

## **ACTIVITIES REPORT - DECEMBER QUARTER 2009**

### **Status –Westminster**

- First stage resource definition drilling has confirmed the potential of the Westminster Project (Figure 1), to become a new operational centre for the Tennant Creek Goldfield.
- A series of mineralised shoots have been defined along the strike length of the Westminster Project area (Figure 4). Drilling at Ore Body 4 has defined near surface mineralisation of sufficient grade to support underground mining.
- Continuous mineralisation from drill hole 09WMRC041 in the number four ore body bulks to:
  - 28m @ 4.94 g/t Au, from 79m
  - **5m @ 23.5g/t Au, high grade core**
- New intersections in conjunction with database results including **7m @ 40.4 g/t Au**, serve to indicate the formation of a number of **high grade ore shoots with at least 120m of down plunge continuity**.
- Initial infill drilling in the ore zone for ore body four has identified mineralisation to approximately 110m below surface. Geophysical modelling suggests the main accumulations of mineralisation occur closer to 200m below surface.
- Truscott's exploration strategy used structural analysis to target predicted ore shoots at depth. Mineralised intersections drilled to date confirm the structural model and will increase the effectiveness of future drilling.
- The Westminster Project is now at a transition stage in its development. Continued systematic work and ongoing drilling programs are expected to attract the interest of a wide audience of new parties.



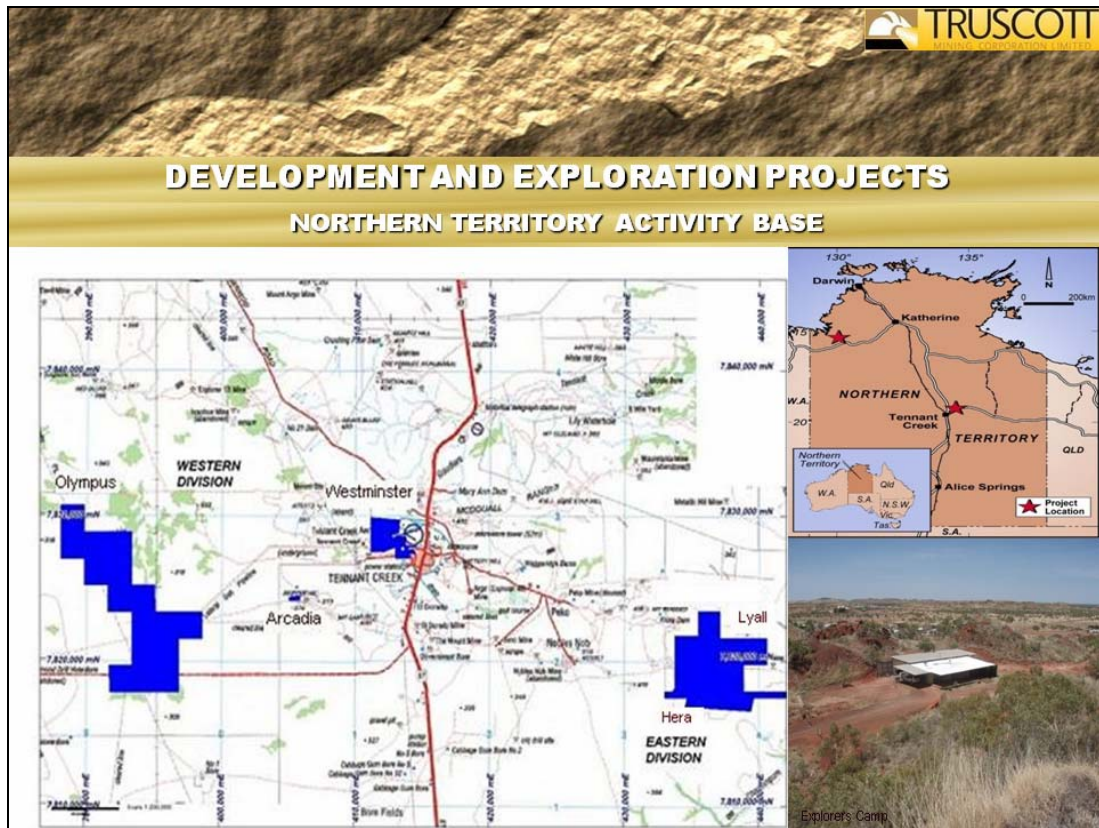
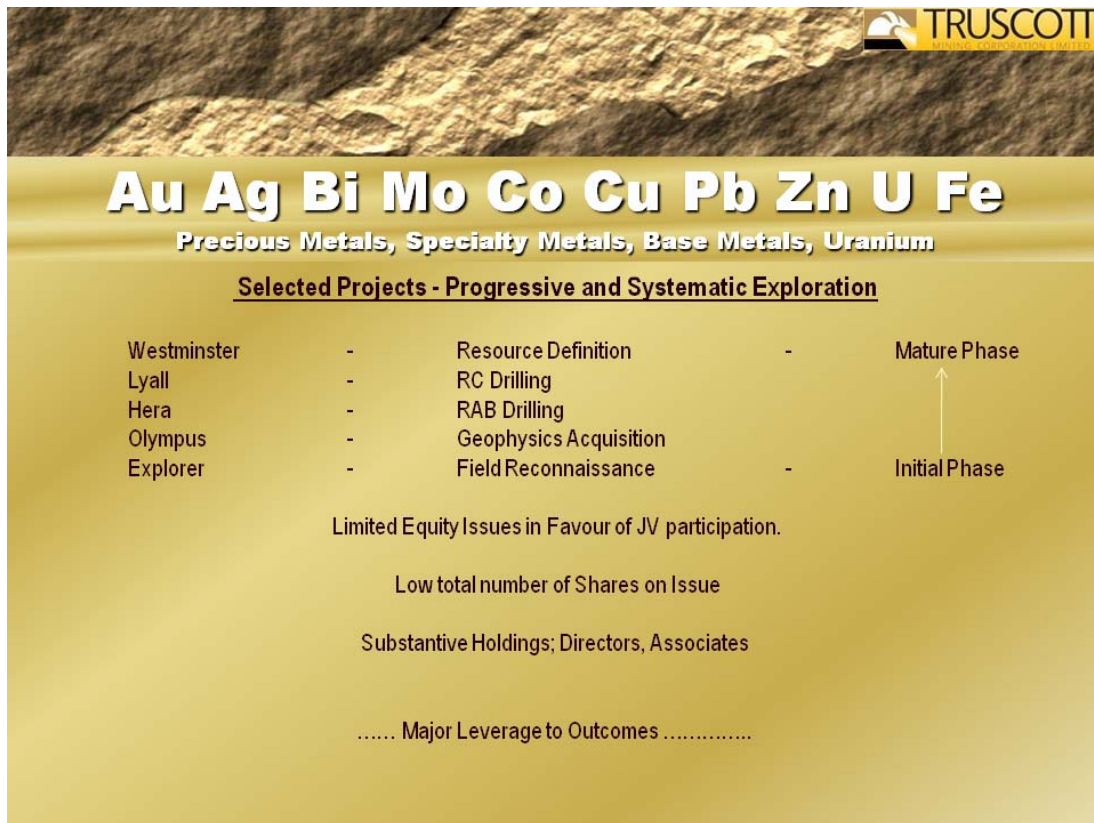


