



MANTLE MINING

ASX: MNM & MNMO

DIRECTORS

Mr Martin Blakeman
Non-Executive Chairman

Mr Ian Kraemer
Managing Director

Mr Peter Anderton
Non-Executive Director

Mr Stephen de Belle
Non-Executive Director

COMPANY SECRETARY

Mr Winton Willesee

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Level 1, 2 Ross Place
South Melbourne VIC 3205

CONTACT DETAILS

Website:
www.mantlemining.com

Email:
admin@mantlemining.com

ph: + 61 (3) 9602 4133
fax: + 61 (3) 9670 6643

G.P.O. Box 2986
Melbourne VIC 3001

ASX Release

27 October 2010

September 2010 Quarterly Activities Report

Mantle Mining Corporation Limited (ASX: MNM) the Company, is pleased to provide the following update of its activities for the quarter ended September 30 2010:

Highlights:

Bacchus Marsh Coal Project (VIC):

The Company executed a non-binding Memorandum of Understanding (MOU) with Exergen Pty Ltd for development of its 100% owned Bacchus Marsh Coal Project.

Haunted Stream Gold Project (VIC):

The Company completed a drilling program at Anomaly 4, intersecting multiple shear zones with visible base metals in drill hole HSD12.

Barkly Phosphate Project (NT):

The Company undertook drill testing in areas not covered in the 2009 drill program and completed tenement reductions in areas where prospectivity had been downgraded.

Other Projects (QLD):

- For the Mount Mulligan Coal (QLD) Supreme Court action, document lists were provided, further particulars requested and changes of solicitors made,
- The Charters Towers Gold Project (QLD) EPM 14388 was renewed for 5 years,
- The Texas Coal Project (QLD) tenement applications were lodged,
- The Burke Uranium Project (QLD) tenement applications were withdrawn, and
- At the Clarke River Project (QLD), the Mount Brown JV partner withdrew.

Corporate Activities:

- The Australian Tax Office issued the Company a \$300,000 cash refund for Research and Development Tax Offsets for financial year 2008-2009,
- The Company entered into an agreement with Cygnet Capital Pty Ltd to raise \$600,000 by way of a placement of 20,000,000 shares at 3 cents per share, and
- The Company finalized a new Services Agreement with its Managing Director.

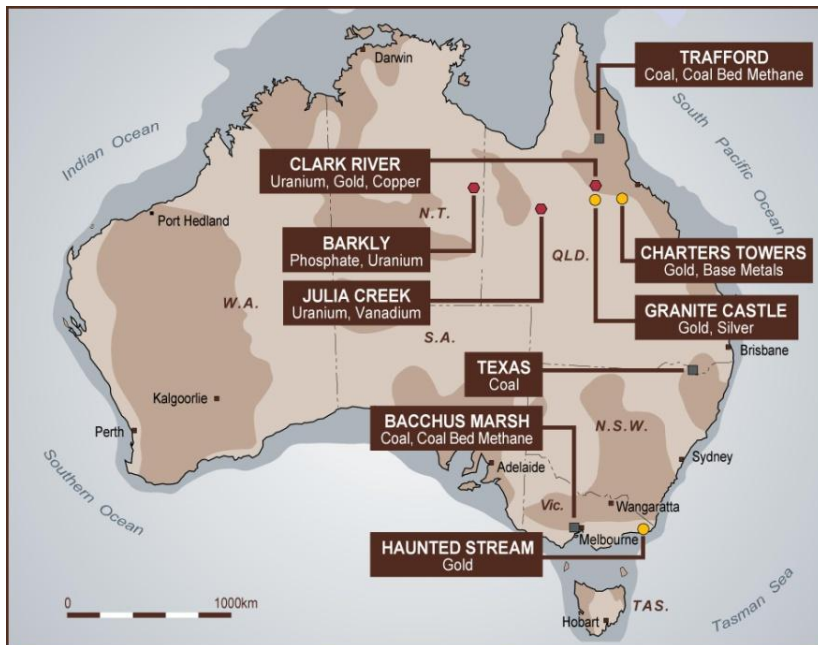
Further information:

Ian Kraemer
Mantle Mining
0407 758 722

Media enquiries:

Doug Macdonald
Capital Group
0424 255 959

MANTLE MINING CORPORATION LIMITED's COMPANY PROJECT PORTFOLIO:



- Bacchus Marsh Coal & CBM (VIC)
- Haunted Stream Gold (VIC)
- Trafford Coal & CBM (QLD)
- Texas Coal (QLD)
- Granite Castle Gold & Silver (QLD)
- Charters Towers Gold (QLD)
- Barkly Phosphate (NT)
- Julia Creek Uranium (QLD)
- Clarke River Uranium (QLD)

The Bacchus Marsh Coal & CBM Project area contains a historic deposit of brown coal. The Company has executed a non-binding MOU with Exergen Pty Ltd to develop the deposit utilising Exergen's patented coal drying technology to upgrade the coal for export. Exergen's partners include Tata Power, Itochu, Thiess and Sedgman.

The Haunted Stream Gold Project area is prospective for gold/copper including many historical, high-grade, gold mines along the Haunted Stream fault corridor. Anomalies 3 and 4 are major targets for possible deep vein gold or porphyry copper-gold mineralisation.

The Trafford Coal & CBM Project area contains a historic deposit of black coal. The Company is negotiating with the traditional custodians of Mt Mulligan towards an Indigenous Land Use Agreement (ILUA) and has commenced proceedings in QLD's Supreme Court to enforce an agreement for the assignment of the tenements.

The Texas Coal Project area is prospective for both thermal and coking coals of a similar quality to Surat and Bowen Basin coals. The tenements are adjacent to the NSW border and along strike from known coking coal deposits and exciting new thermal coal drilling intercepts are located variously to the south and north.

At the Granite Castle Gold & Silver Project, the Granite Castle deposit is hosted in a single 600m long shear. Over 6km of additional shears have been located, with drill holes and/or rock chip samples at similar grades to the main shear.

The Charters Towers Gold Project area contains the Great Britain deposit as well as a number of historic mines, including Day Dawn West, immediately west of Citigold's (ASX: CTO) proposed "City" mining area. The Gromac/Puzzler area is prospective for deposits of copper, gold, silver and molybdenum.

