**SOUTHERN TITANIUM NL**

ABN 60 063 389 079

HEAD OFFICE

LEVEL 7

22 KING WILLIAM STREET

ADELAIDE SA 5000

TEL: (08) 8410 8884

FAX: (08) 8410 8885

EMAIL: INFO@SOUTHERNTITANIUM.COM.AU

WWW.SOUTHERNTITANIUM.COM.AU

**SOUTHERN
TITANIUM NL**

Primary Industries and Resources S.A.
Office of Minerals and Energy Resources
GPO Box 1671
Adelaide S.A. 5001

Attn: Mr George Kwitko

Dear Sir,

Re: Annual Technical Report, EL 2827 Sturt Vale, year ending 16/07/02

No field work was carried out in this reporting period.

Southern Titanium NL has been in the process of negotiating a Heritage and access and clearance agreement with the Riverland Aboriginal Cultural Heritage association (RACHA) to cover all of the relevant Southern Titanium tenements within the area. A similar agreement has been reached with the Mannum Aboriginal Community Association (MACA), to deal with heritage and access for exploration and mining in tenements held further south.

Exploration Licence 2827 covers 'Native Title land' under the Mining Act. It has been the company's strategy to negotiate an agreement with RACHA as a first step, and this process is continuing. In addition, our solicitors have proceeded with issuing a Part 9B notice for this area in 2002.

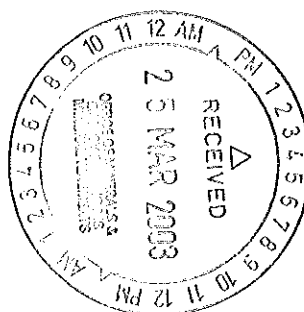
Exploration work on this tenement has thus been restricted to a data review of previous explorers' results to generate preliminary exploration targets, a review of the PIRSA drilling program results, and the purchasing, interpretation and manipulation of Landsat Thermal data to generate new targets for reconnaissance drilling.

Southern Titanium anticipates that access to the tenement for reconnaissance drilling will be achieved in the next year.

A summarised expenditure statement is attached. Should you require further information, please contact me in the Adelaide Office.

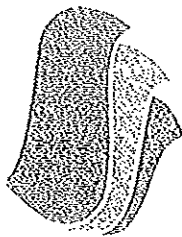
Yours sincerely,

Richard J. Hill,
Project Geologist,
Southern Titanium NL



24-03-03





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TITANIUM NL

Southern Titanium NL

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Level 7

22 King William Street

Adelaide SA 5000

Tel: (08) 8410 8884

Fax: (08) 8410 8885

Email: info@southerntitanium.com.au

www.southerntitanium.com.au

11th August 2003

Director General
Primary Industries and Resources
GPO Box 1671
ADELAIDE SA 5001

Attn: Mr G Kwitko

Dear Sir

Re: Annual Technical Report, EL 2827 Sturt Vale, year ending 16/07/03

Southern Titanium NL carried out no field work during the period.

Exploration for heavy mineral sands in the last 11 months of title of this EL has comprised of :

Native Title negotiations
Review of past exploration.

Please contact me if more information regarding this application is required.

Yours faithfully

M G Teakle
Exploration Manager