Figure 1: Exploration Activity Centres- Northern Territory

### Status - Corporate

- Truscott is a tightly held exploration company with a low number of shares on issue (57,564,502) and a large percentage of director and management participation (48%, fully diluted after options) in share ownership.
- The company manages a systematic and technically aggressive exploration program over mineral projects in which it has 100% holding (Figure 2).
- During the December quarter an interim fund raising of \$550,000 was initiated to facilitate ongoing delineation drilling at Westminister whilst options for larger scale capital inputs to support a comprehensive drill out were worked on.
- Truscott is currently working to minimise the issue of additional equity in favour of JV participation as a means of maintaining the company shareholders' position as that of being the most highly leveraged to exploration success in the Tennant Creek gold field.



**Figure 2: Summary of Project Development Status**

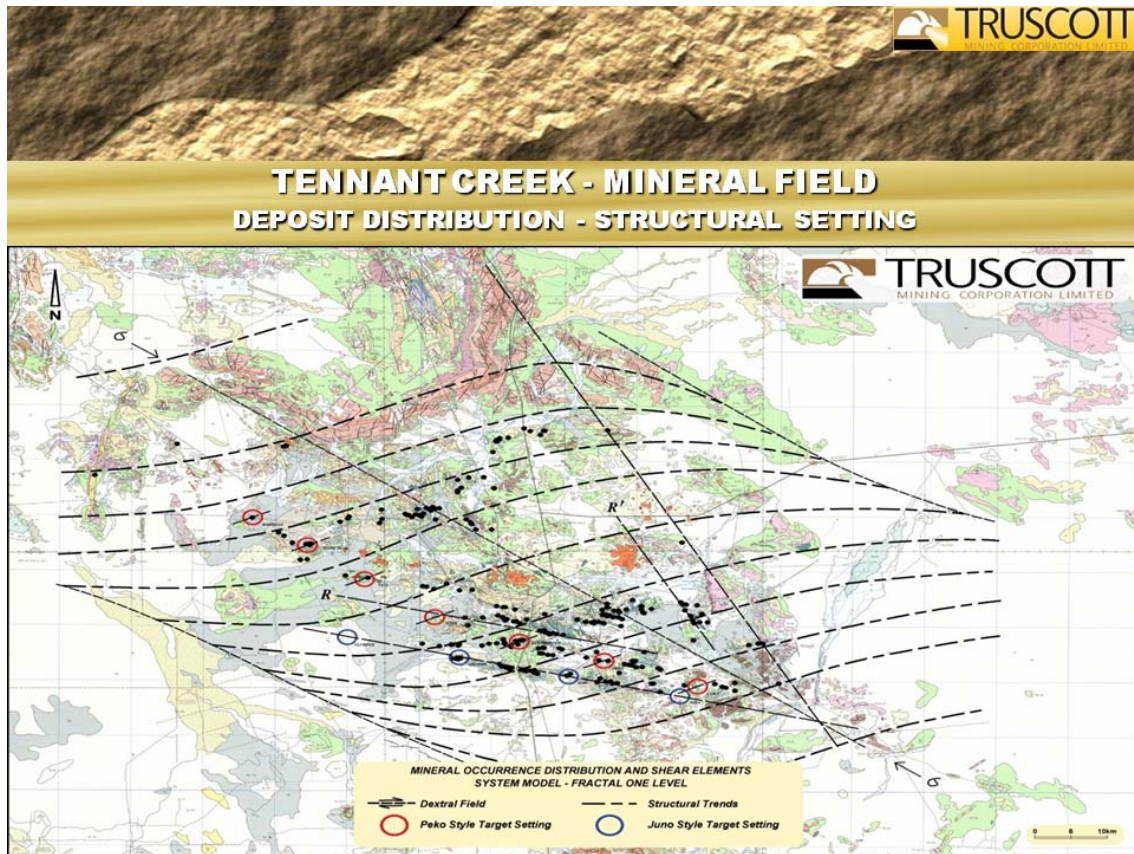
**TENNANT CREEK GEOSYNCLINE – Lower Proterozoic**

Poly-Metallic (Au, Ag, Bi, Mo, Co, Cu, Pb, Zn, U, Fe) Systems

**Strategic Tenement Holdings**

For logistical reasons the company is focusing its exploration effort in an area within a 25km radius of the Tennant Creek township. Within this area two underground operations; Peko and Juno stand out, with past and present publicly reported inferred and indicated resource estimates for each deposit of in excess of 3 million tonnes.