The Barkly Phosphate Project area sits in the Georgina Basin strategically located between Minemaker's (ASX: MAK) Wonarah deposit and Phosphate Australia's (ASX: POZ) Highland Plains deposit. The Company has completed a broad spaced scout drill program over most of its large tenement holdings.

The Julia Creek and Clarke River Project areas are prospective for uranium and base metals. Value accretion from these projects is being sought from joint venture activity thereby allowing the Company to focus its own resources on its highest priority projects whilst maintaining exposure to any upsides delivered through joint venture.

Bacchus Marsh Coal Project (VIC):

During the quarter, the Company executed a non-binding Memorandum of Understanding (MOU) with Exergen Pty Ltd to develop its 100% owned Bacchus Marsh Coal Project.

Exergen has developed a breakthrough clean coal technology that, when teamed with modern coal-fired power station technology, is expected to deliver up to 40% CO₂ emissions reductions.

The technology is known as Continuous Hydrothermal Dewatering (CHTD) and is patented worldwide including in Australia, Indonesia and China.

Mantle was recently granted priority over an application for Exploration Licence EL 5294 at Bacchus Marsh. The Company is of the view that EL 5294 could contain an Exploration Target^{1, 2} of between 1 and 2 Billion tonnes of brown coal (Figure 1).

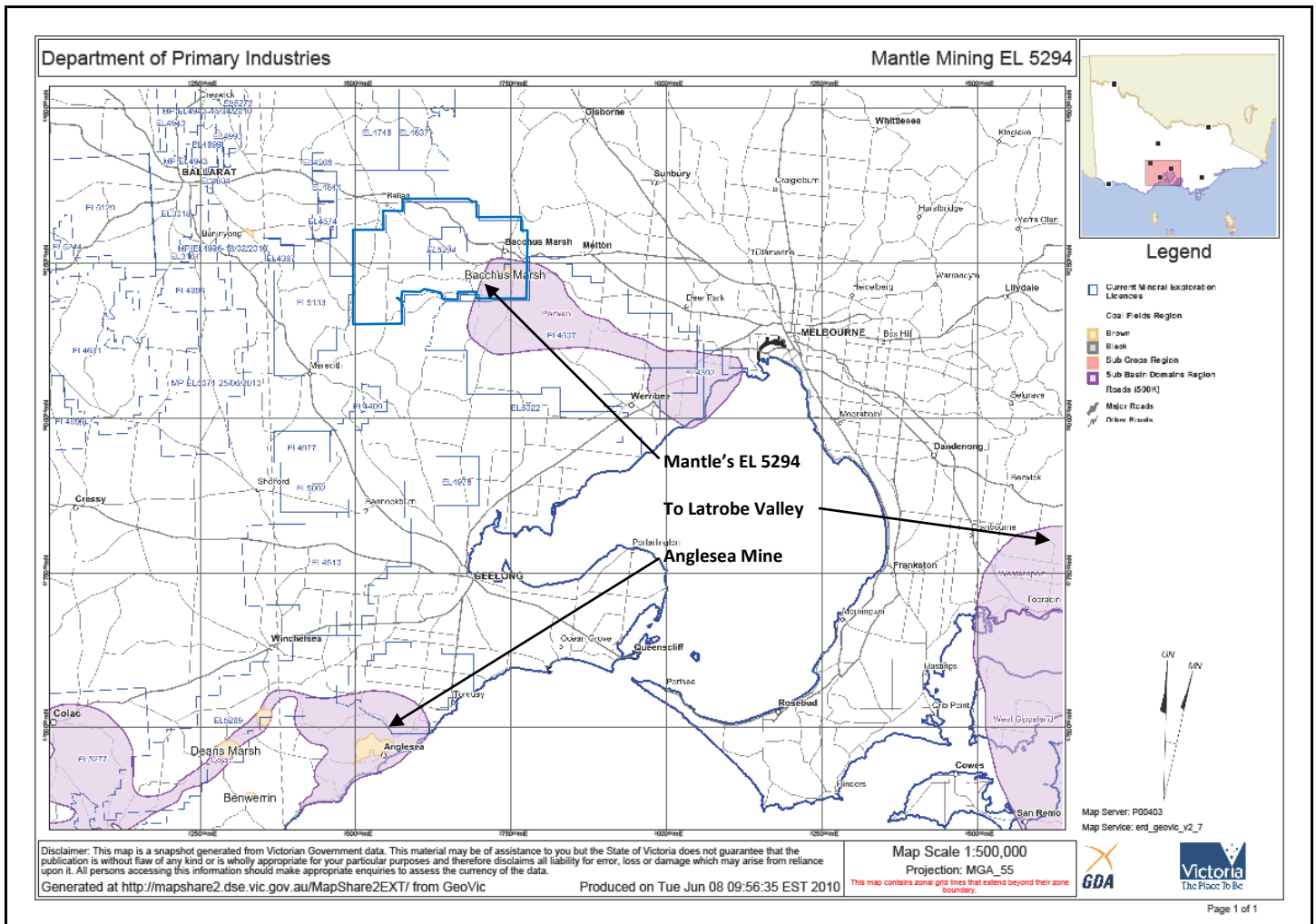


Figure 1: Location of Mantle's EL 5294, Victorian Coal Fields and other Brown Coal Mine Areas.

- 1. The potential quantity and grade of Exploration Targets in this report are conceptual in nature, there has been insufficient exploration to define a Mineral Resource, and it is uncertain if further exploration will result in the determination of a Mineral Resource.**
- 2. For full details of Joint Ore Reserve Committee (JORC) Code Compliancy as relates Competent Person statements on the Bacchus Marsh Exploration Target please refer to the Company Release to the ASX dated 17 June 2010".**



The MOU contemplates the following:

- Formalisation of agreements leading to a 50/50% Joint Venture for exploration and mine development,
- Construction of a 50tph demonstration facility and an export project by Exergen on its 50% of the coal deposit,
- Subsequent to successful demonstration, Mantle being licenced to utilise CHTD on its 50% of the coal deposit.

In India, Exergen expects that its CHTD coal would be used in state of the art power stations of the type that can already meet new emissions standards for future power stations announced by the Victorian Government.

Exergen is also working towards demonstrating the use of CHTD fuel in a Direct Injection Coal Engine (DICE), which may match gas-fired power station emissions and also enable future CO₂ capture.

