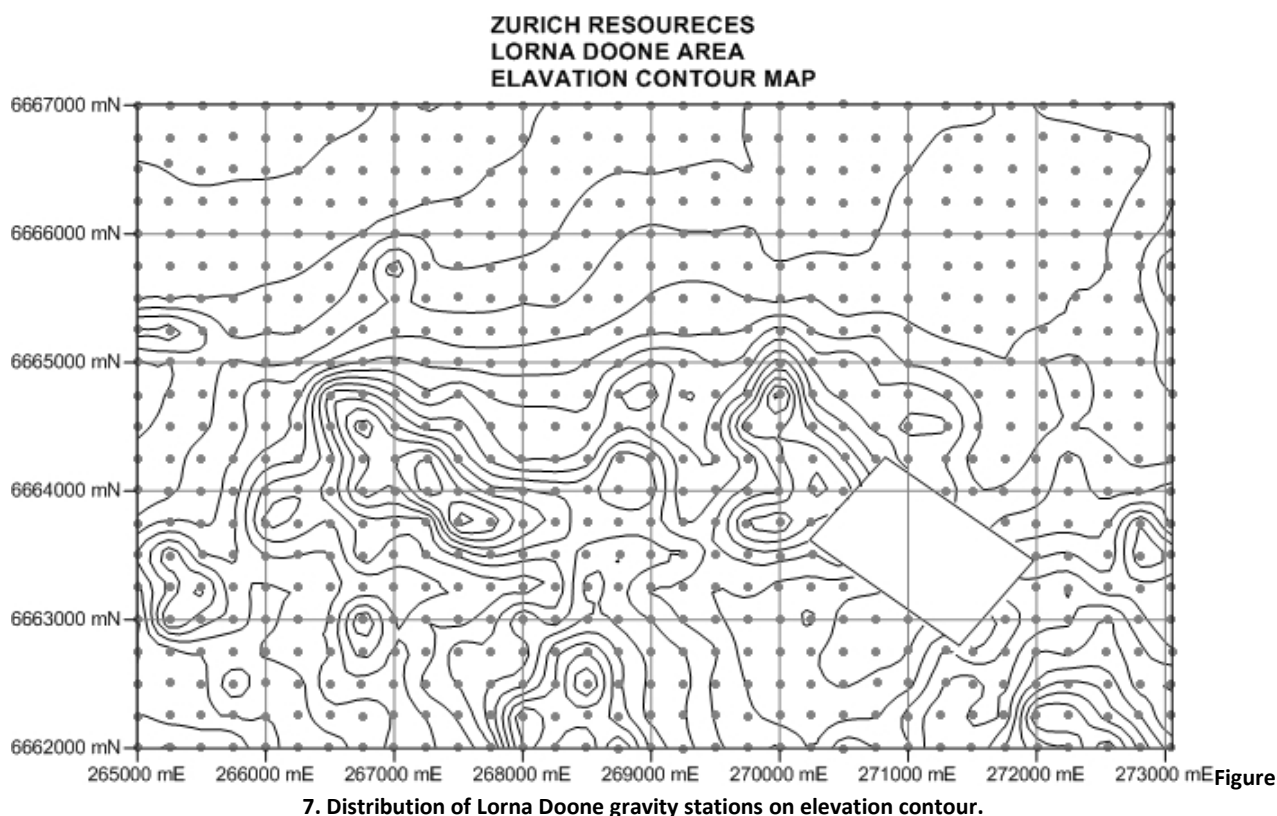
Figure 6. Project location.

2. AGREED DELIVERABLES

- Raw gravity and location data
- Drift calculations
- Residual Complex Bouger
- Survey will be linked to national gravity grid

3. DATA ACQUISITION SUMMARY

Mobilisation Start Date	28 th July 2012
Acquisition Start Date	30 th July 2012
Acquisition Completed	21 th September 2012
Number of Stations	693
Number of Gravity Repeats	69
Percentage Repeats	9.9%
Number of DGPS Repeats	58
Percentage DGPS Repeats	8.3%
Gravity Drift Control	Base station 99901 occupation at start and end of acquisition day. Hourly gravity repeats to establish drift check loops and monitor tares to minimize repeated data should tare occur.
Location Repeatability	Hourly DGPS repeats on gravity repeat stations. Establish reliability and repeatability of location data
DGPS Locations	RTK 100% RTK used as standard with base station moved to suitable control point at the start of the day. Rapid-Static locations collected during the day if radio signal not sufficient for RTK at certain points. Rapid-Static used rather than relocation of base to new control point as is faster.
Gravity Datum Control	The survey was tied to Leigh Creek Airstrip Terminal AFGN Station



4. EQUIPMENT

Gravity

Maker	Scintrex
Model	CG-5 HT (high temperature)
Serial Numbers	110940800, 110940809, 110940794
Resolution	0.001mGal

Locations

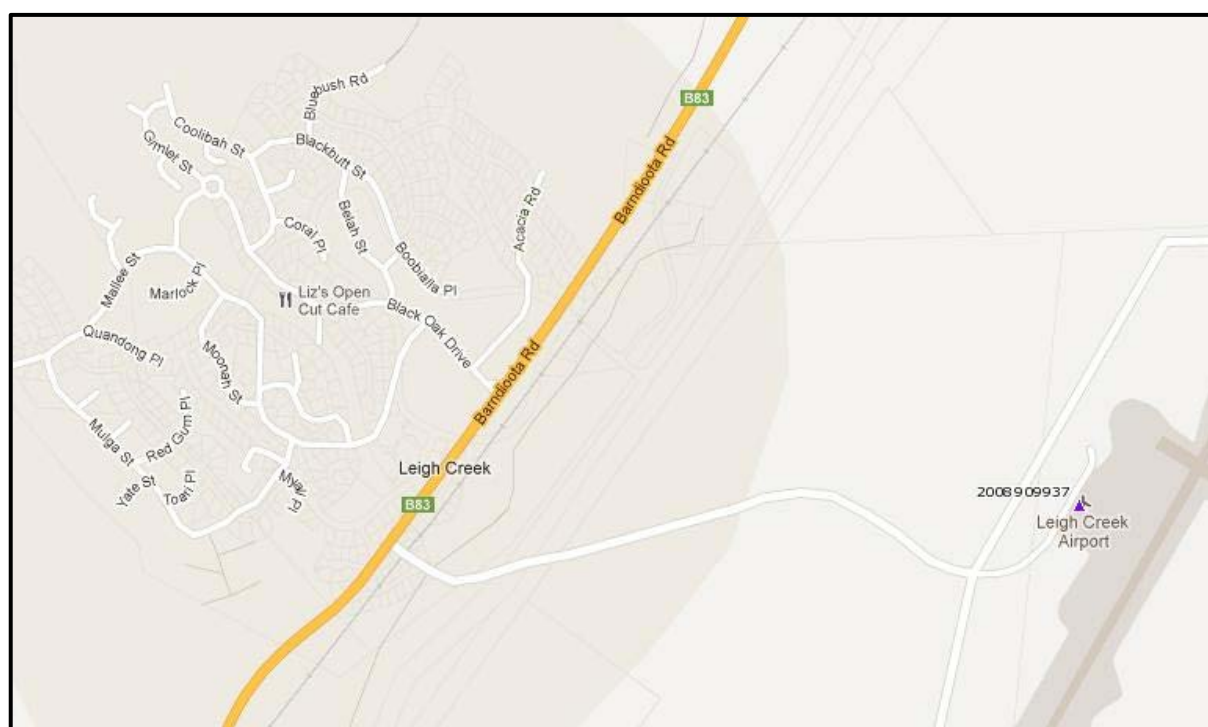
Maker	Sokkia
Model	GSR 2700 IS
Serial Numbers	NZH06330024 (BASE) NZH06330019 (ROVER)
Channels	12 x L1 and 12 x L2 with full code and carrier
Positioning Accuracy	RTK H: 10.0 mm + 1.0 ppm V: 20.0 mm + 1.0 ppm Rapid Static H: 5.0 mm + 1.0 ppm V: 10.0 mm + 1.0 ppm Stand-Alone Position 1.5 m CEP Horizontal
Data Link	Satellite-3AS Epic 10W UHF Radio Modem

5. BASE STATIONS

Prior to beginning the survey, the base station **99901** was established at a convenient location at the project area camp. For gravity leveling and drift correction during the duration of the survey, the first relative gravity reading taken at the Lorna Doone Area **99901** base station was used.

This value was leveled using several ABA loops to the **2008909937 - Leigh Creek Airstrip Terminal AFGN Station** before the field acquisition program was started. All gravity data was re-calculated based on the correction factor obtained from leveling the **99901** to **2008909937**.

Station Number	2008909937
Name	Leigh Creek Airstrip Terminal
GMT Time Zone	+8
Longitude (WGS84)	138° 25' 18.480" E
Latitude (WGS84)	30° 36' 10.080" S
WGS 84 Ellipsoid Height	---
Geodetic System	WGS84
UTM Zone	54S
Geoid	AUSGEOID09
East (UTM Zone 54S WGS84)	252800 mE
North (UTM Zone 54S WGS84)	6612205 mE
Elevation (Geoid)	259.0 m AHD
g_{ABS} (fixed):	979,307,447 mGal
Primary Station	Leigh Creek Airstrip Terminal AFGN Station
Gravimeter	SCINTREX CG-5
Positioning	SOKKIA GNSS GRS2700IS
Notes	Base station established during Lorna Doone Ground Gravity Survey (2012)



Station Number	99901
Name	Lorna Doone Base Station
GMT Time Zone	+8
Longitude (WGS 84)	136° 52' 39.159" E
Latitude (WGS 84)	60° 2' 11.416" S
WGS 84 Ellipsoid Height	---
Geodetic System	WGS84
UTM Zone	54S
Geoid	AUSGEOID09
East	270,369 mS
North	6,661,953 mE
Elevation (Geoid)	---
g_{ABS} (fixed):	979,280.624 mGal
Gravimeter	SCINTREX CG-5
Positioning	SOKKIA GNSS GRS2700IS
Notes	Base station established during Lorna Doone Ground Gravity Survey (2012)



6. DATA STATISTICS

Gravity Repeats

Number of Stations	693
Number of Gravity Repeats	69
Gravity Repeats (%)	9.9%
Repeat Difference Mean	0.0791mGal
Repeat Difference Max	0.2524 mGal
Repeat Difference Min	0.0015 mGal

DGPS Repeats

Number of Stations	58
Number of DGPS Repeats	8.3%
DGPS Repeats (%)	58
Repeat Variation Mean	0.0085 m
Repeat Variation Max	0.09 m
Repeat Variation Min	0.001 m

7. DATA PROCESSING

Processing Software	QCTOOLS
Gravity Reference System	AFGN
Locations Ellipsoid	WGS84
Locations Zone	54S
Elevation Geoid	AUSGEIOD09 Orthometric height calculated automatically in Carlson SurveCE RTK acquisition software. $H_{Orthometric} = H_{Ellipsoid (WGS84)} - N$ where N = the signed difference between WGS84 ellipsoid & AUSGEIOD09 geoid Mean Sea Level value at the observation point
Gravity Tide Correction	Automatic on board CG-5 according to the Longman formula (gravimetric factor = 1. 16)
GMT Time Zone	+8
Drift Corrected Gravity	$g_{dc} = g_{obs} - \text{Drift Rate} \times \text{Elapsed Time}$, where g_{obs} = meter reading levelled to survey base value
Theoretical Gravity	$g_t = 978032.7 (1.0 + 0.0053024 \sin^2(\theta) - 0.0000058 \sin^2(2\theta))$ (mGal) where θ = LATITUDE
Free Air Correction Factor	$FAC = 0.3086h$ (mgal) where h = elevation (m)
Atmospheric Correction	NOT APPLIED
Bouguer Correction Factor	$g_{sc} = 2\pi G \rho h$ (mgal) where G is Newton's gravitational constant = $6.6725985 \times 10^{-11} \text{m}^3 \text{kg}^{-1} \text{s}^{-2}$, ρ is 2.3g/cm^3 , h is the height of the gravity station above reference ellipsoid (km). Density value determined by comparing simple bouguer corrected gravity data using density values from 1.00g/cm^3 – 3.00g/cm^3 and selecting value which produces LEAST CORRELATION to elevation.
Regional Terrain Correction Method	Regional Correction Factor Inner Radius = 120m Outer Radius = 22000m Density = 2.5g/cm^3 (Lorna Doone) and 2.0g/cm^3 (Mt. Bourne) Method = DEM Prism Dataset = GTOPO E100S10
Simple Bouguer Gravity	$g_{sb} = g_{dc} - g_t + FAC - BCF$

8. DATA PRODUCTS

Raw Gravity Data Files	Data Format = ASCII text Name Format = 094 DOONE GGRAV RAW YYMMDD S/N.txt Data Contained = Unedited field data dump from CG-3 and CG-5 gravity meter
Edited Gravity Data Files	Data Format = ASCII text Name Format = 094 DOONE GGRAV EDIT YYMMDD S/N.txt Data Contained = Field gravity data edited for station name errors
Raw DGPS Data Files	Data Format = ASCII text Name Format = 094 DOONE GPS RAW YYMMDD S/N.txt Data Contained = Unedited RTK locations dumped from DGPS data logger
Edit DGPS Data Files	Data Format = ASCII text Name Format = 094 DOONE GPS EDIT YYMMDD S/N.txt Data Contained = Unedited RTK locations dumped from DGPS data logger
Daily Data Acquisition Report	Data Format = Microsoft Word Name Format = 094 GGRAV Daily Data Acquisition Report YYMMDD.docx Data Contained = DC shift Correction of the day, Drift tables, and Notes for data processing for the day and job progress update.
Final Gravity Dataset	Data Format = ASCII text Name Format = 094 DOONE COMPLETE BOUGUER ALL FINAL.xyz Data Contained = Station names, measured and drift corrected gravity, UTM and Lat/Lon locations, elevations, theoretical gravity, free air correction factor, bouguer correction factors, terrain correction factors, simple bouguer.