The company’s structural modelling has identified primary targets exhibiting congruent structural settings to major deposits in the Tennant Creek Mineral Field. The targets are located at the intersections between the axis of major anticline and syncline folds and their interaction with prominent corridors of shearing (Figure 3).



**Figure 3: Tennant Creek Mineral Field – Structural Elements**

**Westminster Project**

(Truscott: MLC511, A25952, A26500, A26588 all 100%)

Truscott’s Westminster Project is located just west of the Tennant Creek Township in the centre of the Tennant Creek Mineral Field. The project covers an area of 5.96 km<sup>2</sup> which includes some of the earliest workings and discoveries in the field that date from the mid 1930’s.

Truscott has been the first company to successfully consolidate a number of these historical mining leases along a line of strike. The project covers more than 1.5km strike length of mineralised ironstone outcrop and sub-crop that host numerous historical shallow high grade gold workings. The project site is ideally located close to all major service connections and within 500m of the local airport.

Detailed structural analysis and three dimensional modelling (Figure 4) of the shoots identified at Westminster clearly indicates the plunge direction of the mineralisation.

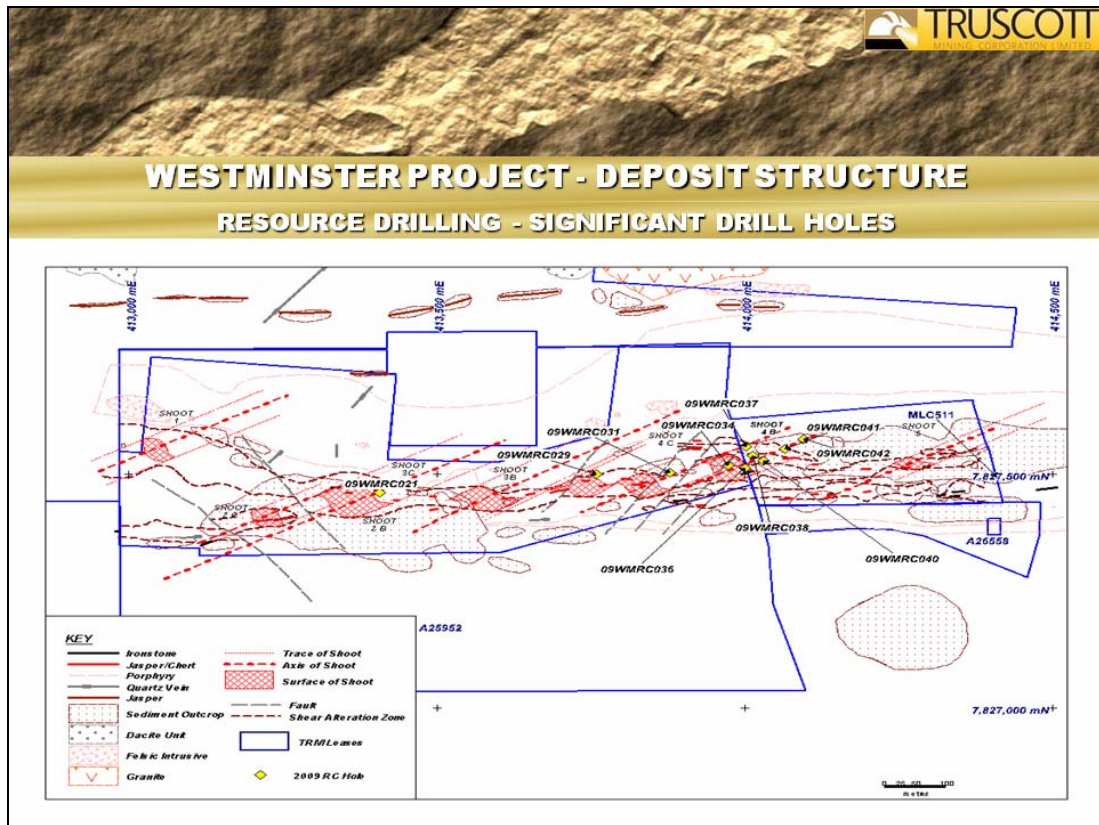


Figure 4: Plan View of Mineralised Shoots, Westminster Project

### Initial Infill Drill Program

During the December quarter an initial resource definition drill program totalling 2925m of reverse circulation drilling was completed at the Westminster Project. The program constituted twenty six (26) holes with the objectives to:

- Identify ore grade gold mineralisation by step out drilling down plunge from known near surface mineralisation in the number 4 shoot system.
- Confirm the location of the axis of the mineralised shoots systems 2 and 3 for subsequent down plunge drilling programs.

A record of the holes drilled is provided as Appendix 1. Table 1 lists collar locations for drill holes that intersected significant mineralisation.