CHTD has been proven at 4 tonnes per hour scale on Victorian and Indonesian coals with moisture contents ranging between 35% and 65% having already been successfully trialed.

Bacchus Marsh coal has moisture contents in the 55% to 65% range and, depending on requirements of its overseas markets, Exergen expects to deliver final products with moisture contents between 10% and 25%.

At commercial scale, Exergen expects to capture upto 16 gigalitres of water per annum from its process that can be readily treated and potentially used for other purposes.

Exergen's major cornerstone investors include:

- TATA Power, India's largest private power utility, as major coal off-taker,
- Leighton subsidiary Thiess, the world's largest supplier of outsourced mining services,
- Itochu, Japan's 3rd largest trading house with extensive coal trading experience, and
- Sedgman, a global specialist provider of mineral engineering solutions.

Mantle and Exergen intend to execute the following binding "Substantive Agreements":

- an exploration Joint Venture Agreement (JVA), within 1 year,
- a CHTD Technology Licence Agreement (TLA), within 1 year,
- a Mine Development Heads of Agreement (HOA), within 1 year,
- finalising the Mine Development Agreement (MDA), within 2 years.

Haunted Stream Gold Project (VIC):

During the quarter, the Company completed a two hole deep diamond core drilling program at Haunted Stream.

At Haunted Stream, Mantle is exploring for broad zones of disseminated sulphides or large stock-works containing gold and/or copper mineralization with potential for bulk mining and extended mine life.

In 2008/09 the Company undertook ground based magnetic surveys over the goldfield and confirmed Anomalies 3 and 4 as high priority drill targets with potential to contain a large bulk tonnage mineralized system which may have acted as a feeder system to the local workings (Figures 2 and 3).

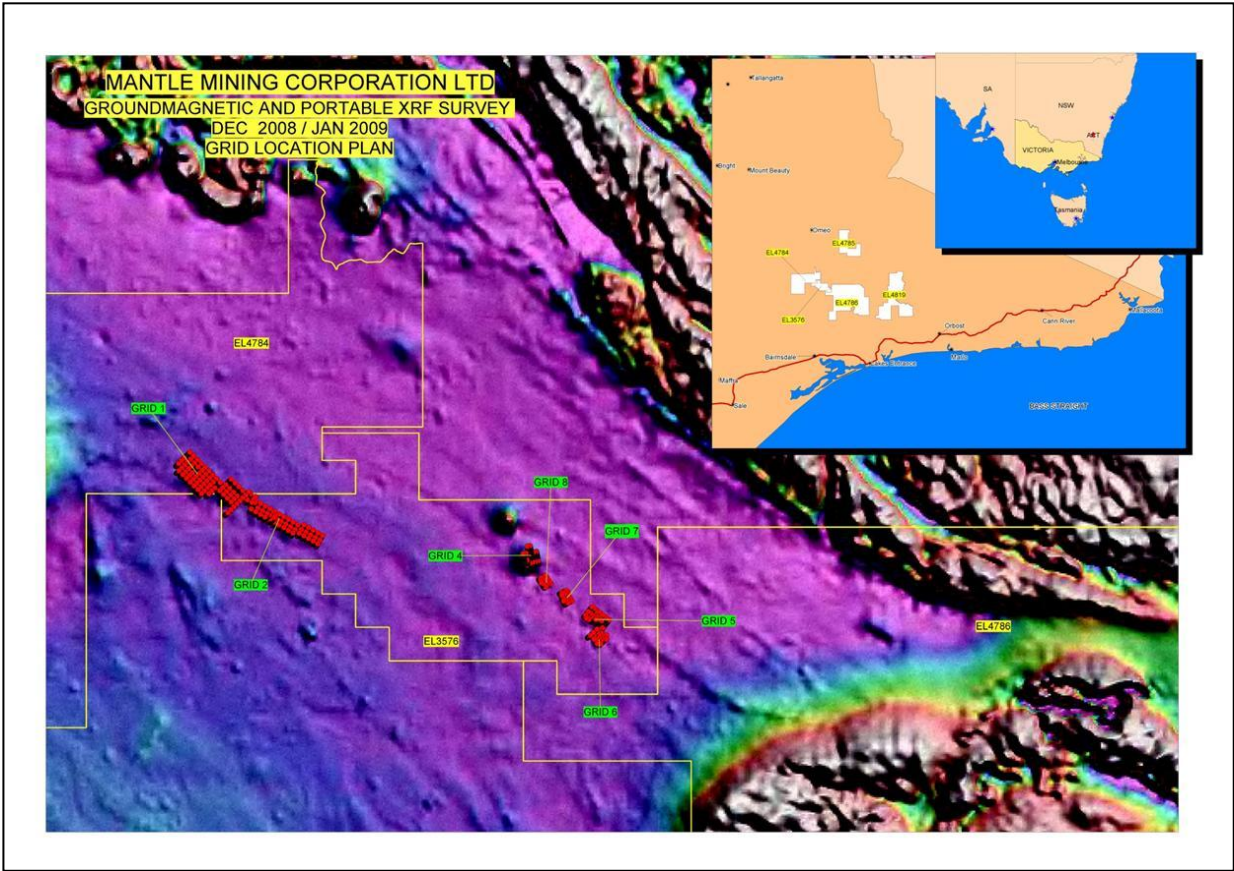


Figure 2: Haunted Stream Gold Project location with ground magnetics grids on aerial magnetics.