APPENDIX 2
MOUNT BOURNE PROSPECT
GRAVITY SURVEY LOGISTICS REPORT

ZURICH RESOURCES

MT. BOURNE PROJECT GROUND GRAVITY SURVEY, 2012

LOGISTIC REPORT JOB: 094-GGRAV-AU

**KHUMSUP LTD
NOVEMBER 2012**

9. CLIENT & PROJECT DETAILS

Client	Zurich Resources
Project Name	Mt. Bourne Project
Location	Lyndhurst, SA
Purpose	Mineral Investigation
Agreed Specifications	Ground based gravity survey 250m x 250m and 500m x 500m spacing Gravity Stations 374 stations

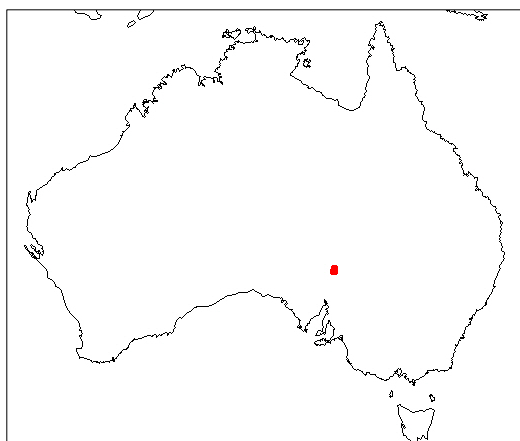


Figure 8. Project location.

10. AGREED DELIVERABLES

- Raw gravity and location data
- Drift calculations
- Simple Bouguer
- Survey will be linked to national gravity grid if it exists and a reference point location can be provided by the client

11. DATA ACQUISITION SUMMARY

Mobilisation Start Date	22 nd September 2012
Acquisition Start Date	22 nd September 2012
Acquisition Completed	4 th October 2012
Number of Stations	374
Number of Gravity Repeats	34
Percentage Repeats	9.1%
Number of DGPS Repeats	28
Percentage DGPS Repeats	7.6%
Gravity Drift Control	Base station 99902 for Mt. Bourne occupation at start and end of acquisition day. Hourly gravity repeats to establish drift check loops and monitor tares to minimize repeated data should tare occur.
Location Repeatability	Hourly DGPS repeats on gravity repeat stations. Establish reliability and repeatability of location data
DGPS Locations	RTK 100% RTK used as standard with base station moved to suitable control point at the start of the day. Rapid-Static locations collected during the day if radio signal not sufficient for RTK at certain points. Rapid-Static used rather than relocation of base to new control point as is faster.
Gravity Datum Control	The survey was tied to Leigh Creek Airstrip Terminal AFGN Station

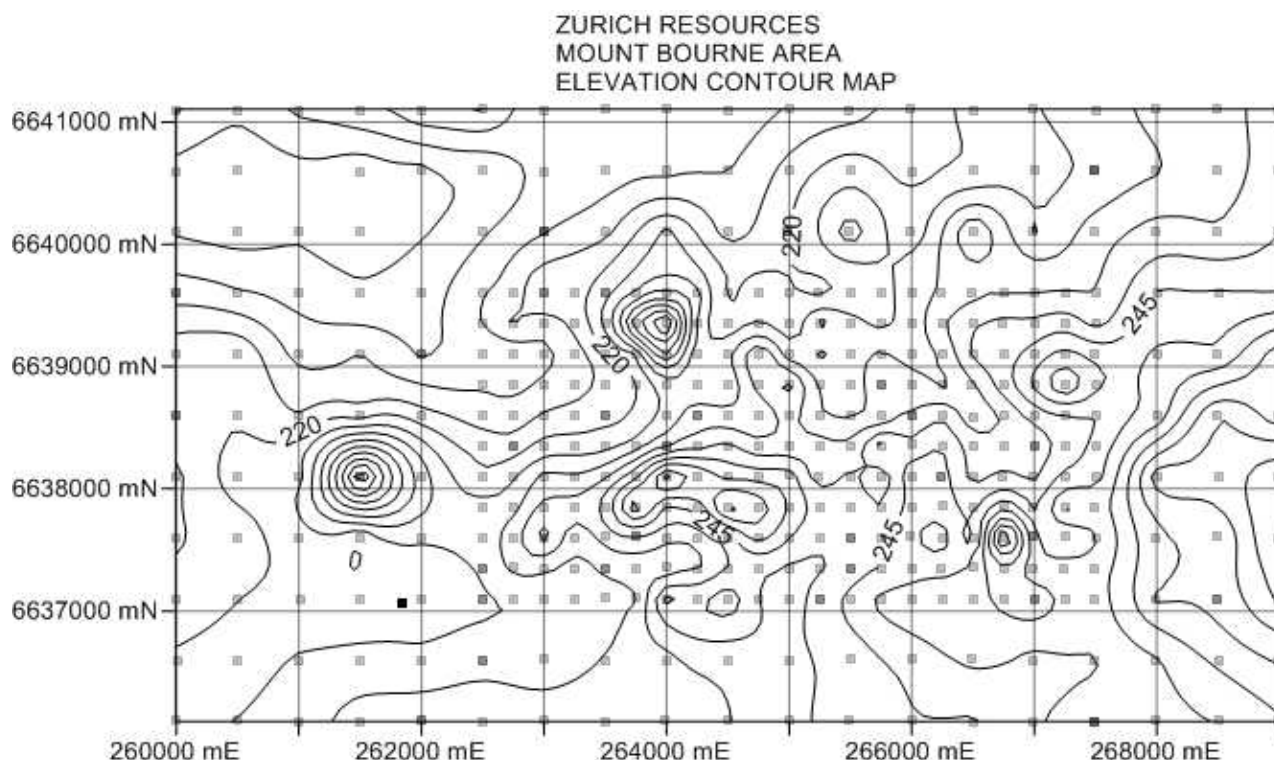


Figure 9. Distribution of M. Bourne gravity stations on elevation contour

12. EQUIPMENT

Gravity

Maker	Scintrex
Model	CG-5 HT (high temperature)
Serial Numbers	110940800, 110940809, 110940794
Resolution	0.001mGal

Locations

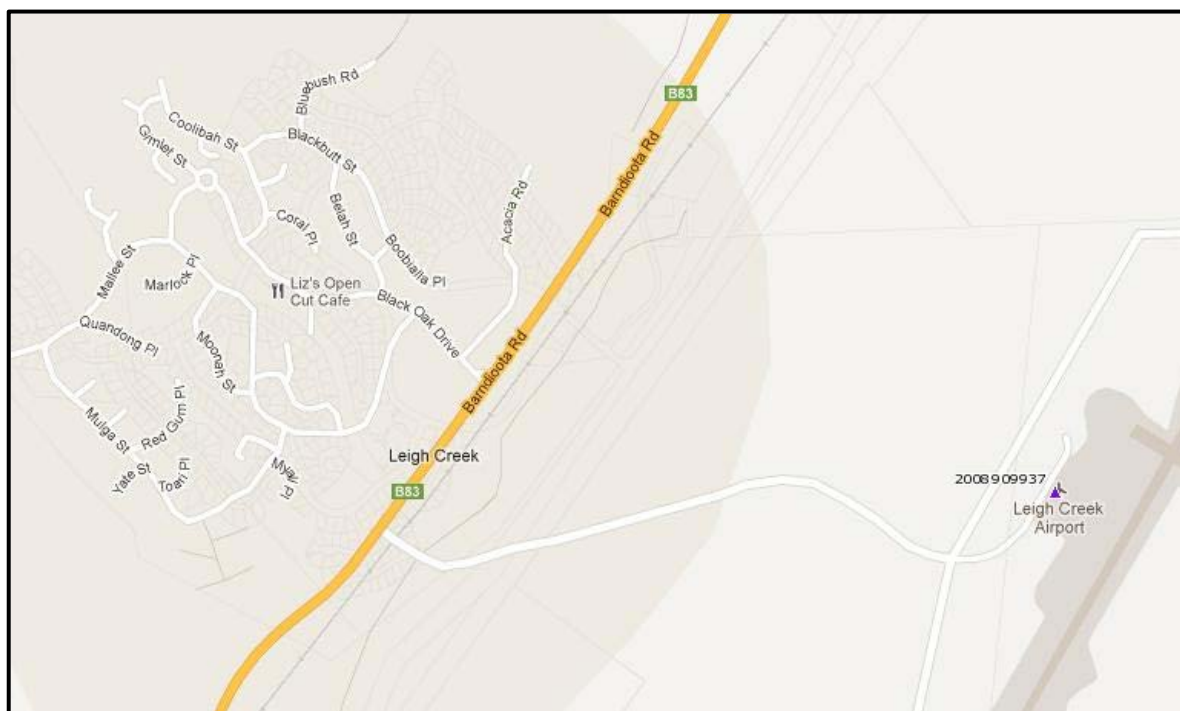
Maker	Sokkia
Model	GSR 2700 IS
Serial Numbers	NZH06330024 (BASE) NZH06330019 (ROVER)
Channels	12 x L1 and 12 x L2 with full code and carrier
Positioning Accuracy	RTK H: 10.0 mm + 1.0 ppm V: 20.0 mm + 1.0 ppm Rapid Static H: 5.0 mm + 1.0 ppm V: 10.0 mm + 1.0 ppm Stand-Alone Position 1.5 m CEP Horizontal
Data Link	Satellite-3AS Epic 10W UHF Radio Modem

13. BASE STATIONS

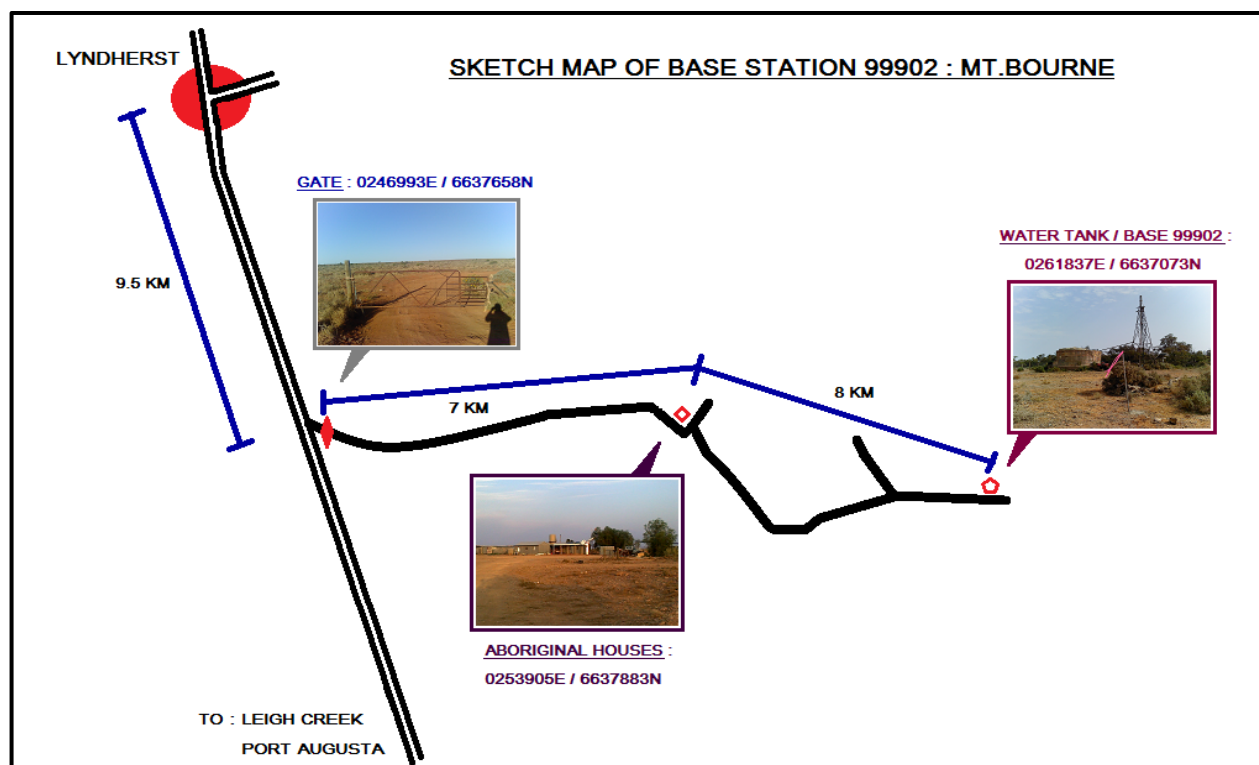
Prior to beginning the survey, the base station **99902** was established at a convenient location at the project area camp. For gravity leveling and drift correction during the duration of the survey, the first relative gravity reading taken at the Mt. Bourne Area **99902** base station was used.

This value was leveled using several ABA loops to the **2008909937 - Leigh Creek Airstrip Terminal AFGN Station** before the field acquisition program was started. All gravity data was re-calculated based on the correction factor obtained from leveling the **99902** to **2008909937**.