HoleID	Shoot	Dip	Azm	Depth (m)	GDA E (m)	GDA N (m)	RL (m)	From (m)	Interval (m)	Au (ppm)	Ag (ppm)	Bi (ppm)	Co (ppm)	Cu (%)	Fe (%)	Mo (ppm)	Pb (ppm)	Zn (ppm)
09WMRC021	2	-90	0	90	413407	7827462	379	54	1	5.22	27.3	151	4	8.62	4.1	3	698	567
								55	1	0.14	8.3	87	4	4.04	2.22	1	679	470
								56	1	0.37	1.5	69	5	2.69	2.18	1	1070	627
								58	1	0.28	3.6	37	3	2.24	1.51	2	4430	973
								59	1	0.29	1.4	17	4	1.13	1.79	2	1595	742
								60	1	1.22	0.7	63	5	0.41	2.2	1	505	399
								71	1	1.01	0.6	5	1	0.03	0.7	<1	21	105
09WMRC029	3	-90	0	120	413760	7827500	377	91	1	1.05	0.5	99	12	1.56	5.9	9	204	292
								98	1	0.65	7.4	<2	101	2.58	18.40	13	965	789
09WMRC031	4	-90	0	91	413879	7827503	379	46	1	44.70	3.1	3420	19	0.03	24.0	158	781	64
								47	1	7.86	0.3	572	14	0.01	14.3	35	200	63
								50	1	1.18	0.3	59	8	<0.01	11.7	10	66	41
								56	1	3.56	0.2	22	9	<0.01	14.0	13	59	44
								57	1	4.51	0.4	80	10	0.01	11.5	13	153	103
09WMRC032	4	-90	0	90	413889	7827502	379	41	1	1.81	0.2	29	14	<0.01	14.8	10	22	61
09WMRC033	4	-90	0	163	413941	7827530	380	70	1	0.06	18.5	81	27	0.40	17.6	54	12500	16700
09WMRC034	4	-90	0	75	413973	7827520	380	21	3*	1.29	1.5	166	58	0.13	9.5	5	287	1680
09WMRC036	4	-90	0	75	414000	7827513	380	15	3*	1.78	7.5	822	38	0.25	10.6	60	2210	824
								33	3*	1.47	1.6	166	34	0.17	9.3	8	1110	1090
09WMRC037	4	-90	0	120	414003	7827559	385	112	1	1.19	0.4	17	575	0.01	19.5	30	190	29
09WMRC038	4	-85	300	100	414014	7827541	383	82	1	2.47	0.5	542	12	0.01	18.9	8	224	41
								85	1	4.08	0.8	1000	23	0.01	17.9	122	198	56
								89	1	1.06	2.9	402	16	0.03	16.6	83	1390	407
09WMRC040	4	-90	0	93	414031	7827530	381	76	1	0.08	6.1	194	27	1.42	12.95	11	6510	2580
09WMRC041	4	-90	0	108	414065	7827555	384	79	1	1.34	1.2	63	163	0.09	13.4	39	443	1020
								80	1	1.44	1.2	101	129	0.11	19.7	28	525	1365
								81	1	1.20	0.9	168	45	0.08	11.0	18	219	486
								82	1	1.05	1.1	243	63	0.09	15.4	20	331	561
								83	1	11.10	2.0	520	59	0.05	24.5	23	388	527
								84	1	84.05	8.8	5200	48	0.06	15.3	18	634	542
								85	1	6.91	2.3	1110	100	0.12	31.8	33	737	1100
								86	1	4.97	1.2	881	101	0.10	28.9	30	814	994
								87	1	10.60	0.9	524	144	0.10	31.0	21	1070	1380
								103	1	0.08	18.2	79	28	0.91	15.6	89	19600	12300
								104	1	0.11	12.0	111	22	1.28	13.35	131	14400	9120
								105	1	13.05	2.0	2190	21	0.16	12.5	17	4000	1880
								09WMRC042	4	-85	60	150	414095	7827575	384	76	1	1.47
100	1	0.40	3.8	675	87	0.38	19.6									88	27600	1410
101	1	0.59	4.7	569	64	0.29	14.1									66	21700	1090
102	1	0.94	4.3	509	186	0.44	19.2									75	32900	2710
103	1	0.88	5.9	272	145	0.41	21.6									76	25500	2290
104	1	0.49	13.4	253	209	0.50	17.1									71	24100	3380
106	1	0.78	3.1	314	236	0.59	24.5	76	22200	4350								

Notes: (1) All analysis results are reported from Reverse Circulation chips collected at im intervals through a riffle splitter. (\* Composite Sample)  
 (2) Au Assay method by 50g Lead collection fire assay with AAS finish (Au-AA26)  
 (3) Base metal analysis method by 25g aqua regia digestion with ICP-OES & MS finish (ME-ICP41 & Cu-OG62)  
 (4) Truscott and internal lab standards and blanks were routinely inserted  
 (5) Reported intersections are calculated using line weighted average grades and are reported using a combination of 1.0g/tAu or 1%Cu or Combined Base Metals 3% lower cut. No top cut is applied  
 (6) Intersection reported are drill hole intersections and not the true width intersections.

**Table 1: Westminster Initial Infill Drill Program – Significant Drill Intersections**

## Drill Results

The drill program demonstrated the continuity of mineralisation for two shoots within the number four ore body. Figure 5 illustrates the positions of the upper and lower shoots.

Key intersections in the lower shoot include:

09WMRC031                      2m @ 26.28g/t Au from 46m  
    2m @ 4.04g/t Au from 56m

WMDDH1 (database)            1.83m @ 11.32g/t Au from 136m

These intersections are close to the plunge axis and confirm the predicted bearing of the shoots. The intersections indicate continuity of **high grade gold mineralisation for a vertical distance of at least 90m and a down plunge distance of 120m.**

Key intersections in the upper shoot include:

09WMRC036	3m @ 1.78g/t Au from 15m, 3m @ 1.46g/t Au from 33m
NMDDH1 (database)	7.0m @ 40.4g/t Au from 71m
09WMRC041	5m @ 23.53g/t Au from 83m 1m @ 13.05g/t Au from 105m

These intersections are close to the plunge axis and the predicted bearing of the shoot axis. Again these intersections indicate continuity of **high grade gold mineralisation for a vertical distance of at least 90m and a down plunge distance of 120m.**

It has become apparent that the ore body alignment demonstrated by the mineralisation intersections listed above on the ore body scale matches Truscott’s regional scale structural model. The implementation of the structural controls identified from the models will result in a more effective application of future drilling funds.