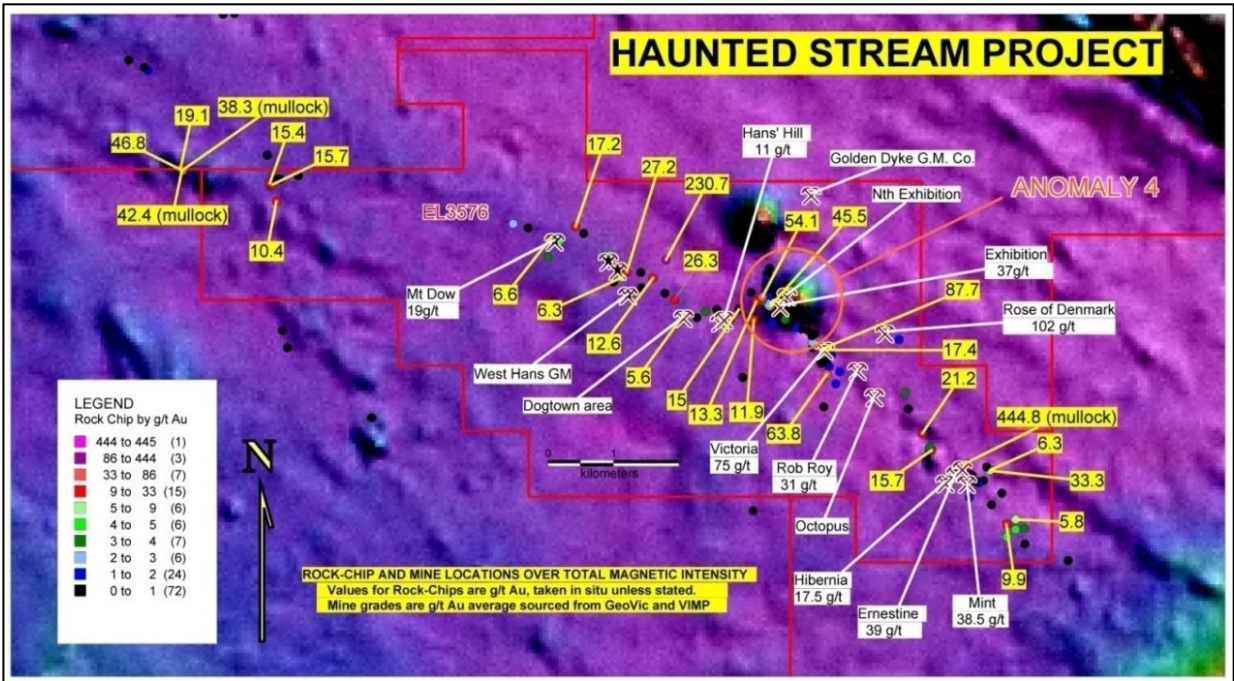


Figure 3: Project plan with historic mine and rock chip grades and Anomaly 4 on aerial magnetics.

A 3D magnetic model was generated for Anomaly 4 and holes designed to test the mineralisation potential. Drill hole HSD12 (HS4Plan3) tested a vertical columnar stock and sub-parallel NNE-trending faults and drill hole HSD13 (HS4Plan1A) tested a NNE-trending fracture zone (Figure 4).

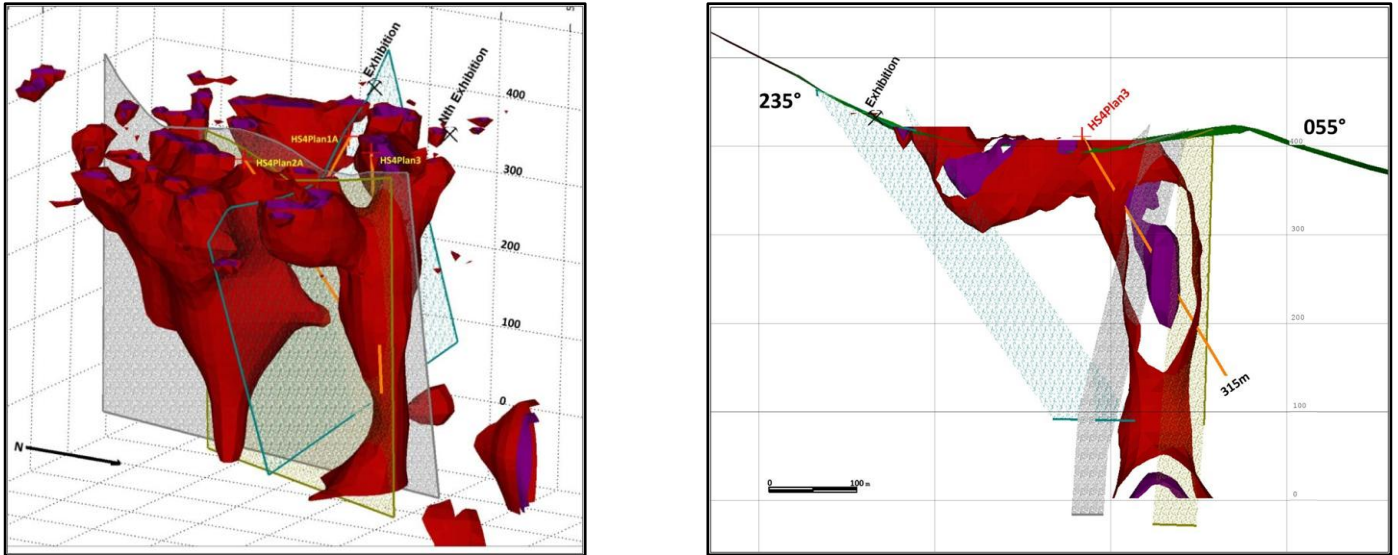


Figure 4: 3D magnetic model of Anomaly 4 (LHS) & section view of planned drill hole HSD12 (HS4Plan3) (RHS).



Figure 5: Drill rig set over drill hole HSD12 (LHS) and drill hole HSD13 (RHS) at Anomaly 4.

Hole HSD12 terminated at 427m after passing through a number of highly altered zones proximal to the contact between the intrusive and the sedimentary host rocks. HSD13 terminated at 141m in a targeted fault zone.

In HSD12 multiple zones of base metal anomalous shearing have been intersected, with significant widths from 192m (Figures 6 and 7) and 344m (Figure 8).