Station Number	2008909937
Name	Leigh Creek Airstrip Terminal
GMT Time Zone	+8
Longitude (WGS84)	138° 25' 18.480" E
Latitude (WGS84)	30° 36' 10.080" S
WGS 84 Ellipsoid Height	---
Geodetic System	WGS84
UTM Zone	54S
Geoid	AUSGEIOD09
East (UTM Zone 54S WGS84)	252800 mE
North (UTM Zone 54S WGS84)	6612205 mE
Elevation (Geoid)	259.0 m AHD
g_{ABS} (fixed):	979307.447 mGal
Primary Station	Leigh Creek Airstrip Terminal AFGN Station
Gravimeter	SCINTREX CG-5
Positioning	SOKKIA GNSS GRS2700IS
Notes	Base station established during Lorna Doone Ground Gravity Survey (2012)



Name	Mt. Bourne Base Station
GMT Time Zone	+8
Longitude (WGS 84)	136° 43' 29.502" E
Latitude (WGS 84)	60° 2' 29.019" S
WGS 84 Ellipsoid Height	---
Geodetic System	WGS84
UTM Zone	54S
Geoid	AUSGEOID09
East	261,837 mE
North	6,661,953 mN
Elevation (Geoid)	---
g_{ABS} (fixed):	979289.123000 mGal
Gravimeter	SCINTREX CG-5
Positioning	SOKKIA GNSS GRS2700IS
Notes	Base station established during Lorna Doone Ground Gravity Survey (2012)



14. DATA STATISTICS

Gravity Repeats

Number of Stations	374
Number of Gravity Repeats	34
Gravity Repeats (%)	9.1%
Repeat Difference Mean	0.0791mGal
Repeat Difference Max	0.2524 mGal
Repeat Difference Min	0.0015 mGal

DGPS Repeats

Number of Stations	28
Number of DGPS Repeats	7.6%
DGPS Repeats (%)	28
Repeat Variation Mean	0.0085 m
Repeat Variation Max	0.09 m
Repeat Variation Min	0.001 m

15. DATA PROCESSING

Processing Software	QCTOOLS
Gravity Reference System	AFGN
Locations Ellipsoid	WGS84
Locations Zone	54S
Elevation Geoid	AUSGEOID09 Orthometric height calculated automatically in Carlson SurveCE RTK acquisition software. $H_{Orthometric} = H_{Ellipsoid (WGS84)} - N$ where N = the signed difference between WGS84 ellipsoid & AUSGEOID09 geoid Mean Sea Level value at the observation point
Gravity Tide Correction	Automatic on board CG-5 according to the Longman formula (gravimetric factor = 1. 16)
GMT Time Zone	+8
Drift Corrected Gravity	$g_{dc} = g_{obs} - \text{Drift Rate} \times \text{Elapsed Time}$, where g_{obs} = meter reading levelled to survey base value
Theoretical Gravity	$g_t = 978032.7 (1.0 + 0.0053024 \sin^2(\theta) - 0.0000058 \sin^2(2\theta))$ (mGal) where θ = LATITUDE
Free Air Correction Factor	$FAC = 0.3086h$ (mgal) where h = elevation (m)
Atmospheric Correction	NOT APPLIED
Bouguer Correction Factor	$g_{sc} = 2\pi G\rho h$ (mgal) where G is Newton's gravitational constant = $6.6725985 \times 10^{-11} \text{m}^3 \text{kg}^{-1} \text{s}^{-2}$, ρ is 2.3g/cm^3 , h is the height of the gravity station above reference ellipsoid (km). Density value determined by comparing simple bouguer corrected gravity data using density values from 1.00g/cm^3 – 3.00g/cm^3 and selecting value which produces LEAST CORRELATION to elevation.
Regional Terrain Correction Method	Regional Correction Factor Inner Radius = 120m Outer Radius = 22000m Density = 2.5g/cm^3 (Lorna Doone) and 2.0g/cm^3 (Mt. Bourne) Method = DEM Prism Dataset = GTOPO E100S10
Simple Bouguer Gravity	$g_{sb} = g_{dc} - g_t + FAC - BCF$

16. DATA PRODUCTS

Raw Gravity Data Files	Data Format = ASCII text Name Format = 094 BOURNE GGRAV RAW YYMMDD S/N.txt Data Contained = Unedited field data dump from CG-3 and CG-5 gravity meter
Edited Gravity Data Files	Data Format = ASCII text Name Format = 094 BOURNE GGRAV EDIT YYMMDD S/N.txt Data Contained = Field gravity data edited for station name errors
Raw DGPS Data Files	Data Format = ASCII text Name Format = 094 BOURNE GPS RAW YYMMDD S/N.txt Data Contained = Unedited RTK locations dumped from DGPS data logger
Edit DGPS Data Files	Data Format = ASCII text Name Format = 094 BOURNE GPS EDIT YYMMDD S/N.txt Data Contained = Unedited RTK locations dumped from DGPS data logger
Daily Data Acquisition Report	Data Format = Microsoft Word Name Format = 094 GGRAV Daily Data Acquisition Report YYMMDD.docx Data Contained = DC shift Correction of the day, Drift tables, and Notes for data processing for the day and job progress update.
Final Gravity Dataset	Data Format = ASCII text Name Format = 094 BOURNE COMPLETE BOUGUER ALL FINAL.xyz Data Contained = Station names, measured and drift corrected gravity, UTM and Lat/Lon locations, elevations, theoretical gravity, free air correction factor, bouguer correction factors, terrain correction factors, simple bouguer.

**LYNDHURST PROJECT
SOUTH AUSTRALIA**

**EL 4790 & 4791
2nd ANNUAL TECHNICAL REPORT
19th OCT 2012 – 18TH OCT 2013**

JULIUS CAESAR T. DAGANG
ZURICH RESOURCES PTY LTD
18 DECEMBER 2013

SUMMARY

Downturn in the mining industry and reduction of metal prices required the re-assessment of priorities for exploration activities in the area. No ground exploration was undertaken over the second 12 month period of tenements EL 4790 & 4791 from 19th October 2012 to 18th October 2013. Previously delineated drill targets are quite deep and the poor performance of Phoenix Copper Ltd Leigh Creek Cu oxide deposits reduced confidence in value of oxide deposits in region. Given the economic performance of larger oxide deposits in the region has been poor and the ongoing reduction in commodity prices, a revised work program will be implemented on both tenements which is considered to be more in line with the current industry conditions with the probability of locating sulphide copper+/-gold targets warranting drilling.

INTRODUCTION

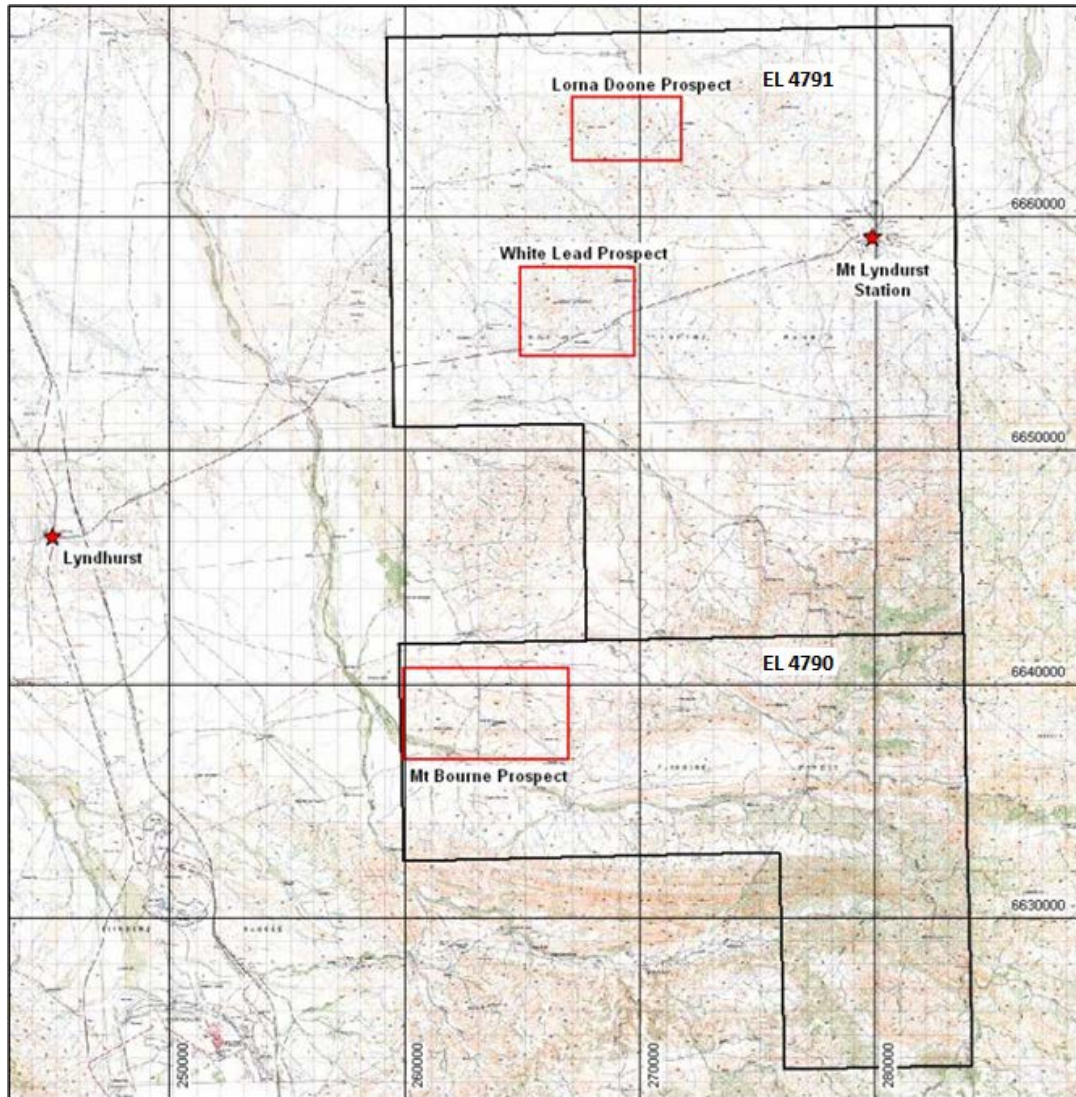
The Mount Lyndhurst Project comprises two exploration licenses located approximately 35km northeast of Leigh Creek in the northern Flinders Ranges. The Mount Lyndhurst license (EL4791) and Mount Lyndhurst South license (EL4790) were both granted on the 19th October 2011 and cover approximately 549km² and 296km² respectively. The tenements were granted for a period of two years with a total spending commitment over that time of \$240,000 for EL4790 and \$340,000 for EL4791.

The licenses are jointly held by Zurich Resources Pty Ltd (50%) ("Zurich") and Syrah Resources Ltd (50%) ("Syrah"). Exploration is solely funded and managed by Zurich as part of an ongoing earn-in agreement whereby Zurich can earn up to 80% of the projects.

Both licenses contain numerous small secondary copper oxide occurrences which were worked in the early 1900's and are considered prospective for intrusive related copper and gold mineralisation.

Work is ongoing from that undertaken during the prior 2 years on expired tenements EL 3522 & 3550.

Previous work has led to focus on 2 main targets for primary copper mineralisation, the Lorna-Doone Prospect in EL 4791 and Mt Bourne Prospect in EL 4790. Both of these prospects contain widespread copper mineralisation over an intrusive complex which has produced localised hydrothermal alteration of hosting sediments and tills.



Lyndhurst Project exploration tenement and prospect locations

The following report details the exploration work undertaken to date by Zurich Resources P/L.

LOORNA DOONE PROSPECT

Summary of Previous Work

The Lorna-Doone Prospect surrounds a small mining license where a low grade copper oxide resource, related to localised secondary deposition from primary qtz-sulphide veining, containing approximately 20,000t Cu metal has been delineated since the 1970's. This deposit has never been exploited to any meaningful degree.

Copper is anomalous in soils along structural trends sporadically up to several kilometres from the Lorna Doone deposit.

The mineralisation is situated above an intrusive complex and the hosting sediments have undergone intense hydrothermal alteration in places.

Soil geochemistry, mapping, ground magnetics and IP/Resistivity programs have been undertaken over the target intrusive complex and some interesting, deep, primary copper targets have been delineated.

Prior to drill testing these deep targets, it was determined that it would be prudent to conduct a ground based gravity survey to encompass the known targets plus other magnetic features in the immediately surrounding area. An area of approximately 40km² was covered by ground based gravity survey utilising high resolution Scintrex CG-5 gravity meters with station elevation and locations collected using RTK DGPS.

Data was collected on a 250m x 250m grid with the aim of assessing regional magnetic features in addition to investigating the density characteristics of known IP/Resistivity targets and localised intrusive bodies inferred from airborne magnetic data.

Interestingly the gravity survey maps an area of significantly lower density in the zone containing intrusives and IP/Resistivity anomalies. The reason for this is unknown, it may be simply mapping lower density rocks in the core of the anticline, possibly tillites, or perhaps due to presence of significant hydrothermal clays and highly fractionated intrusives at depth. No ground checking or drilling has yet been carried out to check the source of anomalies.

MOUNT BOURNE PROSPECT

Summary of Previous Work

Mount Bourne is geologically very similar to the Lorna Doone Prospect area. It contains numerous small historic copper workings, the most significant of which is the Federal Mine which was last worked in the 1960's.

CRAE undertook detailed exploration including some 8 IP/Resistivity lines and 10 RC and DD holes in the mid-1990's with no significant copper mineralised drill intercepts apart from some short intervals directly below the Federal Mine mineralisation.

An area of approximately 45km² was covered by 250m x 250m and 500m x 500m gravity observations. The higher density survey was focussed on the higher priority central part of the anticline containing most of the historic copper workings.

Interestingly, the gravity data at Mt Bourne is very similar in nature to that of Lorna Doone. There is a strong low zone elongate E-W. All the historic workings and previous drilling by CRAE occur within the low zone.

The significance of gravity data on this prospect will not be known until detailed follow-up and compilation of historic data can be completed.