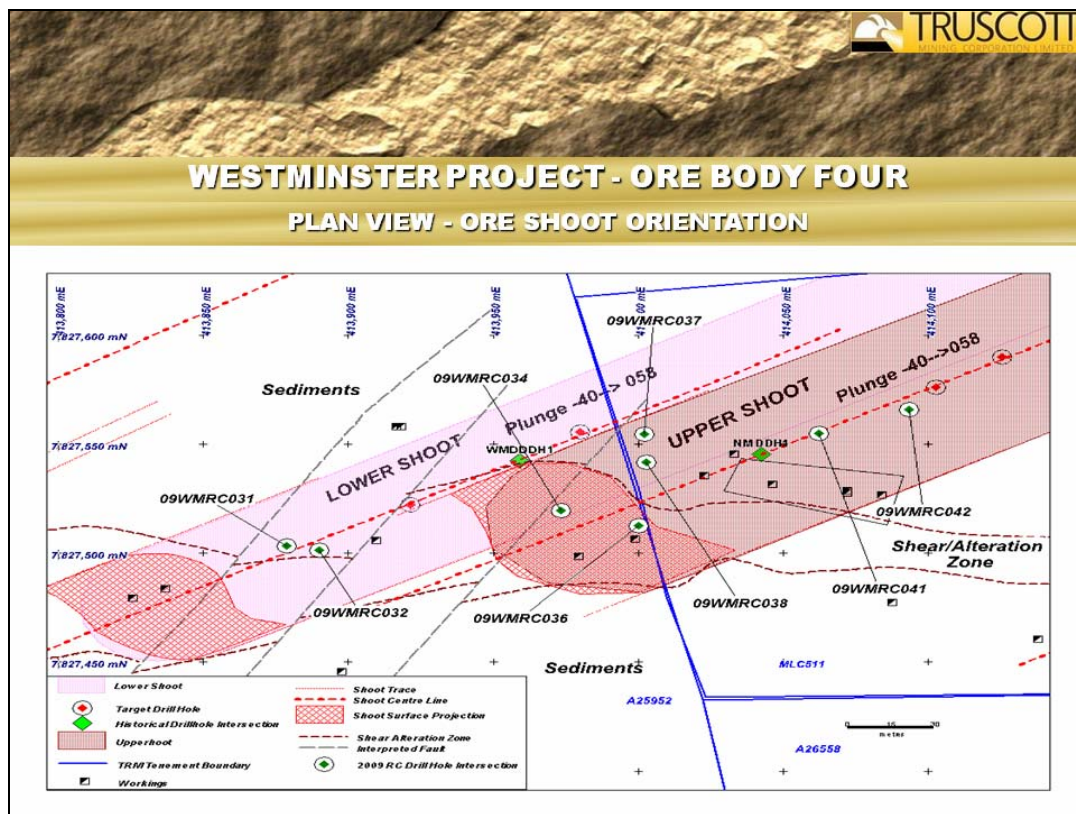


Figure 5: Westminster – Ore Body 4 – Shoot Orientations

The drilling also confirmed the location of the axis of the mineralised shoots systems two and three for subsequent down plunge drilling programs:

09WMRC029	1.0m @ 2.58% Cu, 0.65g/t Au from 98m (Shoot 3).
09WMRC021	6.0m @ 3.25% Cu, 1.09g/t Au from 54m (Shoot 2).

The higher copper signature results from a combination of commonly observed metal zoning and the structural setting. Several additional shallow drill holes will be completed prior to the commencement of an aggressive step out drilling program.

### Mineral Distribution & Intensity

The analysis for all the intervals from drill hole WMRC041 are provided in Table 2 to demonstrate the typical poly-metallic association in many of the more highly mineralised zones at Westminster. Even with significant mineral credits from other metals it is expected that gold will remain the major economic driver for the project.