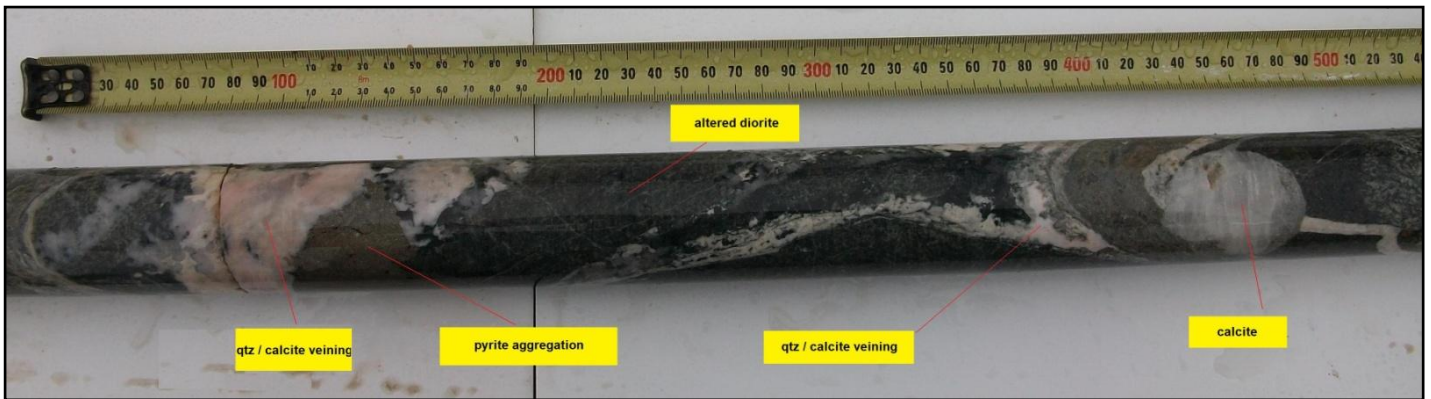


Figure 6: Strongly pyritic vein within zone of intense shearing intercepted at 199m in drill hole HSD12.



Figure 7: Quartz/calcite vein with medium grained crystalline pyrite patch.

Drill hole HSD12, from 192m to 197m, contained a zone of intense shearing and alteration varying from strong chlorite to intense carbonate/sericite with moderately intense quartz/calcite veining.

One quartz/calcite vein contained significant irregular blebs of medium grained crystalline pyrite (Figures 6 and 7).

At 344m in HSD12, within the diorite intrusive, a zone of silica/chlorite alteration was encountered with galena mineralization in the form of medium grained blebs in a quartz/carbonate vein with pyrite (Figure 8).



Figure 8: Typical sulphide mineralization encountered at 344m.

A major zone of shearing and alteration occurs at the intrusive contact at 369m and persists intermittently through the sediments from 372m to 410m.

Recognized alteration associations include quartz/carbonate/sericite with pyrite and chalcopyrite within the intrusive, and quartz/chlorite/pyrrhotite with chalcopyrite, galena and sphalerite in the contact aureole.

Visible gold was not confirmed however the alteration assemblages are significant as indicators of potential gold mineralization.

Subsequent to the end of the quarter, the Company received all laboratory analyses and send additional samples for petrographic analysis.

The Company is currently finalizing planning for a Down Hole Electromagnetic (DHEM) survey in drill hole HSD12.

Mantle wishes to acknowledge the Victorian Department of Primary Industries, which has awarded the Company a \$45,000 Rediscover Victoria Drilling (RVD) Grant in support of the drilling program.

Barkly Phosphate Project (NT):

During the quarter, the Company undertook a broad spaced drilling program over its Barkly Phosphate Project tenements.

The primary focus of this drill program was to test two tenements (ELs 27035 and 27037) located to the southwest of Phosphate Australia’s (ASX: POZ) Highland Plains Phosphate Rock deposit, and to follow-up areas of interest located in ELs 26018 and 26019 during the prior (2009) drill program.

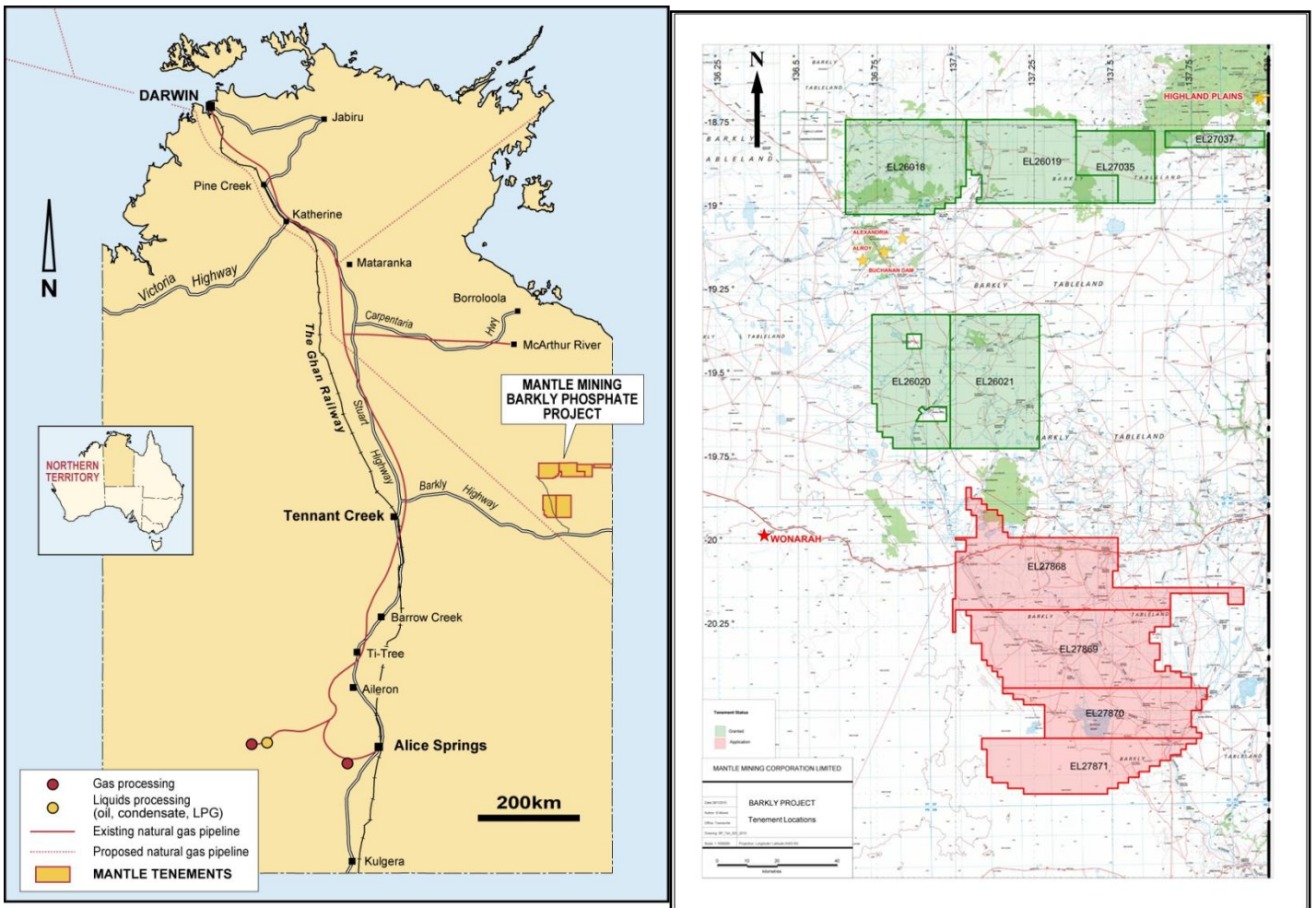


Figure 9: Location of Mantle’s Barkly Phosphate Project Tenements (granted – green, applications – red).