LYNDHURST PROJECT ONGOING WORK

Project geologist has now been hired and will be relocating to SA to supervise ongoing exploration on this project. Geophysical coverage on both tenements using IP and gravity survey is extended to try and locate less expensive drill targets. Oxide mineralisation does not appear to be an important target given results of Leigh Creek project of Phoenix Copper, unless very high grade resources can be identified. Consequently, additional regional work, field follow-up and re-appraisal of historic data is required to continue the search for sulphide Cu targets.

The proposed work program will be done to focus on generating, and hopefully testing, drill targets by the 2nd term of 2013-2015. An initial drilling work program will be organized with the aim of assessing potential of previously identified and additional delineated sulphide targets. If significant mineralization is confirmed, follow-up definition drilling will then be carried out.

EXPENDITURE

Exploration expenditure for the Lyndhurst Project to date;

ADMINISTRATION	\$ -
DRILLING	\$ -
FIELD AND TRANSPORT	\$ 11,118.08
GEOCHEM	\$ -
GEOPHYSICS	\$ 43,695.00
OFFICE AND MISCELLANEOUS	\$ -
PERSONNEL	\$ 49,778.69
TRAVEL AND ACCOMODATION	\$ 3,600.54
TOTAL	\$ 108,192.31

Expenditures by tenement; 36,278.69

Expenditure EL4790

ADMINISTRATION	\$ -
DRILLING	\$ -
FIELD AND TRANSPORT	\$ -
GEOCHEM	\$ -
GEOPHYSICS	\$ -
OFFICE AND MISCELLANEOUS	\$ -
PERSONNEL	\$ 18,139.35
TRAVEL AND ACCOMODATION	\$ -
TOTAL	\$ 50,123.35

Expenditure EL4791

ADMINISTRATION	\$ -
DRILLING	\$ -
FIELD AND TRANSPORT	\$ -
GEOCHEM	\$ -
GEOPHYSICS	\$ -
OFFICE AND MISCELLANEOUS	\$ -
PERSONNEL	\$ 18,139.35
TRAVEL AND ACCOMODATION	\$ -
TOTAL	\$ 58,068.35

**LYNDHURST PROJECT
SOUTH AUSTRALIA**

**EL 4790 & 4791
3rd ANNUAL TECHNICAL REPORT
19th OCT 2013 – 18TH OCT 2014**

IAN CAMERON

ZURICH RESOURCES PTY LTD

18 DECEMBER 2014

SUMMARY

Downturn in the mining industry and reduction of metal prices required the re-assessment of priorities for exploration activities on the Lyndhurst Project. Previously delineated drill targets are quite deep and the poor performance of Phoenix Copper Ltd Leigh Creek Cu oxide deposits reduced confidence in value of oxide deposits in region. Given these factors, a revised work program was implemented on both tenements which was considered to be more in line with the current industry conditions and with the probability of locating sulphide copper+/-gold targets justifying drilling. Two ground geophysical programs were undertaken during the period 19th October 2013 to 18th October 2014 on ELs 4790 & 4791.

INTRODUCTION

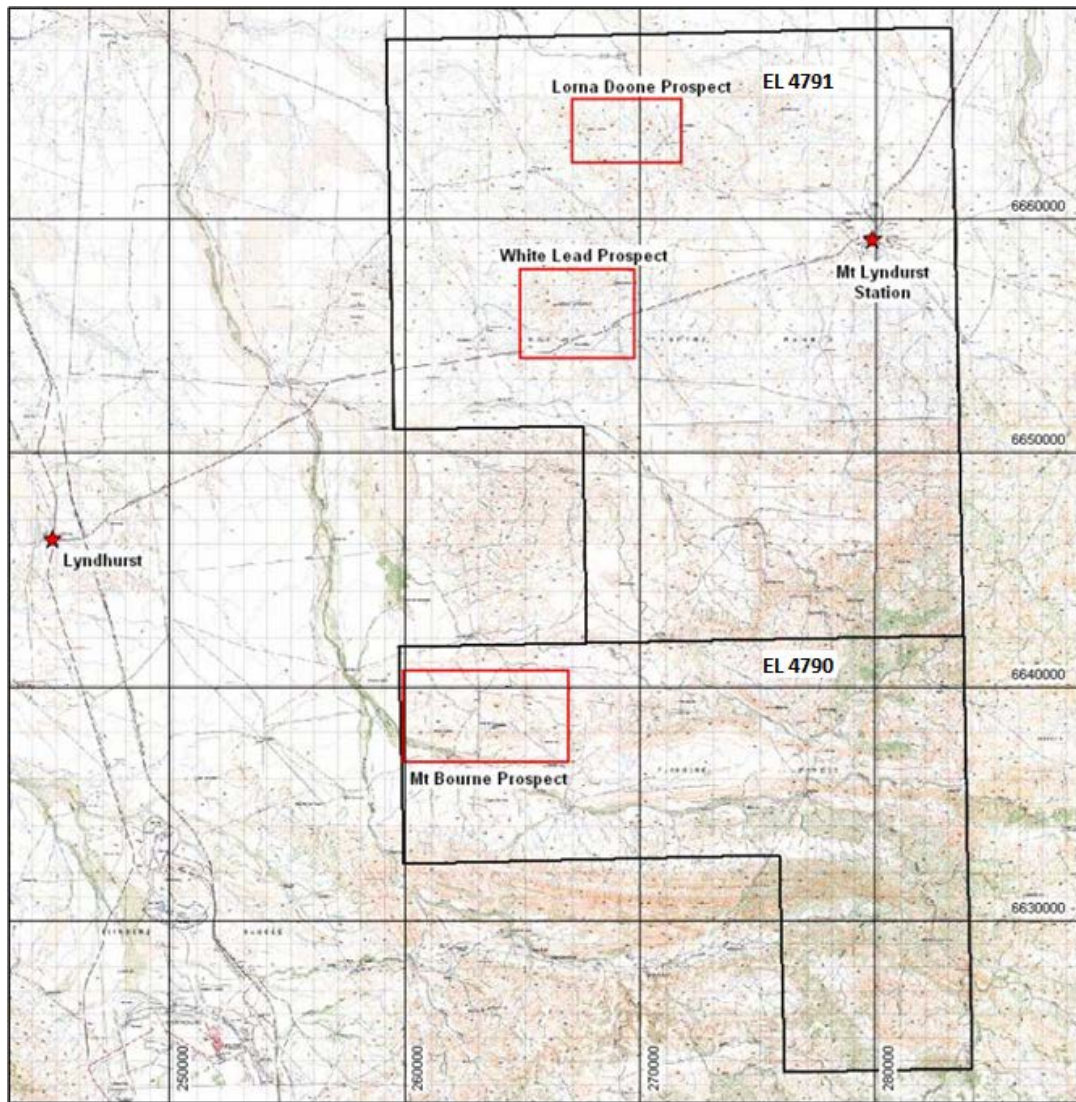
The Mount Lyndhurst Project comprises two exploration licenses located approximately 35km northeast of Leigh Creek in the northern Flinders Ranges. The Mount Lyndhurst license (EL4791) and Mount Lyndhurst South license (EL4790) were both granted on the 19th October 2011 and cover approximately 549km² and 296km² respectively. The tenements were granted for a period of two years with a total spending commitment over that time of \$240,000 for EL4790 and \$340,000 for EL4791.

The licenses are jointly held by Zurich Resources Pty Ltd (50%) ("Zurich") and Syrah Resources Ltd (50%) ("Syrah"). Exploration is solely funded and managed by Zurich as part of an ongoing earn-in agreement whereby Zurich can earn up to 80% of the projects.

Both licenses contain numerous small secondary copper oxide occurrences which were worked in the early 1900's and are considered prospective for intrusive related copper and gold mineralisation.

Work is ongoing from that undertaken during the prior 2 years on expired tenements EL 3522 & 3550.

Previous work has led to focus on 2 main targets for primary copper mineralisation, the Lorna-Doone Prospect in EL 4791 and Mt Bourne Prospect in EL 4790. Both of these prospects contain widespread copper mineralisation over an intrusive complex which has produced localised hydrothermal alteration of hosting sediments and tills.



Lyndhurst Project exploration tenement and prospect locations

The following report details the exploration work undertaken to date by Zurich Resources P/L.

LOORNA DOONE PROSPECT

Summary of Previous Work

The Lorna-Doone Prospect surrounds a small mining license where a low grade copper oxide resource, related to localised secondary deposition from primary qtz-sulphide veining, containing approximately 20,000t Cu metal has been delineated since the 1970's. This deposit has never been exploited to any meaningful degree.

Copper is anomalous in soils along structural trends sporadically up to several kilometres from the Lorna Doone deposit.

The mineralisation is situated above an intrusive complex and the hosting sediments have undergone intense hydrothermal alteration in places.

Soil geochemistry, mapping, ground magnetics and IP/Resistivity programs have been undertaken over the target intrusive complex and some interesting, deep, primary copper targets have been delineated.

Prior to drill testing these deep targets, it was determined that it would be prudent to conduct a ground based gravity survey to encompass the known targets plus other magnetic features in the immediately surrounding area. An area of approximately 40km² was covered by ground based gravity survey utilising high resolution Scintrex CG-5 gravity meters with station elevation and locations collected using RTK DGPS.

Data was collected on a 250m x 250m grid with the aim of assessing regional magnetic features in addition to investigating the density characteristics of known IP/Resistivity targets and localised intrusive bodies inferred from airborne magnetic data.

Interestingly the gravity survey maps an area of significantly lower density in the zone containing intrusives and IP/Resistivity anomalies. The reason for this is unknown, it may be simply mapping lower density rocks in the core of the anticline, possibly tillites, or perhaps due to presence of significant hydrothermal clays and highly fractionated intrusives at depth. No ground checking or drilling has yet been carried out to check the source of anomalies.

During the period a gradient array IP/Resistivity survey was started with the aim of covering the entire area of known mineralisation, alteration and geochemical and gravity anomalies. This broad scale (400m x 100m) program was designed to identify significant sulphide alteration/mineralisation at depth within a broad dataset for background comparison. Due to the ongoing slump in exploration funding, this program was suspended soon after it began and did not progress to the main areas of interest, in the end covering only a total of approximately 9.5km² of the planned 34km².