HoleID	Shoot	Dip	Azm	Depth (m)	GDA E (m)	GDA N (m)	RL (m)	From (m)	Interval (m)	Au (ppm)	Ag (ppm)	Bi (ppm)	Co (ppm)	Cu (ppm)	Fe (%)	Mo (ppm)	Pb (ppm)	Zn (ppm)	Geology
09WMRC041	4	-90	0	108	414065	7827555	384	0	3*	<0.01	<0.2	<2	<1	20	2.92	1	2	51	Shale
								3	3*	<0.01	<0.2	<2	<1	10	2.89	<1	2	41	Shale
								6	3*	<0.01	<0.2	<2	<1	12	2.72	<1	2	65	Shale
								9	3*	<0.01	<0.2	<2	<1	4	2.81	1	3	42	Shale
								12	3*	<0.01	<0.2	<2	<1	5	2.76	2	2	37	Shale
								15	3*	<0.01	<0.2	<2	<1	3	2.56	3	<2	40	Shale
								18	3*	<0.01	<0.2	<2	<1	8	2.54	5	3	65	Shale
								21	3*	<0.01	<0.2	<2	<1	14	2.35	4	2	50	Shale
								24	3*	<0.01	<0.2	<2	<1	11	2.49	3	2	47	Shale
								27	3*	<0.01	<0.2	<2	1	22	2.12	3	2	45	Shale
								30	3*	<0.01	<0.2	<2	<1	20	1.98	3	<2	56	Shale
								33	3*	0.02	<0.2	<2	<1	13	2.05	2	2	46	Shale
								36	3*	<0.01	<0.2	<2	2	39	2.15	2	<2	48	Shale
								39	3*	<0.01	<0.2	2	20	112	2.33	3	14	61	Shale
								42	3*	0.01	<0.2	2	111	196	2.19	9	23	248	Shale
								45	3*	0.01	<0.2	<2	69	180	2.08	4	20	90	Shale
								48	3*	0.09	<0.2	<2	68	246	1.89	3	14	120	Shale
								51	3*	0.10	<0.2	<2	67	230	1.88	3	6	133	Shale
								57	3*	0.04	<0.2	2	156	591	2.35	10	7	211	Shale
								60	3*	0.08	0.2	2	45	238	2.74	4	7	190	Shale
								63	3*	0.32	<0.2	2	184	717	2.66	12	8	269	Shale
								66	3*	0.03	<0.2	<2	120	593	2.60	12	8	205	Shale
								69	3*	0.09	<0.2	<2	221	888	2.83	23	11	266	Shale
								72	3*	0.03	<0.2	2	214	990	2.57	48	12	306	Shale
								75	3*	0.01	0.2	3	76	439	2.60	21	9	203	Shale
								78	1	0.03	0.2	4	53	344	5.42	14	70	365	ShdSed
								79	1	1.34	1.2	63	163	906	13.35	39	443	1020	FeStone
								80	1	1.44	1.2	101	129	1070	19.70	28	525	1365	FeStone
								81	1	1.20	0.9	168	45	829	11.00	18	219	486	FeStone
								82	1	1.05	1.1	243	63	859	15.40	20	331	561	FeStone
								83	1	11.1	2.0	520	59	543	24.50	23	388	527	FeStone
								84	1	84.05	8.8	5200	48	600	15.30	18	634	542	FeStone
								85	1	6.91	2.3	1110	100	1210	31.80	33	737	1100	FeStone
								86	1	4.97	1.2	881	101	964	28.90	30	814	994	FeStone
								87	1	10.60	0.9	524	144	995	31.00	21	1070	1380	FeStone
								88	1	0.67	0.3	37	105	1030	32.00	13	599	1400	FeStone
								89	1	0.11	0.8	21	58	1420	33.60	16	1120	2250	FeStone
								90	1	0.18	<0.2	110	50	2700	29.80	27	720	929	FeStone
								91	1	0.32	0.2	188	36	3100	18.40	31	615	981	FeStone
								92	1	0.21	1.0	385	73	4990	26.50	35	1180	1270	FeStone
								93	1	0.14	1.5	214	47	4070	29.80	27	1470	1630	FeStone
								94	1	0.07	1.0	34	71	2870	27.20	31	2060	1710	FeStone
								95	1	0.08	1.3	121	82	3180	15.90	33	5840	2100	FeStone
								96	1	0.01	1.2	20	70	1710	5.80	14	5940	1020	FeStone
								97	1	0.03	3.2	28	71	2320	10.75	26	7430	1330	FeStone
								98	1	0.05	5.7	49	86	3720	14.15	36	11500	2140	FeStone
								99	1	0.01	5.1	11	45	2260	6.00	21	5390	2160	FeStone
								100	1	0.01	12.3	34	54	5360	10.55	37	10900	6710	FeStone
								101	1	0.01	8.2	32	14	3710	9.54	18	3890	8140	FeStone
								102	1	0.01	12.7	61	19	6200	18.80	15	4010	3470	FeStone
								103	1	0.08	18.2	79	28	9120	15.60	89	19600	12300	FeStone
								104	1	0.11	12.0	111	22	12800	13.35	131	14500	9120	FeStone
								105	1	13.05	2.0	2190	21	1590	12.45	17	4000	1880	FeStone
								106	1	0.46	1.1	143	19	936	7.78	10	1000	1430	ShdSed
								107	1	0.26	0.7	48	17	450	5.53	5	651	901	ShdSed

Colour Key	
	Au>4g/t
	Au>1g/t
	Au>0.5g/t
	Ag>1g/t
	Bi>100ppm
	Co>100ppm
	Cu>500ppm
	Fe>10%
	Mo>20ppm
	Pb>500ppm
	Zn>500ppm

Geology Key	
Shale	Shale
ShdSed	Sheared Sediment
FeStone	Iron Stone

Table 2: Westminster – Drill Hole 09WMRC041

A study of the iron, gold and bismuth concentrations within the upper ore shoot of Ore body 4 (Figure 6) indicates the relationship between mineralisation intensity and depth.



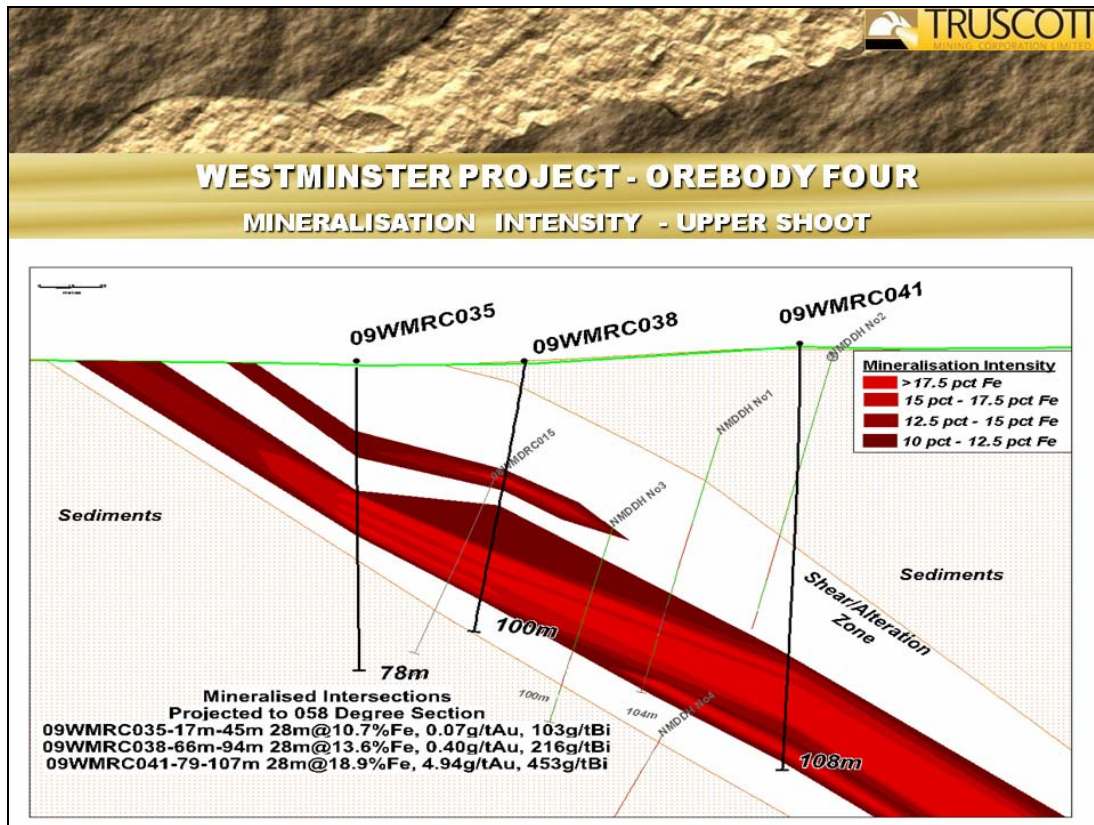


Figure 6: Westminster Mineralisation Intensity Study

### Lyall & Hera Projects

(Truscott: SEL27731, EL25577, EL26122 (all 100%))