Company tenements immediately to the northeast of Minemaker’s (ASX: MAK) Wonarah deposit (ELs 26020 and 26021) that were sufficiently tested in 2009 were relinquished.

The prospectivity of the tenement applications to the southeast of the Wonarah deposit (ELs 27868, 27869, 27870 and 27871) were downgraded and as a result have been withdrawn.

Company tenements to the north (ELs 26018, 26019, 27035 and 27037) are immediately adjacent Phosphate Australia’s (ASX: POZ) holdings, including their Highland Plains deposit and a number of other high grade occurrences.

Historic holes reported to contain phosphate rock exist both within Company tenements near these occurrences and near thick lithologies intercepted in the 2009 drill program.

EL 27037, which is approximately 10km south of the Highland Plains deposit, contains a large area of prospective stratigraphy and will be tested for the first time in the current drill program.

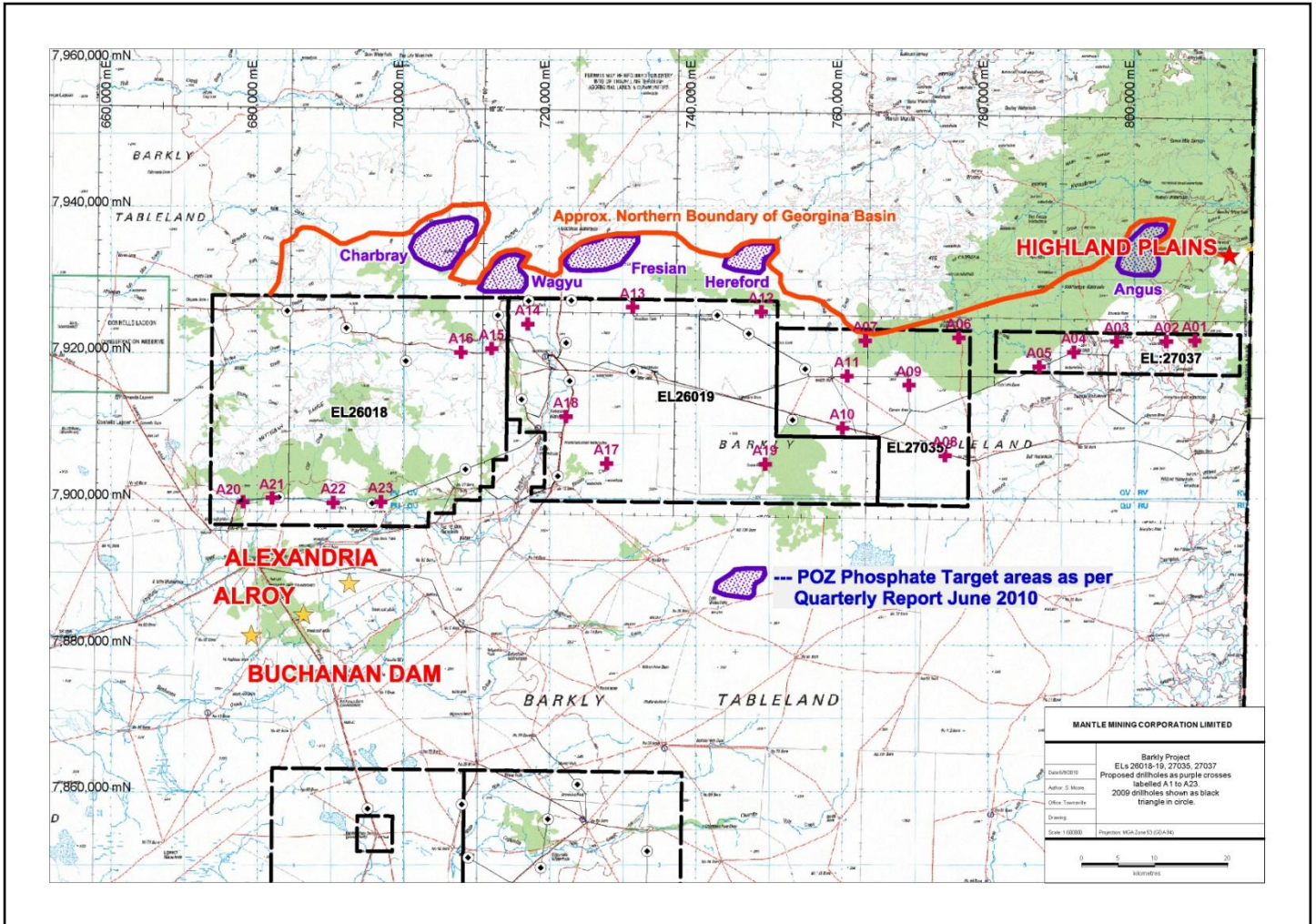


Figure 10: Location of historic deposits, POZ regional targets, Mantle 2009 drill holes and 2010 drill targets.

Figure 10 shows the locations of:

- the various high grade deposits and occurrences surrounding the Company tenements,
- Phosphate Australia’s latest target areas (as per the Phosphate Australia June 2010 Quarterly Activities Report),
- Company drill holes completed in 2009 (black dots), and
- Company drill hole locations targeted for 2010 (red crosses).



Other Projects (QLD):

Trafford Coal and CBM Project (QLD):

During the quarter, the Company provided update on progress on Mt Mulligan Supreme Court action

- the Company provided Calcifer Industrial Minerals Pty Ltd (Calcifer) with its list of relevant documents (in accordance with obligations under the court rules), and
- requested Calcifer provide further and better particulars of its defence, in particular, clarification on which conditions precedent Calcifer is contending were not met, and
- requested that Calcifer deliver its list of relevant documents,
- Calcifer filed a Notice of Change of Solicitor, and
- due to an alleged conflict of interest, the Company retained Allens Arthur Robinson Lawyers and filed a Notice of Change of Solicitor.