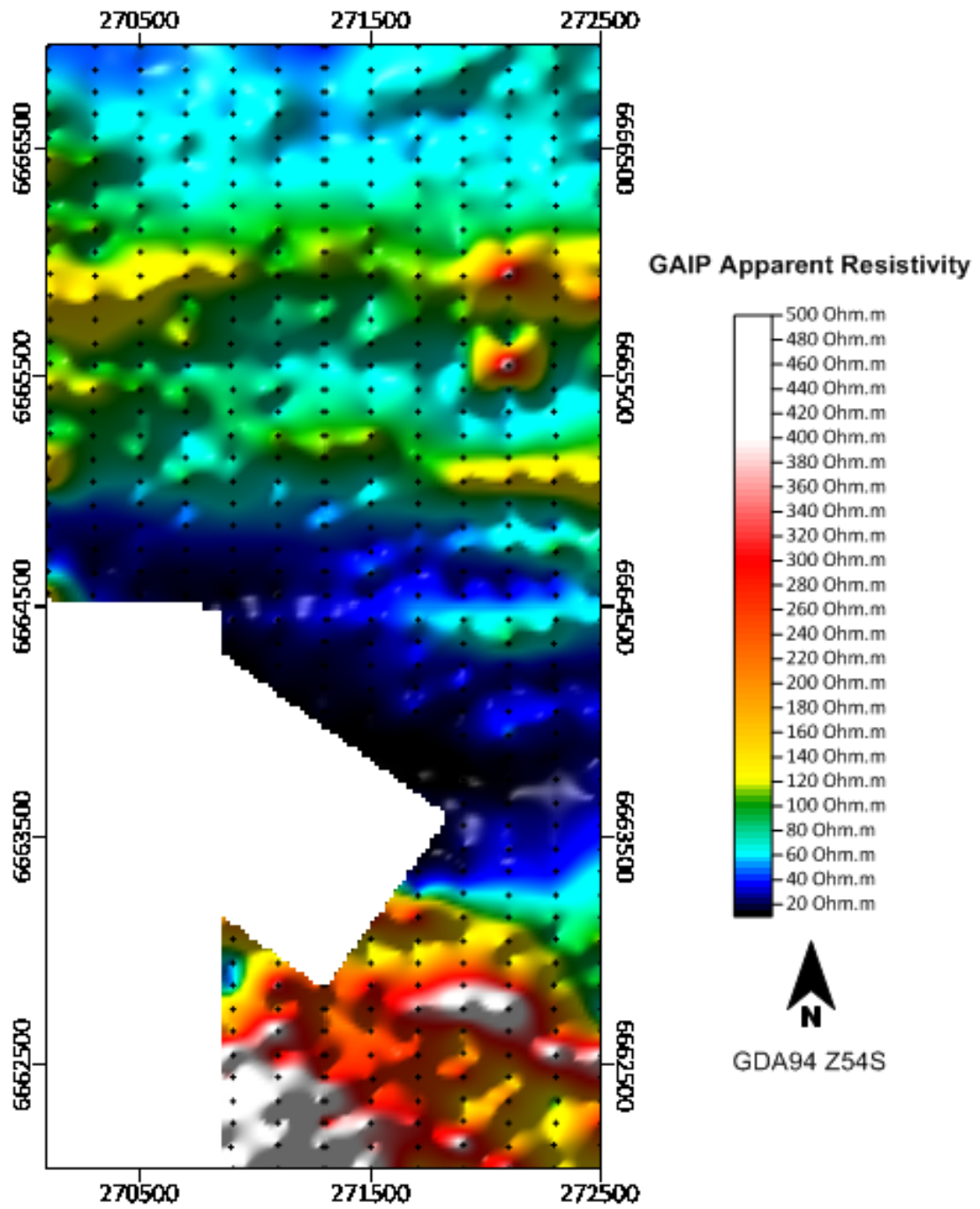


Figure 1:GAIP Apparent Resistivity

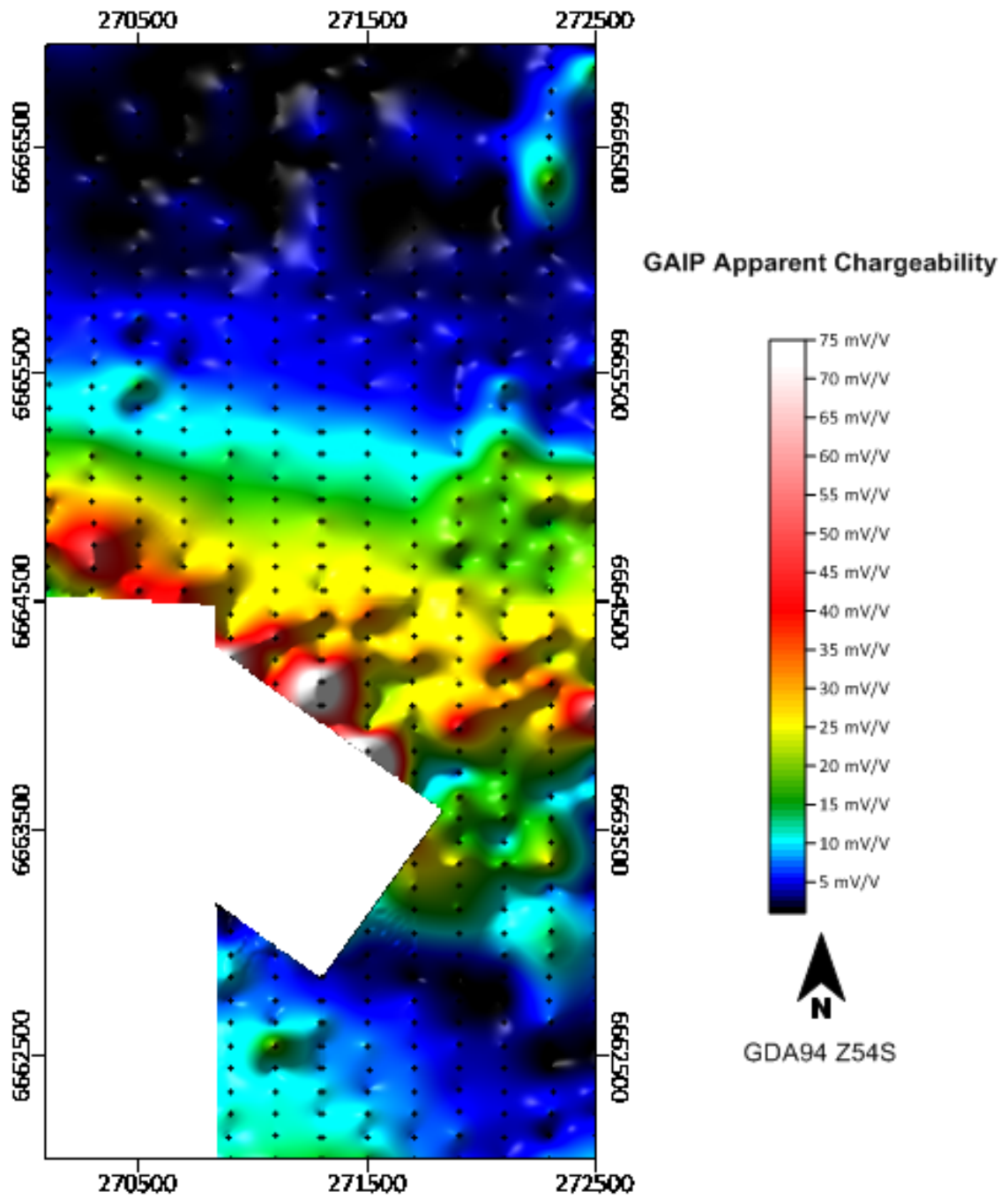


Figure 2: GAIP Apparent Chargeability

MOUNT BOURNE PROSPECT**Summary of Previous Work**

Mount Bourne is geologically very similar to the Lorna Doone Prospect area. It contains numerous small historic copper workings, the most significant of which is the Federal Mine which was last worked in the 1960's.

CRAE undertook detailed exploration including some 8 IP/Resistivity lines and 10 RC and DD holes in the mid-1990's with no significant copper mineralised drill intercepts apart from some short intervals directly below the Federal Mine mineralisation.

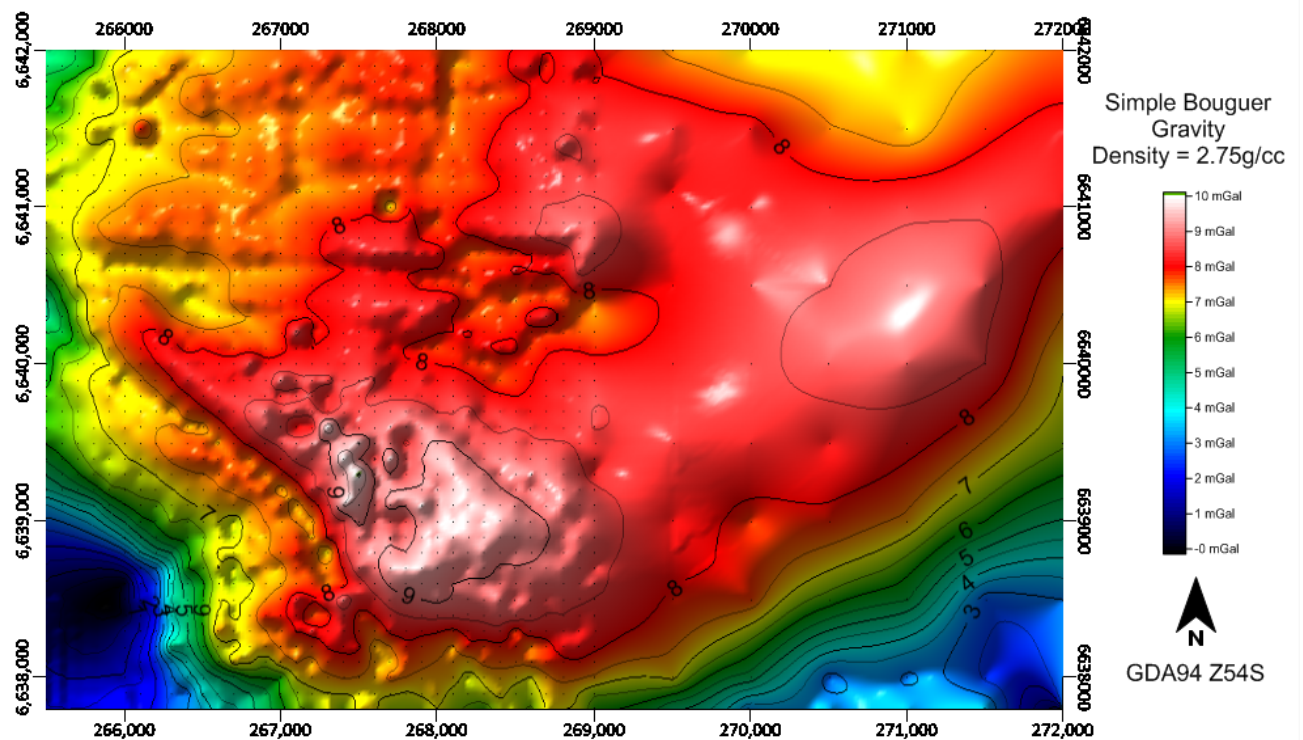
An area of approximately 45km² was covered by 250m x 250m and 500m x 500m gravity observations. The higher density survey was focussed on the higher priority central part of the anticline containing most of the historic copper workings.

Interestingly, the gravity data at Mt Bourne is very similar in nature to that of Lorna Doone. There is a strong low zone elongate E-W. All the historic workings and previous drilling by CRAE occur within the low zone.

The significance of gravity data on this prospect will not be known until detailed follow-up and compilation of historic data can be completed.

During the period, more detailed gravity coverage was started but only partially completed due to financial restrictions. Approximately 1,500 stations were surveyed covering 26.5 km² between Mt Bourne and Pauls Consolidated historic copper workings.

Results clearly define sedimentary units and faulting within them, but the survey was cancelled before coverage could extend across to inferred intrusive related targets.



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LYNDHURST PROJECT ONGOING WORK

Due to severe downturn in the exploration industry and the ability which that has on raising exploration funds, it is unlikely that any further work will be undertaken on these properties during the remainder of their term.

EXPENDITURE

Exploration expenditure for the Lyndhurst Project to date;

EL4790 \$167,854

EL4791 \$143,781

For the Period **EL4790**

Group	Item	Detail	Cost
Management	Tenement mgt and reporting		\$
	Statutory fees		\$ 5,866
Logistics	Food, accommodation and travel		\$ 8,959
	Vehicle costs		\$
	Salaries	Employees	\$ 16,986
		Consultants and contractors	\$
	Insurance	(pro-rata across all projects)	\$
Geological	Data review		\$
	Mapping	Geological, structural, etc	\$
	Geochemistry	Rock chip sampling	\$
		Soil/calcrete sampling	\$
		Biogeochemistry	\$
		Other:	\$
	Geophysics (Where applicable, please indicate if conducted by air or ground)	Magnetic (air/ground)	\$
		Radiometric (air/ground)	\$
		Gravity (air/ground)	\$ 104,059
		Electromagnetic (air/ground)	\$
		Induced polarisation (air/ground)	\$
		Magnetotelluric (air/ground)	\$
		Seismic	\$
		Other:	\$
	Drilling	Auger	\$
		RAB	\$
		Air core	\$
		Sonic	\$
		Rotary mud	\$
		RC	\$
		Diamond	\$
		Other:	\$
	Remote sensing	Landsat	\$
		ASTER/multispectral	\$
		Aerial photography and DTM	\$
		Other:	\$
	Technical studies	Hydrogeology	\$
		Geotechnical	\$
		Petrology	\$

ZURICH RESOURCES PTY LTD

	Survey	Downhole (gyro/density/etc.)	\$
		Surface locations	\$
	Other	Trench/costean	\$
		Site preparation	\$
		Rehabilitation	\$
		Sample assays	\$
Land access	Native title negotiations		\$
	Aboriginal heritage survey		\$
	Environmental survey		\$
	Landowner negotiations		\$
	Compensation payments		\$
Project studies and research	Project development studies	Scoping study	\$
		Prefeasibility study	\$
		Feasibility study	\$
	University research project		\$
Other	(Please justify below)	Item:	\$
		Item:	\$
Subtotal			\$ 135,870
Administration		10% of subtotal	\$
Total			\$ 135,870

For the Period **EL4791**

Group	Item	Detail	Cost
Management	Tenement mgt and reporting		\$
	Statutory fees		\$ 5,866
Logistics	Food, accommodation and travel		\$ 6,000
	Vehicle costs		\$
	Salaries	Employees	\$ 16,986
		Consultants and contractors	\$
	Insurance	(pro-rata across all projects)	\$
Geological	Data review		\$
	Mapping	Geological, structural, etc	\$
	Geochemistry	Rock chip sampling	\$
		Soil/calcrete sampling	\$
		Biogeochemistry	\$
		Other:	\$
	Geophysics (Where applicable, please indicate if conducted by air or ground)	Magnetic (air/ground)	\$
		Radiometric (air/ground)	\$
		Gravity (air/ground)	\$
		Electromagnetic (air/ground)	\$
		Induced polarisation (air/ground)	\$ 75,000
		Magnetotelluric (air/ground)	\$
		Seismic	\$
		Other:	\$
	Drilling	Auger	\$
		RAB	\$
		Air core	\$
		Sonic	\$
		Rotary mud	\$
		RC	\$
		Diamond	\$
		Other:	\$
	Remote sensing	Landsat	\$
		ASTER/multispectral	\$
		Aerial photography and DTM	\$
		Other:	\$
	Technical studies	Hydrogeology	\$
		Geotechnical	\$
		Petrology	\$

ZURICH RESOURCES PTY LTD

	Survey	Downhole (gyro/density/etc.)	\$
		Surface locations	\$
	Other	Trench/costean	\$
		Site preparation	\$
		Rehabilitation	\$
		Sample assays	\$
Land access	Native title negotiations		\$
	Aboriginal heritage survey		\$
	Environmental survey		\$
	Landowner negotiations		\$
	Compensation payments		\$
Project studies and research	Project development studies	Scoping study	\$
		Prefeasibility study	\$
		Feasibility study	\$
	University research project		\$
Other	(Please justify below)	Item:	\$
		Item:	\$
Subtotal			\$ 103,852
Administration		10% of subtotal	\$
Total			\$ 103,852

LOGISTICS SUMMARY REPORT

JOB: 129-GAIP-AU

**ZURICH RESOURCES PTY LTD
LYNDHURST PROJECT
SOUTH AUSTRALIA**

**GRADIENT ARRAY IP/RESISTIVITY
SURVEY
NOVEMBER - DECEMBER 2013**

**KHUMSUP PTY LTD
DECEMBER 2013**

1. CLIENT & PROJECT DETAILS

Client	Zurich Resources Pty Ltd
Project Name	Lyndhurst – Mt Bourne
Location	South Australia
Purpose	Mineral exploration.
Agreed Specifications	DDIP – dipole-dipole IP/Resistivity • 100m Rx dipole spacing • 200m spaced N-S lines • 5km Tx dipole spacing • 2.5km N-S Rx lines • 2.5km x 2.5km x 6 arrays