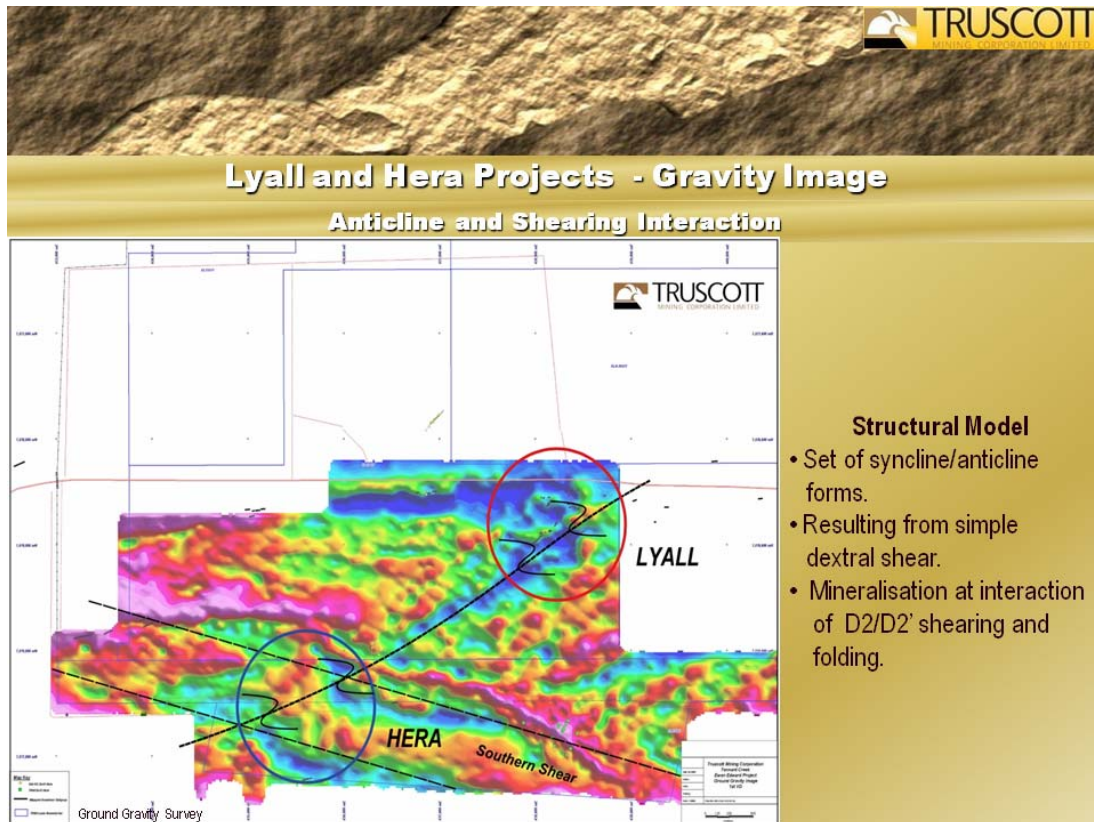
The Lyall and Hera Projects are located 20 km east of the Tennant Creek Township.

The gravity image (Figure 7) shows the interpreted location of the anticline fold axis associated with the Lyall and Hera Projects.

Mapping at Lyall identified an ironstone outcrop pattern with a central zone of alteration over a length of greater than a one kilometre. The geometry and structure mapped at Lyall are consistent with a zone of dilation.

Ground traverses at Hera confirmed that the target zone is under substantial cover. Target definition will therefore depend significantly on the success of geochemical and remote sensing work programs.

Further analysis of the primary exploration projects at Lyall and Hera will continue following of the confirmation of the structural model at the Westminster Project. However, the wet season prevented any additional field work being completed during the December quarter.



**Figure 7: Detailed Ground Gravity Image at Lyall & Hera Projects**

**Olympus**

(Truscott – EL 27145 100%)

The Olympus Project is located 25km to the West of the Tennant Creek Township within Tenement EL 27145. The target zone has been interpreted as an intersection between a syncline and the southern shear zone (Figure 8). Regional airborne magnetic data (bottom inset) and radiometric data clearly identify the target zone.