Charters Towers Gold Project (QLD):

During the quarter, the Company announced that it had recently been granted a 5 year renewal to Exploration Licence EPM 14388, which is adjacent to Citigold's (ASX: CTO) main tenement holdings at Charters Towers. EPM 14388 contains three major prospects:

- the Great Britain deposit which contains a JORC Compliant Inferred Resource of 123,000 oz gold, at an average grade of 1.8g/t (see JORC Statements at end of this report),
- Day Dawn West, and other historic mines immediately adjacent to the main historic Charters Towers mines (which are currently under proposal for major redevelopment by Citigold), and
- the Gromac/Puzzler prospect where drilling has highlighted what appears to be the margin of a molybdenum/copper porphyry system.

Texas Coal Project (QLD):

During the quarter, the Company made application for two Exploration permits for Coal (EPC's) in Queensland. EPCs 2190 and 2192 are located adjacent to the border with New South Wales at Texas, 210km south-west of Brisbane.

The EPCs cover an area north of historic deposits of hard coking coal and a new discovery of high volatile thermal coal.

EPC 2190 benefits from an existing rail link from Texas to the port of Brisbane, already a coal shipping point for international markets.

Burke Uranium Project (QLD):

During the quarter, the Company was offered grant of the Burke Uranium Project tenements however, due to rising legislative constraints and a review that showed low prospectivity, the offer was not taken up and the application was withdrawn.

Clarke River Uranium Project (QLD):

During the quarter, Southern Uranium (ASX: SNU) withdrew from the Mt Brown Joint Venture.



Corporate Activities:

Receipt of \$300,000 R&D Tax Offset Credit:

During the quarter, the Australian Tax Office issued the Company a cash refund of \$300,268 (including interest) for Research and Development (R&D) Tax Offsets for the 2008 – 2009 Financial Year.

The Company has registered initial baseline R&D plans for the Barkly Phosphate, Julia Creek Uranium, Haunted Stream Gold and Trafford Coal Projects and intends to register a similar plan for the Bacchus Marsh Coal Project.

Placement to Raise \$600,000:

Subsequent to quarter's end, the Company announced that it had entered into an agreement with Cygnet Capital Pty Ltd to raise \$600,000 by way of a placement of 20,000,000 shares at 3 cents per share.

The placement shares will be issued within the Company's 15% capacity and as part fee for the services of Cygnet the Company will issue 5,000,000 options (5 cent, 31 October 2010 expiry).

The new capital raised will be used to fund the Company's exploration programs, specifically:

- to accelerate a drilling program at the Granite Castle Gold Project on the next most prospective shears,
- to undertake preliminary technical work for the Bacchus Marsh Coal Project, and
- for general working capital purposes.

Managing Director's Executive Services Agreement:

During the quarter, the Company finalised a new Executive Services Agreement with the Managing Director. Key components of the new agreement include:

- an increase in the fixed remuneration component from \$175,000 pa to \$197,936 pa inclusive of Board fees, and
- an options package including 1,000,000 x 10 cent, 31 December 2011 expiry, tranche 1 and 2,000,000 x 20 cent, 31 December 2012 expiry, tranche 2.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Stuart Moore, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Moore is a full-time employee of the company. Mr Moore has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Moore consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

TENEMENT SCHEDULE							
Number	Project	Name	Grant Date	Period	Expiry Date	Area	Interest
				(yrs)			(%)
Queensland							
						sub-blocks	
EPM 14388	Charters Towers	Charters Towers	24/02/2005	5 + 5	23/02/2015	29	100
EPM 14604	Charters Towers	Granny's Swamp	30/03/2005	5	Relinquish	25	100
EPM 14179 ¹	Granite Castle	Range Creek	25/11/2004	5 + 3	24/11/2012	6	100
EPM 15527	Granite Castle	Oaky Creek	30/11/2007	5	29/11/2012	54	100
EPM 15534	Clarke River	Phantom Creek	06/03/2007	5	05/03/2012	12	100
EPM 15535	Clarke River	Mount Brown	23/11/2007	5	22/11/2012	41	100
EPM 15537	Julia Creek	Holy Joe's Creek	13/06/2006	5	12/06/2011	36	100
EPM 15538	Julia Creek	Gidya Creek	13/06/2006	5	12/06/2011	38	100
EPM 16878	Burke	Eight Mile Creek	Withdrawn			111	100
EPM 16880	Burke	Lagoon Creek	Withdrawn			46	100
EPC 772 ²	Trafford	Mount Mulligan	05/12/2002	3 + 5	Renewal	72	100
EPP 718 ²	Trafford	Mount Mulligan	Applic			150	100
EPC 2190	Texas	Texas	Applic			300	100
EPC 2192	Texas	Mt Gunyan	Applic			300	100
Victoria							
						grat-sects	
EL 3576	Haunted Stream	Haunted Stream	21/10/1994	annual	20/10/2010	66	100
EL 4784	Haunted Stream	Mount Baldhead	25/01/2006	5	24/01/2011	87	100
EL 4785	Haunted Stream	Mount Nugong	Applic			179	100
EL 4786	Haunted Stream	Mount Elizabeth	Applic			495	100
EL 4819	Haunted Stream	Buchan East	Applic			389	100
ML 5505	Haunted Stream	Dogtown	17/08/2010	2	19/08/2012	0.9Ha	100
EL 5294 ³	Bacchus Marsh	Bacchus Marsh	Applic			386	100
Northern Territory							
						blocks	
EL 26018	Barkly	Mittiebah	05/12/2007	6	04/12/2013	377	100
EL 26019	Barkly	Mitchiebo	05/12/2007	6	04/12/2013	340	100
EL 26020	Barkly	Alexandria	18/01/2008	6	Relinquish	334	100
EL 26021	Barkly	Lignum	05/12/2007	6	Relinquish	408	100
EL 27035	Barkly	Carrara Bore	01/05/2009	6	30/04/2015	155	100
EL 27037	Barkly	Boomerang Creek	07/10/2009	6	06/10/2015	57	100
EL 27868	Barkly	James River	Withdrawn			499	100
EL 27869	Barkly	Fairview Ridge	Withdrawn			491	100
EL 27870	Barkly	Bauhinia Ridge	Withdrawn			283	100
EL 27871	Barkly	Blue Bush Swamp	Withdrawn			308	100

1. Held by Zulu Gold Pty Ltd which is a 100% owned subsidiary of Mantle.

2. Held by Calcifer Industrial Minerals Pty Ltd however Mantle holds 100% beneficial interest via its 100% owned subsidiaries: Trafford Coal Pty Ltd (87.5% beneficial interest) and Mt Mulligan Coal Pty Ltd (12.5% beneficial interest).