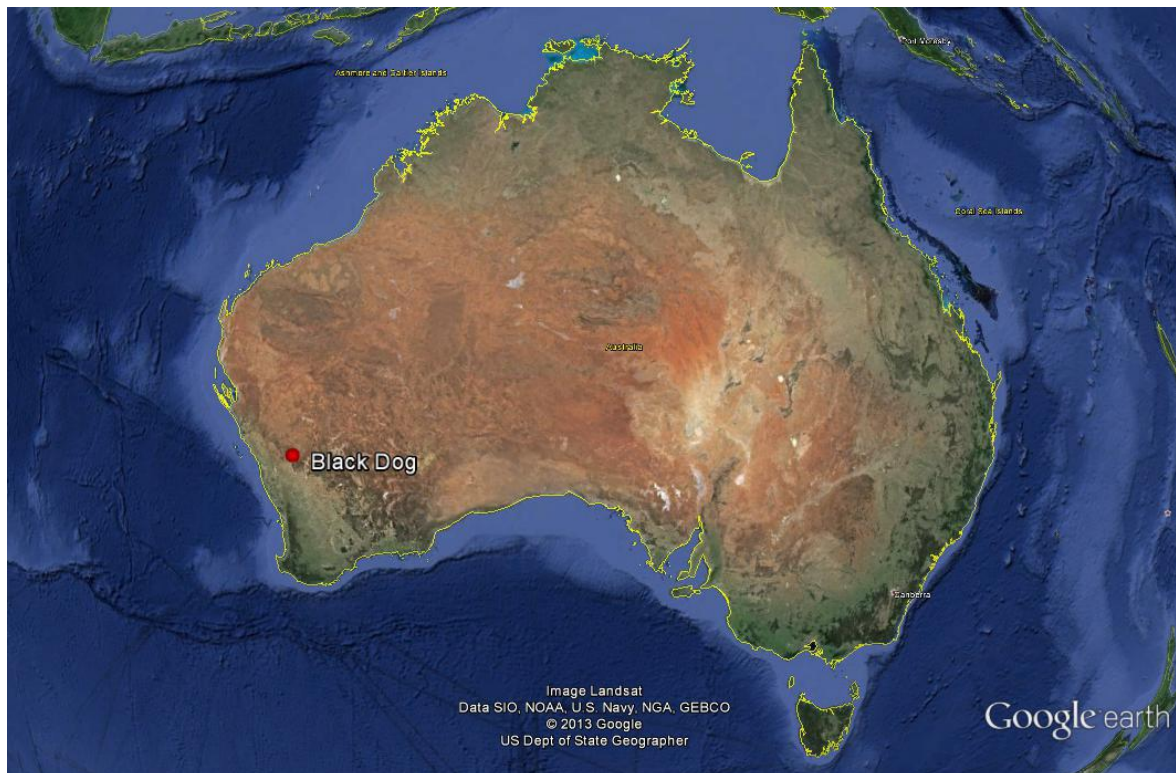


Figure 1: Project Location

2. AGREED DELIVERABLES

- Raw Induced Polarisation and Location data
- QC and located IP/Res data
- Logistics summary report

3. DATA ACQUISITION SUMMARY

Mobilisation Start Date	1 st November 2013
Acquisition Start Date	09 th November 2013
Acquisition Completed	12 th December 2013
Area Position	Easting : 270100 – 272500 Northing : 6662000 – 6667000
Coordinate System	GDA94 UTM Z54S
Work Completed	GAIP 571 Stations, 11.5km ²

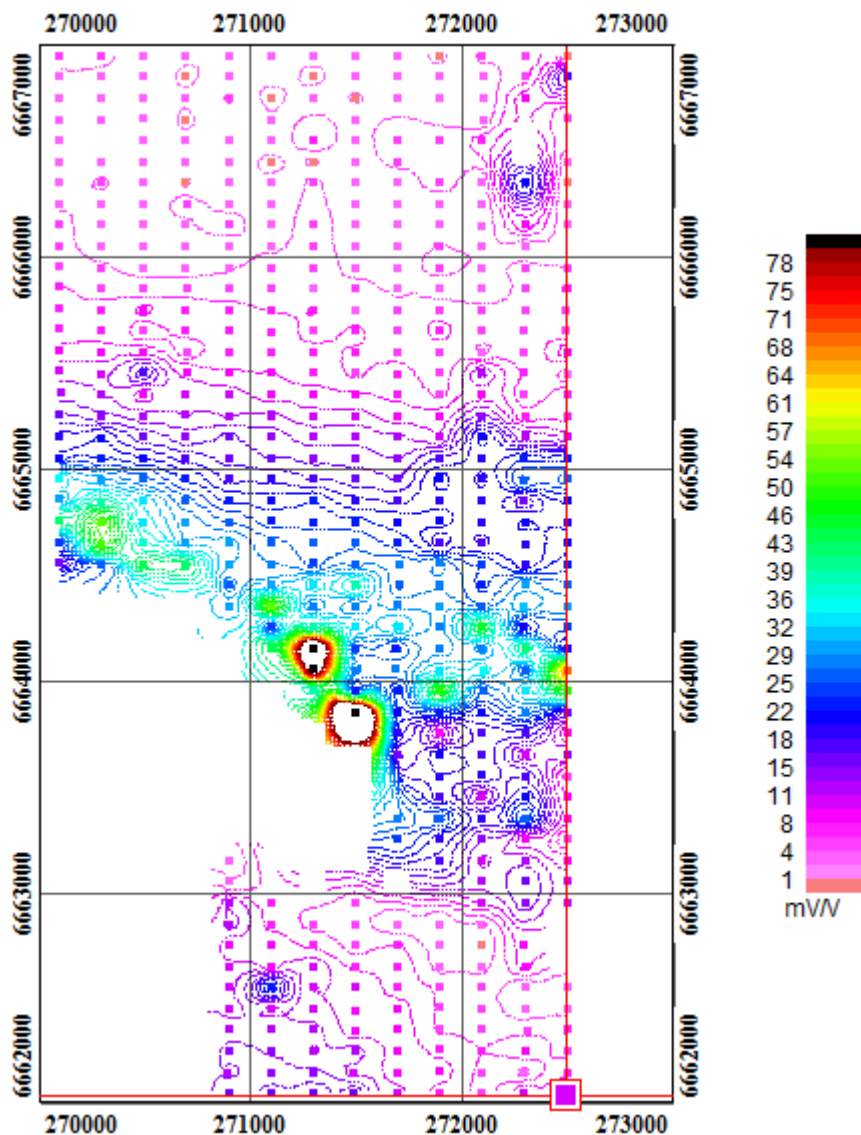


Figure 2: GAIP Data Locations on Mx (750-1700mS)

4. EQUIPMENT

DDIP Survey Equipment:

Transmitter

Model	GDD TX II
Serial Number	341
Max Output	2400V or 10Amps
Electrode	Al-Foil
Resolution	1mA on output current display
Waveform	Bipolar square wave with 50% duty cycle
Pulse duration	2 seconds

Receiver

Model	GDD 16 channel
Serial Number	1024

Voltage Measurement	Resolution 1 μ V
Chargeability Measurement	Resolution 1 μ V
Location	
Model	GPS Garmin, 12 channel

5. QUALITY CONTROL

Before Survey

Transmitter and motor generator checked for leakage
Transmitter current display checked against actual output
All Rx channels tested against electronically generated input signal
All electrodes sequentially disconnected to check cable and Rx input wiring paths

During Data Acquisition

Signal strength and S:N levels monitored
Dynamic stacking to desired quality
Multiple repeats

Post Acquisition

Locations checked against plans
Automated lower signal strength threshold data removal ($V_p < 5\text{mV}\pm$)
Automated –ve chargeability rejection
Apparent resistivity upper and lower threshold rejection (accept 30 – 2000 Ohm.m)
Manual chargeability and apparent resistivity outlier rejection
Sp and contact resistance mapping
Manual rejection of spurious chargeability and apparent resistivity repeats
Manual rejection of data from 2 of 3 Rx dipoles based on; • Highest abs V_p value • Stable Mx repeats (Vs decays) • Stable Res repeats • Preferably +ve V_p (though not essential) • +ve to Sp Vs decay

6. PROCESSING

DDIP:

QC and Processing Software	• TQIPdb • RES2DINV
QC	• Manual QC of decays in TQIPdb • Export final QC data as single averaged decay to Geosoft/AMIRA .dat ASCII file • Identify outliers and locational problems in colored grids post plots of data
Locations	• Update GPS locations in TQIP by import of Line/Station/East/North/Elevation .csv file • Export actual UTM locations in TQIP .dat output file
Inversion	• 2D or 3D inversion of apparent chargeability and resistivities in Res2DInv / Res3DInv • Output ASCII XYZ format

7. DATA FILES

DDIP:

Raw IP Data Files	Data Format = ASCII text Name Format = YYMMDD_DATA_129_1036.gdd Data Contained = Unedited raw data output from GDD Rx
Edited IP Data Files	Data Format = ASCII text Name Format = N/A Data Contained = Field IP data edited for station, line name errors.
GPS Data Files	Data Format = ASCII text Name Format = 129 EXPLN LD GAIP Points YYMMDD.csv Data Contained = Transferred GPS data from Garmin matching Line and Station identifiers
Final Data files	Data Format = ASCII text Name Format = 129 GAIP AU QC Mx750-1700mS.dat 129 GAIP AU RAW Mx750-1700mS.dat Data Contained = processed data file with UTM locations, in Geosoft/AMIRA format
Daily Reports	Data Format = PDF Name Format= 136 DDIP-AU DAILY SUMMARY REPORT YYMMDD.pdf Data Contained = Summary of time allocation, work completed and data processing for

LOGISTICS SUMMARY REPORT

JOB: 129-GGRAV-AU

**ZURICH RESOURCES PTY LTD
LYNDHURST PROJECT
SOUTH AUSTRALIA**

**GROUND GRAVITY
SURVEY
NOVEMBER - DECEMBER 2013**

**KHUMSUP PTY LTD
DECEMBER 2013**

1. CLIENT & PROJECT DETAILS

Client	Zurich Resources
Project Name	Lyndhurst Project – Mt Bourne
Location	Copley, South Australia
Purpose	Mineral Investigation
Agreed Specifications	Ground based gravity survey 100m x 100m spacing 3.5km x 4.0km 500m x 500m spacing 3.0km x 4.0km

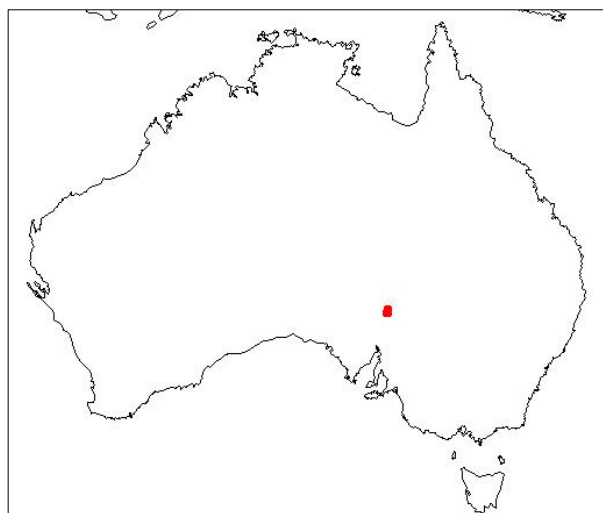


Figure 1. Project location.

2. AGREED DELIVERABLES

- Raw gravity and location data
- Drift calculations
- Simple Bouguer
- Survey will be linked to national gravity grid if it exists and a reference point location can be provided by the client

3. DATA ACQUISITION SUMMARY

Mobilisation Start Date	14th November 2013
Acquisition Start Date	15 th November 2013
Acquisition Completed	08 th December 2013
Number of Stations	1500
Number of Gravity Repeats	96
Percentage Repeats	6.4%
Number of DGPS Repeats	64
Percentage DGPS Repeats	4.2%
Gravity Drift Control	Base station 99902 occupation at start and end of acquisition day. Two hourly gravity repeats to establish drift check loops and monitor tares to minimize repeated data should tare occur.
Location Repeatability	Two hourly DGPS repeats on gravity repeat stations. Establish reliability and repeatability of location data
DGPS Locations	RTK 100% RTK used as standard with base station moved to suitable control point at the start of the day. Rapid-Static locations collected during the day if radio signal not

sufficient for RTK at certain points and if will be faster than relocation of base to new control point.