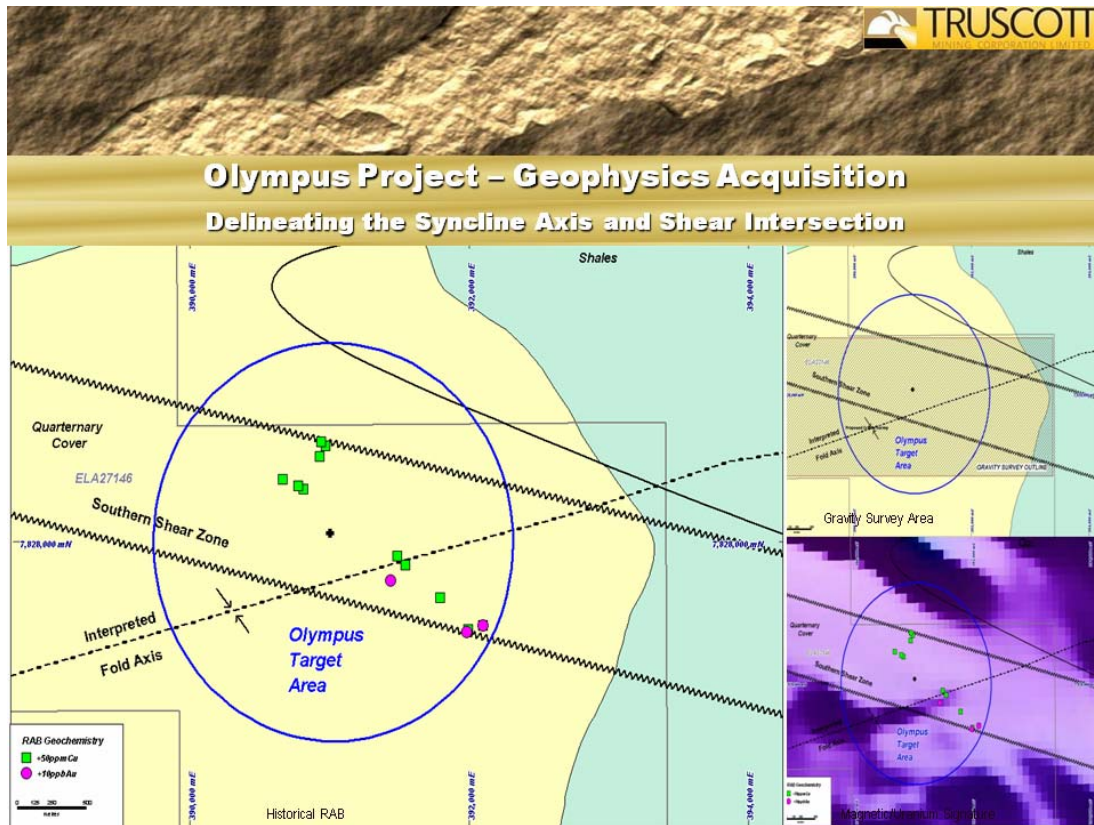
Previous explorers completed vacuum RAB drilling in the general area and identified weak gold and copper anomalism (Figure 8).

During the September quarter site clearance work was completed over the zone of interest with an AAPA clearance certificate issued for future exploration and mining activities. The first phase of exploration work is now being planned. A detailed ground based gravity survey is planned to cover the target area shown in the top inset of Figure 8 to provide structural information to be used to target gold mineralisation. No additional field work was undertaken during the December quarter.

**Arcadia**

(Truscott: MLC621, MLC622 all 100%)

Shallow historical gold workings associated with ironstones are located within granted mineral leases MLC621 and MLC622. These mining leases are considered to be as prospective as the other major projects, however Arcadia's ranking as a major exploration project is reduced due to access considerations.



**Figure 8: Ground Based Gravity Acquisition for the Olympus Project**

**PINE CREEK – HALLS CREEK GEOSYNCLINE – Lower Proterozoic  
Exploration Targets – Greenfields – multiple potential styles of mineralisation  
– including Unconformity style Uranium**

**Legune**

**Explorer Project**

(Truscott: EL25881, EL26145 all 100%)

The Explorer Project comprises two Exploration Licences EL25881 and EL26145 and is located within the Halls Creek Mobile Belt, Northern Territory. The main tenement block is centred 60km north of the settlement of Newry, on the Victoria Highway that links Kununurra in Western Australia to Katherine in the Northern Territory. No additional field work was completed within the Explorer Project during the December quarter.

**Peter N Smith  
Executive Chairman**

***Competent Person:** The contents of this report, that relate to geology and exploration results, are based on information reviewed by Ivan Henderson, who is a Member of the Australian Institute of Geoscientists. He has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken 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. Ivan Henderson consents to the inclusion in this report of the matters compiled by them in the form and context in which they appear.*

**Appendix 1: 2009 Westminster RC Drill Hole Details**

Hole ID	Shoot No	Hole Type	Lease	Dip	Azm	Depth (m)	GDA E (m)	GDA N (m)	RL (m)
09WMRC019	2	RC	A25952	-90	0	111	413389	7827471	380
09WMRC020	2	RC	A25952	-90	0	114	413398	7827467	380
09WMRC021	2	RC	A25952	-90	0	90	413407	7827462	379
09WMRC022	2	RC	A25952	-90	0	84	413418	7827458	375
09WMRC023	2	RC	A25952	-90	0	150	413428	7827483	378
09WMRC024	2	RC	A25952	-90	0	129	413440	7827479	378
09WMRC025	2	RC	A25952	-90	0	111	413450	7827475	377
09WMRC026	3	RC	A25952	-90	0	108	413634	7827472	377
09WMRC027	3	RC	A25952	-90	0	141	413654	7827490	377
09WMRC028	3	RC	A25952	-90	0	150	413665	7827500	377
09WMRC029	3	RC	A25952	-90	0	120	413760	7827500	377
09WMRC030	3	RC	A25952	-90	0	150	413789	7827517	378
09WMRC031	4	RC	A25952	-90	0	91	413879	7827503	379
09WMRC032	4	RC	A25952	-90	0	90	413889	7827502	379
09WMRC033	4	RC	A25952	-90	0	163	413941	7827530	380
09WMRC034	4	RC	A25952	-90	0	75	413973	7827520	380
09WMRC035	4	RC	A25952	-90	0	78	413989	7827515	379
09WMRC036	4	RC	A25952	-90	0	75	414000	7827513	380
09WMRC037	4	RC	MLC511	-90	0	120	414003	7827559	385
09WMRC038	4	RC	MLC511	-85	300	100	414014	7827541	383
09WMRC039	4	RC	MLC511	-90	90	64	414022	7827535	382
09WMRC040	4	RC	MLC511	-90	0	93	414031	7827530	381
09WMRC041	4	RC	MLC511	-90	0	108	414065	7827555	384
09WMRC042	4	RC	MLC511	-85	60	150	414095	7827575	384
09WMRC043	5	RC	MLC511	-90	0	140	414257	7827559	384
09WMRC044	5	RC	MLC511	-90	0	120	414298	7827538	387