3. Subject to a non binding MOU with Exergen Pty Ltd whereby the parties intend to form a 50/50% Joint Venture.



MINERAL RESOURCES AND EXPLORATION TARGETS SCHEDULE:

Granite Castle Mineral Resource Statement:

Granite Castle Gold and Silver Resource Estimate @ 0.2 g/t Au lower cut-off					
Class	Tonnes	Au g/t	Au Ozs	Ag g/t	Ag Ozs
<i>Measured</i>	122,614	3.99	15,727	53.3	209,941
<i>Indicated</i>	264,021	3.44	29,198	67.6	574,182
<i>Inferred</i>	460,443	2.32	34,375	50.4	746,680
Total	847,078	2.91	79,301	56.2	1,530,803

Granite Castle Exploration Target Statement:

Granite Castle Gold and Silver Exploration Target			
Target	Tonnes	Au g/t	Ag g/t
<i>Below Granite Castle JORC Resource</i>	300,000 – 400,000	2.5 – 3.5	55 - 70
<i>Additional shears (7km)</i>			
Total	300,000 – 400,000	2.5 – 3.5	55 - 70

Great Britain Mineral Resource Statement:

Great Britain Gold Resource Estimate @ 0.5 g/t Au lower cut-off					
Class	Tonnes	Au g/t	Au Ozs		
<i>Inferred</i>	2,128,000	1.8	125,000		
Total	2,128,000	1.8	125,000		

Mount Mulligan Exploration Target Statement:

Mount Mulligan Black Coal Exploration Target						
Target	Tonnes	TM %	Ash %	VM %	FC %	CV MJ/kg
<i>Mulligan Sub-basin</i>	100 Million – 500 Million	2 - 3	11 - 18	28 - 34	50 - 70	26 - 28
Total	100 Million – 500 Million	2 – 3	11 - 18	28 - 34	50 - 70	26 - 28

Bacchus Marsh Exploration Target Statement:

Bacchus Marsh Brown Coal Exploration Target						
Target	Tonnes	TM %	Ash %			
<i>Parwin Sub-basin</i>	1 Billion – 2 Billion	35 – 61	4 - 11			
Total	1 Billion – 2 Billion	35 – 61	4 - 11			



COMPETENT PERSONS STATEMENTS; MINERAL RESOURCES & EXPLORATION TARGETS:

Granite Castle Gold and Silver Mineral Resource and Exploration Target:

Statements in this report relating to the Granite Castle Gold and Silver Mineral Resource are based on a report provided to the Company by Hellman and Schofield Pty Ltd, dated 16th May 2008 and first released to the ASX by Mantle on 28th May 2008. The report contained the following statement: "The information in this report that relates to Mineral Resources is based on information compiled by Dr William Yeo, a full time employee of Hellman and Schofield Pty Ltd. Dr Yeo is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Yeo consents to the inclusion of the matters based on his information in the form and context in which it appears in this report." The report also covered mineralised structures below the resource and quantified a contained exploration potential (Exploration Target) within those structures. Note that the potential quantity and grade of the Exploration Target is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource, and that it is uncertain if further exploration will result in the determination of a Mineral Resource

Great Britain Gold Mineral Resource:

Statements in this report relating to the Great Britain Gold Mineral Resource are based on a report provided to Glengarry Resources Ltd by Resource Evaluations Pty Ltd dated August 2004. Mantle purchased the Great Britain tenement from Glengarry in 2007 and the Resource statement was independently confirmed by Ravensgate Minerals Industry Consultants and included in Mantle's 2006 Prospectus as released to the ASX by Mantle on 2nd October 2006. The Resource Evaluations Pty Ltd report was compiled by Mr Mark Drabble, a Member of the Australasian Institute of Mining and Metallurgy and Mr Gerry Fahey, also a Member of the Australasian Institute of Mining and Metallurgy, and contained the following Competent Persons Statement: "This report was completed under the overall supervision and direction of Gerry Fahey and the 3D modelling and Mineral Resource estimation was carried out by Mark Drabble both of whom are Competent Persons as defined by the Australasian Code for the Reporting of Mineral Resources and Ore reserves (JORC Code) 1999 edition and who consent to the inclusion in this report of the matters based on his information in the form and context in which it appears."

Mount Mulligan Black Coal Exploration Target:

Statements in this report relating to the Mt Mulligan Coal Exploration Target are based on data provided to the Company by the vendors of the project, as first released in a report to the ASX by Mantle on 25th September 2007. The report noted that: "Under the Guidelines for the Estimation and Reporting of Australian Black Coal Deposits (1999), Mount Mulligan had an identified Class 1 deposit of 144m tonnes and an identified Class 2 deposit of 507m tonnes, with only two holes effectively testing the basin. Upon subsequent review of the geological data and drill hole logs available and in consultation with Mantle's consultant geologists, it is considered appropriate that the range of the Exploration Target be considered as 100m to 500m tonnes. Information in this report that relates to Exploration Results is based on information compiled by Mr Ian Kraemer an Executive of Mantle Mining Corporation Ltd. Mr Kraemer is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Kraemer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. In addition, Mr Kraemer notes that the potential quantity and grade of the Black Coal Exploration Target is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource, and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Bacchus Marsh Brown Coal Exploration Target:

Statements in this report relating to the Bacchus Marsh Brown Coal Exploration Target are based on preliminary review of existing data and drill hole logs as first released in a report to the ASX by Mantle on 17th June 2010. The report noted that: information in this report that relates to Exploration Results is based on information compiled by Mr Ian Kraemer an Executive of Mantle Mining Corporation Ltd. Mr Kraemer is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Kraemer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. In addition, Mr Kraemer notes that the potential quantity and grade of the Brown Coal Exploration Target is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource, and that it is uncertain if further exploration will result in the determination of a Mineral Resource.