Gravity Datum Control

The survey was tied to Leigh Creek Airstrip Terminal AFGN Station

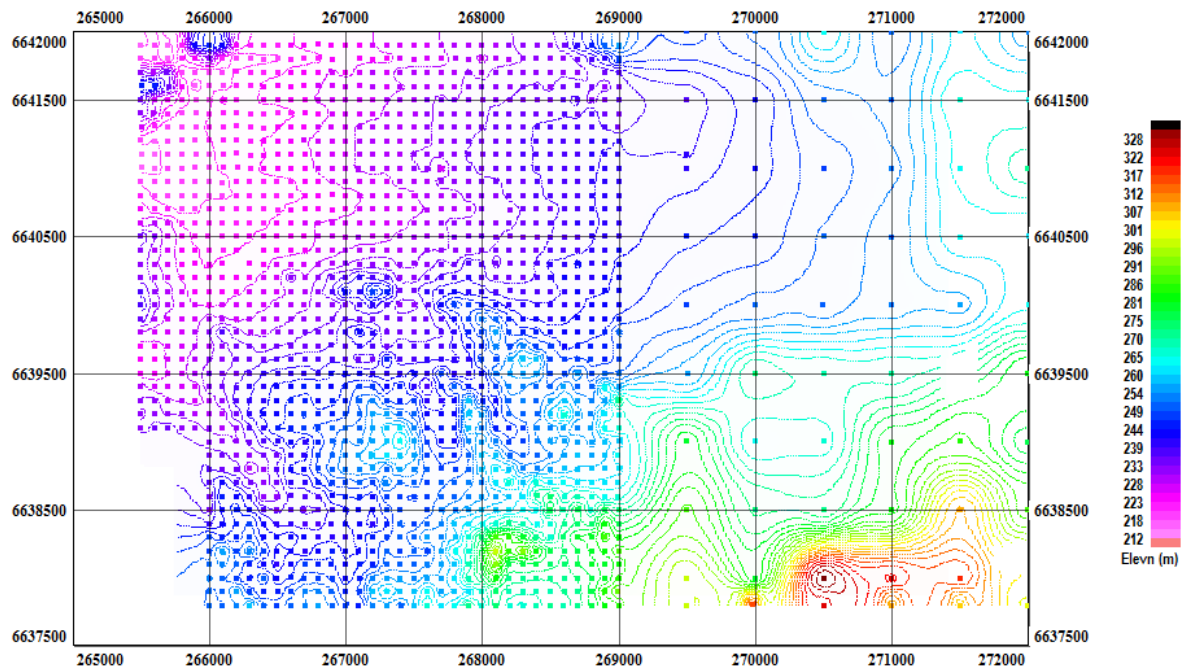


Figure 2. Gravity stations coloured by Elevation ASL (m) over Elevation contours

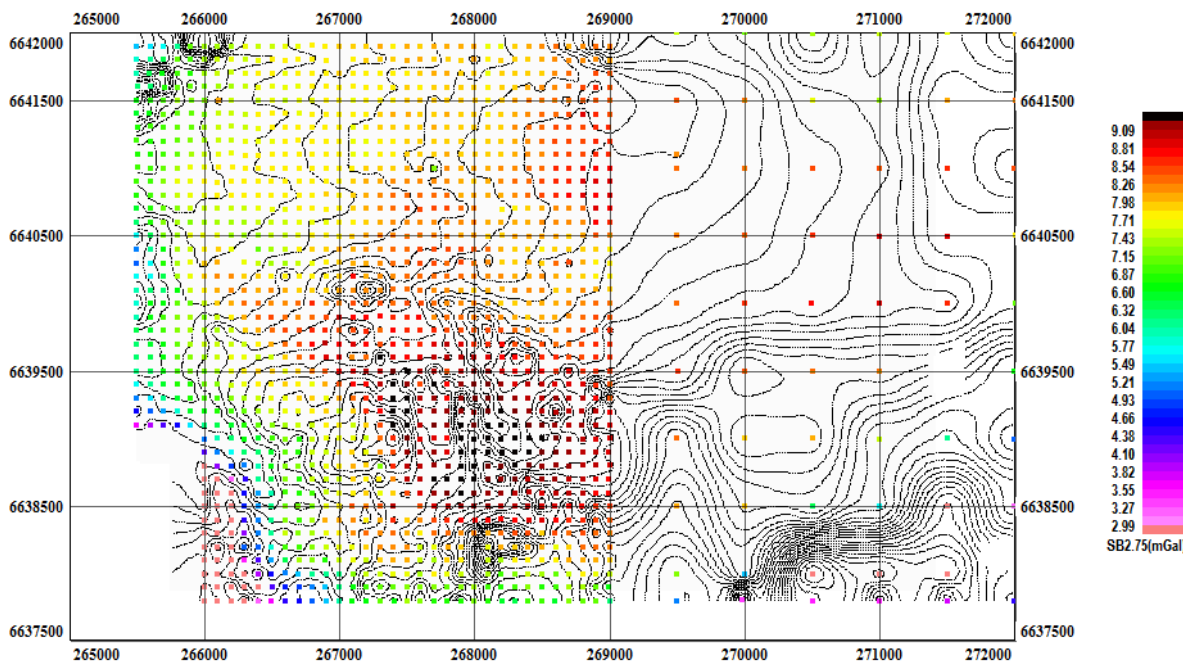


Figure 3. Gravity stations coloured by SB2.75g/cc (mGal) over Elevation contours

4. EQUIPMENT

Gravity

Maker	Scintrex
Model	CG-5 HT (high temperature)
Serial Numbers	110940800
Resolution	0.001mGal

Locations

Maker	Sokkia
Model	GSR 2700 IS
Serial Numbers	NZH06330024 (BASE) NZH06330019 (ROVER)
Channels	12 x L1 and 12 x L2 with full code and carrier
Positioning Accuracy	RTK H: 10.0 mm + 1.0 ppm V: 20.0 mm + 1.0 ppm Rapid Static H: 5.0 mm + 1.0 ppm V: 10.0 mm + 1.0 ppm Stand-Alone Position 1.5 m CEP Horizontal
Data Link	Satellite-3AS Epic 10W UHF Radio Modem

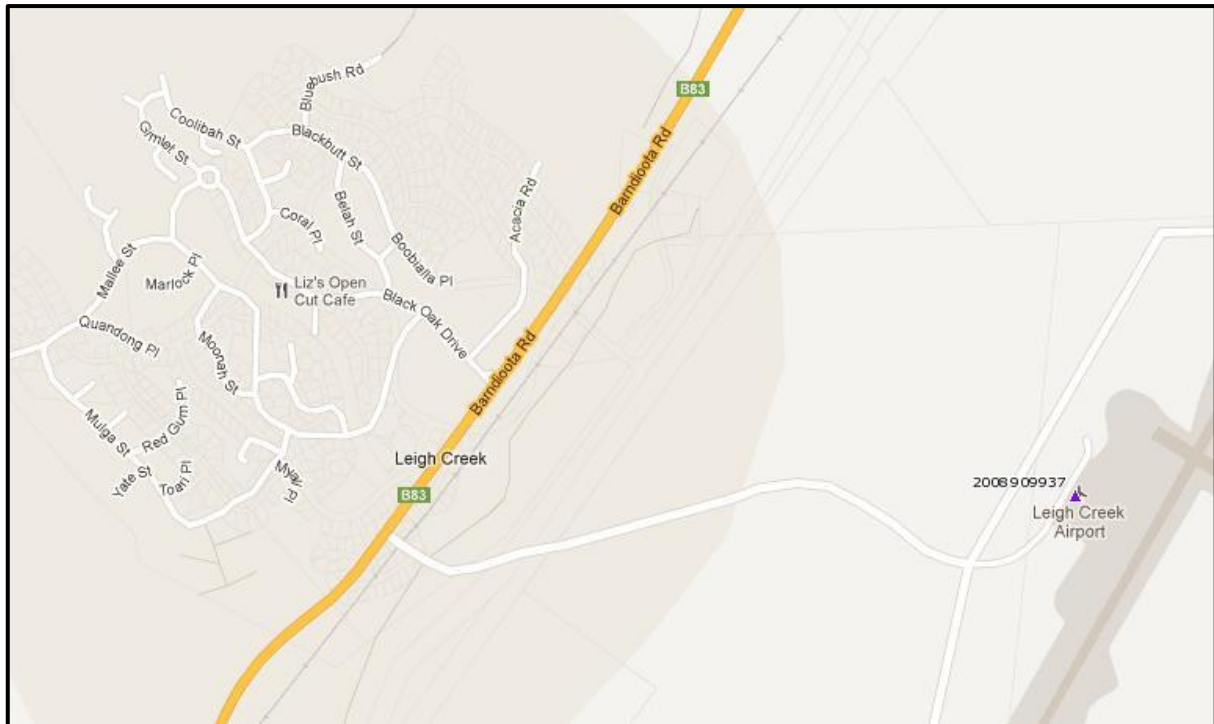
5. BASE STATIONS

Prior to beginning the survey, the base station **99902** was established at a convenient location at the project area camp. For gravity leveling and drift correction during the duration of the survey, the first relative gravity reading taken at the **99902** base station was used.

This value was leveled using several ABA loops to the **2008909937 - Leigh Creek Airstrip Terminal AFGN Station** before the field acquisition program was started.

Station Number	2008909937
Name	Leigh Creek Airstrip Terminal
GMT Time Zone	+8
Longitude (WGS84)	138° 25' 18.480" E
Latitude (WGS84)	30° 36' 10.080" S
WGS 84 Ellipsoid Height	---
Geodetic System	WGS84
UTM Zone	54S
Geoid	AUSGEOID09
East (UTM Zone 54S WGS84)	252800 mE
North (UTM Zone 54S WGS84)	6612205 mE
Elevation (Geoid)	259.0 m AHD
g_{ABS} (fixed):	979,307,447 mGal
Primary Station	Leigh Creek Airstrip Terminal AFGN Station
Gravimeter	SCINTREX CG-5
Positioning	SOKKIA GNSS GRS2700IS
Notes	Base station established during Lorna Doone Ground Gravity Survey (2012)





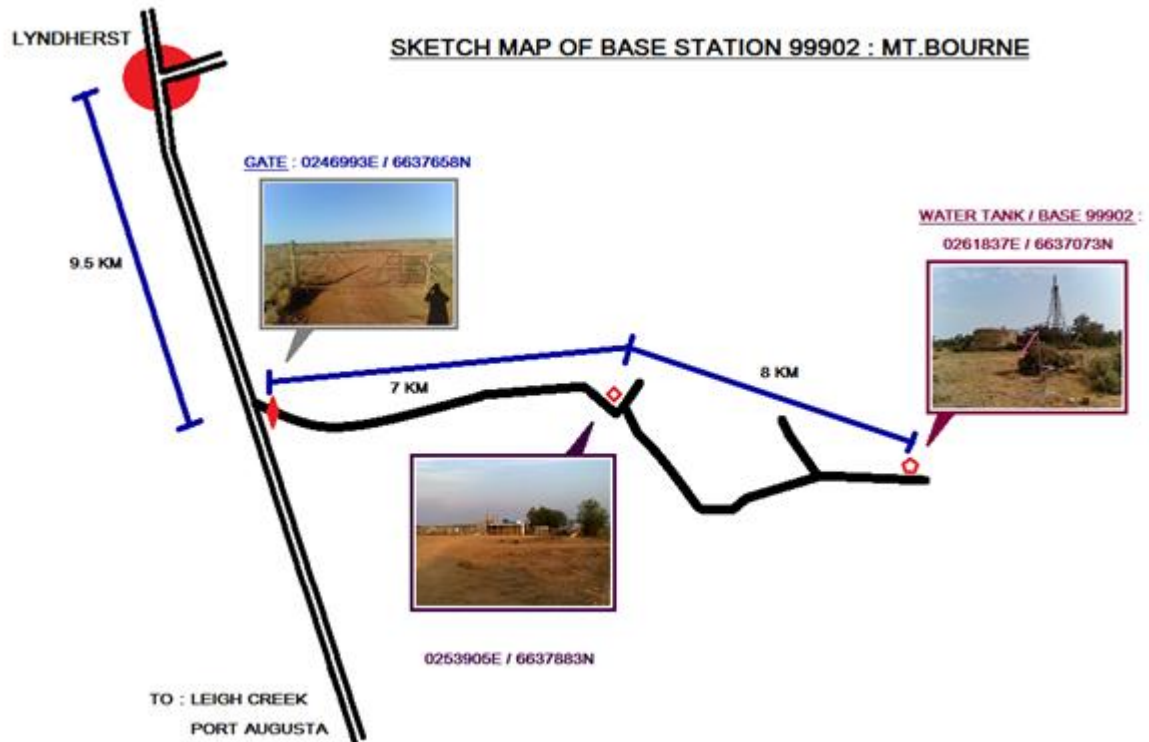
Station Number	99901
Name	Lorna Doone Base Station
GMT Time Zone	+8
Longitude (WGS 84)	136° 52' 39.159" E
Latitude (WGS 84)	60° 2' 11.416" S
WGS 84 Ellipsoid Height	---
Geodetic System	WGS84
UTM Zone	54S
Geoid	AUSGEOID09
East	270,369 mS
North	6,661,953 mE
Elevation (Geoid)	---
g_{ABS} (fixed):	979,280.624 mGal
Gravimeter	SCINTREX CG-5
Positioning	SOKKIA GNSS GRS2700IS
Notes	Base station established during Lorna Doone Ground Gravity Survey (2012)





Station Number	99902
Name	Mt. Bourne Base Station
GMT Time Zone	+8
Longitude (WGS 84)	136° 43' 29.502" E
Latitude (WGS 84)	60° 2' 29.019" S
WGS 84 Ellipsoid Height	---
Geodetic System	WGS84
UTM Zone	54S
Geoid	AUSGEIOD09
East	261,837 mE
North	6,661,953 mN
Elevation (Geoid)	---
g_{ABS} (fixed):	979289.123000 mGal
Gravimeter	SCINTREX CG-5
Positioning	SOKKIA GNSS GRS2700IS
Notes	Base station established during Lorna Doone Ground Gravity Survey (2012)





6. DATA STATISTICS

Gravity Repeats

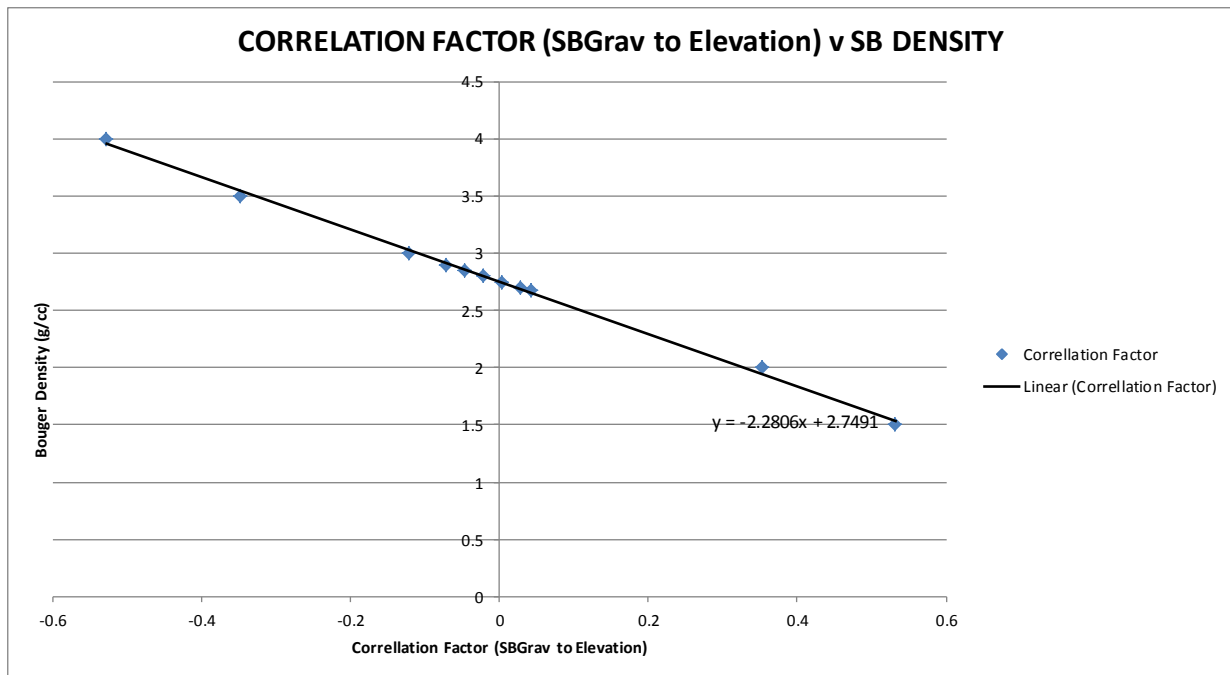
Number of Stations	1500
Number of Gravity Repeats	69
Gravity Repeats (%)	9.9%
Repeat Difference Mean	0.0552mGal
Repeat Difference Max	0.8595 mGal
Repeat Difference Min	0.0000 mGal

DGPS Repeats

Number of Stations	1508
Number of DGPS Repeats	64
DGPS Repeats (%)	4.2%
Repeat Variation Mean	0.0222 m
Repeat Variation Max	0.0433 m
Repeat Variation Min	0.0098 m

7. Bouguer Correction Density Value Calculation

Calculated BCF Density Value	2.75 g/cc
------------------------------	-----------



8. DATA PROCESSING

Processing Software	QCTOOLS
Gravity Reference System	AFGN
Locations Ellipsoid	WGS84
Locations Zone	54S
Elevation Geoid	AUSGEIOD09 Orthometric height calculated automatically in Carlson SurveCE RTK acquisition software. $H_{Orthometric} = H_{Ellipsoid (WGS84)} - N$ where N = the signed difference between WGS84 ellipsoid & AUSGEIOD09 geoid Mean Sea Level value at the observation point
Gravity Tide Correction	Automatic on board CG-5 according to the Longman formula (gravimetric factor = 1.16)
GMT Time Zone	+9.5
Drift Corrected Gravity	$g_{dc} = g_{obs} - \text{Drift Rate} \times \text{Elapsed Time}$, where g_{obs} = meter reading levelled to survey base value
Final Observed Gravity	$FOB = g_{dc}$ levelled to Absolute Gravity Value of projects main base station (mGal) absolute gravity can be known or designated from theoretical
Theoretical Gravity	$g_t = 978032.7 (1.0 + 0.0053024 \sin^2(\theta) - 0.0000058 \sin^2(2\theta))$ (mGal) where $\theta = \text{LATITUDE}$
Free Air Correction Factor	$FAC = 0.3086h$ (mgal) where h = elevation (m)
Atmospheric Correction	NOT APPLIED
Bouguer Correction Factor	$BCF = 2\pi G \rho h$ (mgal) where G is Newton's gravitational constant = $6.6725985 \times 10^{-11} \text{m}^3 \text{kg}^{-1} \text{s}^{-2}$, ρ is density (g/cm^3), h is the height of the gravity station above reference ellipsoid (km). Density value (ρ) is determined by using a range of density values and plotting the correlation factor of SBGravity to Elevation against corresponding density values to determine what value for density will produce the <i>LEAST CORRELATION</i> to elevation.

Regional Terrain Correction Method	Regional Terrain Correction Inner Radius = 300m Outer Radius = 22000m Density = as determined for Bouguer Correction Method = DEM Prism Dataset = GTOPO DEM
Local Terrain Correction Method	Local Terrain Correction Inner Radius = 2m Outer Radius = 4453m Density = as determined for Bouguer Correction Method = Hammer Dataset = XYZ field survey elevation pickup or extraction from locally benchmarked DTM, relative to individual gravity station
Simple Bouguer Gravity	$g_{sb} = FOG - g_t - FAC - BCF$
Complete Bouguer Gravity	$g_{cb} = FOG - g_t - FAC - BCF + \text{Regional Terrain Correction} + \text{Local Terrain Correction}$
Bouguer Zero Levelled Plotting Field	Bouguer Corrected gravity levelled to 0 at lowest gravity value to give a range of positive values beginning at zero convenient for plotting and interpretation.

9. DATA PRODUCTS

Raw Gravity Data Files	Data Format = ASCII text Name Format = 129_DATA_800_YYMMDD.txt Data Contained = Unedited field data dump from CG-3 and CG-5 gravity meter
Edited Gravity Data Files	Data Format = ASCII text Name Format = 129_DATA_800_YYMMDD_EDITED.txt Data Contained = Field gravity data edited for station name errors
Raw DGPS Data Files	Data Format = ASCII text Name Format = 129_DGPS_YYMMDD.txt Data Contained = Unedited RTK locations dumped from DGPS data logger
Edit DGPS Data Files	Data Format = ASCII text Name Format = 129_DGPS_YYMMDD_EDITED.txt Data Contained = Unedited RTK locations dumped from DGPS data logger
Daily Data Acquisition Report	Data Format = Microsoft Word Name Format = 129_GGRAV DAILY DATA ACQUISITION REPORT YYMMDD.pdf Data Contained = DC shift Correction of the day, Drift tables, and Notes for data processing for the day and job progress update.
Final Gravity Dataset	Data Format = ASCII text Name Format = 129-GRAV-AU UTM LOCATED SB GRAVITY.txt Data Contained = Final processed and located gravity data



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w: www.syrahresources.com.au

LYNDHURST PROJECT SOUTH AUSTRALIA

EL 4790 & 4791

4TH ANNUAL and FINAL TECHNICAL REPORT

OCTOBER 19, 2014 – OCTOBER 18, 2015

SYRAH RESOURCES LTD

OCTOBER 20, 2015

SUMMARY

The downturn in the mining industry and reduction of metal prices let Zurich Resources (Zurich, the operator and sole funder of the joint venture) to re-assess its priorities for exploration activities on the Lyndhurst Project. Previously delineated drill targets are quite deep and the poor performance of Phoenix Copper Ltd Leigh Creek Cu oxide deposits reduced confidence in the value of oxide deposits in the region. Given these factors, a revised work program was implemented but cut short due to funding issues. Zurich informed Syrah Resources (Syrah) of its intention to withdraw from the joint venture several months before the tenements were due to expire. A review by Syrah of all the data collected by Zurich and historic exploration led to Syrah deciding to relinquish both licences due to the lack of viable targets.

INTRODUCTION

The Mount Lyndhurst Project comprises two exploration licenses located approximately 35km northeast of Leigh Creek in the northern Flinders Ranges. The Mount Lyndhurst license (EL4791) and Mount Lyndhurst South license (EL4790) were both granted on the 19th October 2011 and cover approximately 549km² and 296km² respectively (Figure 1). The tenements were granted for a period of two years with a total spending commitment over that time of \$240,000 for EL4790 and \$340,000 for EL4791.

The licenses were jointly held by Zurich (50%) and Syrah (50%). Exploration was solely funded and managed by Zurich as part of an ongoing earn-in agreement whereby Zurich can earn up to 80% of the projects.

Both licenses contain numerous small secondary copper oxide occurrences which were worked in the early 1900's and are considered prospective for intrusive related copper and gold mineralisation.

Work was ongoing from that undertaken during the prior 2 years on expired tenements EL 3522 & 3550.

Previous work has led to focus on 2 main targets for primary copper mineralisation, the Lorna-Doone Prospect in EL 4791 and Mt Bourne Prospect in EL 4790. Both of these prospects contain widespread copper mineralisation over an intrusive complex which has produced localised hydrothermal alteration of hosting sediments and tills.

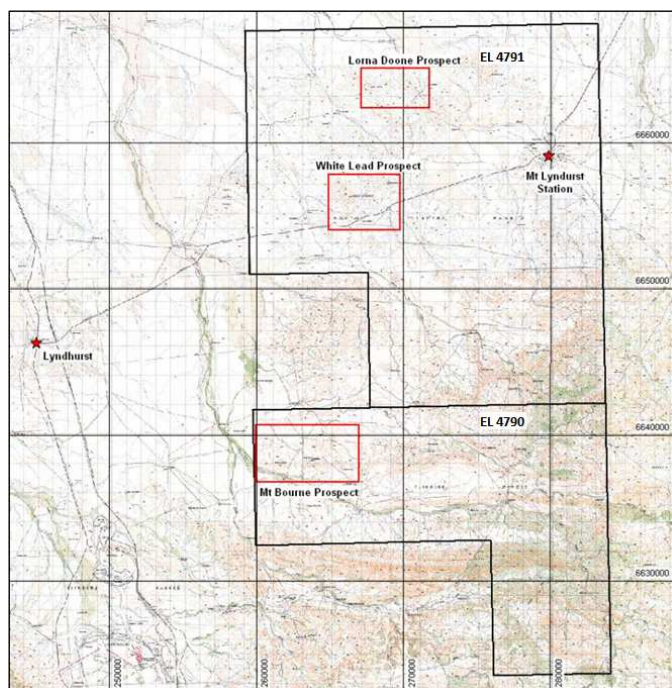


Figure 1. Lyndhurst Project exploration tenement and prospect locations

LOORNA DOONE PROSPECT

The Lorna-Doone Prospect surrounds a small mining license where a low grade copper oxide resource, related to localised secondary deposition from primary quartz-sulphide veining, containing approximately 20,000t Cu metal has been delineated since the 1970's. This deposit has never been exploited to any meaningful degree.

Copper is anomalous in soils along structural trends sporadically up to several kilometres from the Lorna Doone deposit.

The mineralisation is situated above an intrusive complex and the hosting sediments have undergone intense hydrothermal alteration in places.

Soil geochemistry, mapping, ground magnetics and IP/Resistivity programs have been undertaken over the target intrusive complex and some interesting, deep, primary copper targets were delineated.

Prior to drill testing these deep targets, it was determined that it would be prudent to conduct a ground based gravity survey to encompass the known targets plus other magnetic features in the immediately surrounding area. An area of approximately 40km² was covered by ground based gravity survey utilising high resolution Scintrex CG-5 gravity meters with station elevation and locations collected using RTK DGPS.

Data was collected on a 250m x 250m grid with the aim of assessing regional magnetic features in addition to investigating the density characteristics of known IP/Resistivity targets and localised intrusive bodies inferred from airborne magnetic data.

During the penultimate reporting period a gradient array IP/Resistivity survey commenced with the aim of covering the entire area of known mineralisation, alteration and geochemical & gravity anomalies. This broad scale (400m x 100m) program was designed to identify significant sulphide alteration/mineralisation at depth within a broad dataset for background comparison. Due to the ongoing slump in exploration funding for Zurich this program was suspended soon after it began and did not progress to the main areas of interest, in the end covering only a total of approximately 9.5km² of the planned 34km². A review of the targets and prospectivity by Syrah did not inspire further work to be completed.

MOUNT BOURNE PROSPECT

Mount Bourne is geologically very similar to the Lorna Doone Prospect area. It contains numerous small historic copper workings, the most significant of which is the Federal Mine which was last worked in the 1960's.

CRAE undertook detailed exploration including some 8 IP/Resistivity lines and 10 RC and DD holes in the mid-1990's with no significant copper mineralised drill intercepts apart from some short intervals directly below the Federal Mine mineralisation.

An area of approximately 45km² was covered by 250m x 250m and 500m x 500m gravity observations. The higher density survey was focussed on the higher priority central part of the anticline containing most of the historic copper workings.

Interestingly, the gravity data at Mt Bourne is very similar in nature to that of Lorna Doone. There is a strong low zone elongate E-W. All the historic workings and previous drilling by CRAE occur within the low zone.

During the previous reporting period, a more detailed gravity coverage was started but only partially completed due to financial restrictions with Zurich Resources. Approximately 1,500 stations were surveyed covering 26.5 km² between Mt Bourne and Pauls Consolidated historic copper workings.

Results clearly defined sedimentary units and faulting within them, but the survey was cancelled before coverage could extend across to inferred intrusive related targets.

The withdrawal of Zurich from the joint venture lead to a review of the work completed. The data collected and the quality of the anomalies did not warrant any further work by Syrah and the decision was made to relinquish both licences in full.

EXPENDITURE

Exploration expenditure for the Lyndhurst Project to date;

EL4790 \$167,854

EL4791 \$143,781

There was no further expenditure for the reporting period for either licence.